

# MSUNDUZI ANNUAL REPORT 2018/19

CITY OF CHOICE



PIETERMARITZBURG  
MSUNDUZI





# ANNUAL REPORT 2018/2019 FINANCIAL YEAR

## TABLE OF CONTENTS:

|                                                                                                         |            |
|---------------------------------------------------------------------------------------------------------|------------|
| <b>CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY</b>                                               | <b>4</b>   |
| COMPONENT A: MAYOR’S FOREWORD                                                                           | 4          |
| COMPONENT B: EXECUTIVE SUMMARY                                                                          | 5          |
| <b>CHAPTER 2 – GOVERNANCE</b>                                                                           | <b>23</b>  |
| COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE                                                    | 23         |
| COMPONENT B: INTERGOVERNMENTAL RELATIONS                                                                | 32         |
| COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION                                                    | 34         |
| COMPONENT D: CORPORATE GOVERNANCE                                                                       | 71         |
| <b>CHAPTER 3 – ANNUAL PERFORMANCE REPORT – SERVICE DELIVERY INDICATORS</b>                              | <b>78</b>  |
| INTRODUCTION:                                                                                           | 78         |
| HIGH LEVEL SUMMARY OF PERFORMANCE COMPARISON FOR THE 2017/2018 & 2018/2019 FINANCIAL YEARS (SDBIP & OP) | 79         |
| MEASURES UNDERTAKEN AS PER S46 OF THE MUNICIPAL SYSTEMS ACT TO IMPROVE PERFORMANCE                      | 93         |
| <b>SECTION 1: FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT</b>                          | <b>95</b>  |
| <b>1. COMPONENT A: INFRASTRUCTURE SERVICES</b>                                                          | <b>95</b>  |
| 1.1 WATER SERVICES                                                                                      | 95         |
| 1.2 SANITATION SERVICES                                                                                 | 99         |
| 1.3 ELECTRICITY                                                                                         | 103        |
| 1.4 ROADS                                                                                               | 106        |
| 1.5 TRANSPORTATION PLANNING                                                                             | 109        |
| 1.6 STORM WATER                                                                                         | 111        |
| 1.7 MECHANICAL WORKSHOPS                                                                                | 113        |
| <b>2. COMPONENT B: SUSTAINABLE DEVELOPMENT &amp; CITY ENTERPRISES</b>                                   | <b>115</b> |
| 2.1 PLANNING                                                                                            | 115        |
| 2.2 LOCAL ECONOMIC DEVELOPMENT                                                                          | 116        |
| 2.3 AIRPORT                                                                                             | 119        |
| 2.4 BUILDING CONTROL & SIGNAGE                                                                          | 120        |
| 2.5 MARKET                                                                                              | 123        |
| 2.6 HUMAN SETTLEMENTS                                                                                   | 124        |
| 2.7 ENVIRONMENTAL HEALTH                                                                                | 127        |
| 2.8 ART GALLERY                                                                                         | 130        |
| 2.9 ENVIRONMENTAL MANAGEMENT                                                                            | 132        |
| <b>3. COMPONENT C: COMMUNITY SERVICES</b>                                                               | <b>134</b> |
| 3.1 WASTE MANAGEMENT                                                                                    | 134        |
| 3.2 THEATRES & HALLS                                                                                    | 136        |
| 3.3 CEMETERIES & CREMATORIA                                                                             | 137        |
| 3.4 BIODIVERSITY & LANDSCAPE                                                                            | 139        |
| 3.5 TRAFFIC & PUBLIC SAFETY                                                                             | 140        |
| 3.6 FIRE SERVICES                                                                                       | 142        |
| 3.7 DISASTER MANAGEMENT                                                                                 | 144        |
| 3.8 SPORT & RECREATION                                                                                  | 146        |
| 3.9 LIBRARY SERVICES                                                                                    | 147        |
| 3.10 WASTE MANAGEMENT – LANDFILL SITE                                                                   | 150        |
| <b>4. COMPONENT D: BUDGET &amp; TREASURY</b>                                                            | <b>153</b> |
| 4.1 INDIGENTS (FREE BASIC SERVICES)                                                                     | 153        |
| 4.2 FINANCIAL SERVICES                                                                                  | 154        |
| 4.3 SUPPLY CHAIN MANAGEMENT                                                                             | 158        |
| 4.4 FLEET MANAGEMENT                                                                                    | 191        |
| <b>5. COMPONENT E: CORPORATE SERVICES</b>                                                               | <b>194</b> |
| 5.1 HUMAN RESOURCES SERVICES                                                                            | 194        |
| 5.2 INFORMATION & COMMUNICATION TECHNOLOGY SERVICES                                                     | 195        |
| 5.3 LEGAL SERVICES                                                                                      | 204        |
| 5.4. ORGANISATIONAL DEVELOPMENT PERFORMANCE                                                             | 206        |
| <b>6. COMPONENT F: CORPORATE BUSINESS UNIT</b>                                                          | <b>221</b> |
| 6.1 COUNCIL AND EXECUTIVE                                                                               | 221        |
| 6.2 INTERNAL AUDIT                                                                                      | 225        |
| <b>COMPONENT G: SAFE CITY – MUNICIPAL ENTITY – MSUNDUZI MUNICIPALITY</b>                                | <b>228</b> |
| <b>COMPONENT H: FINANCIAL PERFORMANCE</b>                                                               | <b>235</b> |

|                                                                                                                                                                                        |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>SECTION 2: ANNUAL REPORT ON THE SERVICE DELIVERY &amp; BUDGET IMPLEMENTATION PLAN AND OPERATIONAL PLAN 2018/2019 FY</b>                                                             | <b>236</b> |
| <b>CHAPTER 4 – ANNUAL FINANCIAL STATEMENTS</b>                                                                                                                                         | <b>240</b> |
| <b>CHAPTER 5 – SAFE CITY (MUNICIPAL ENTITY)</b>                                                                                                                                        | <b>372</b> |
| <b>CHAPTER 6 – REPORT ON THE MUNICIPAL INFRASTRUCTURE GRANT (MIG), SEVEN LARGEST CAPITAL PROJECTS PER WARD, TOP FOUR SERVICE DELIVERY PRIORITIES PER WARD 2018/2019 FINANCIAL YEAR</b> | <b>387</b> |
| <b>CHAPTER 7 – REPORT OF THE AUDITOR GENERAL 2018/2019</b>                                                                                                                             | <b>398</b> |
| <b>CHAPTER 8 – RESPONSE TO THE REPORT OF THE AUDITOR GENERAL</b>                                                                                                                       | <b>404</b> |
| <b>CHAPTER 9 – REPORT OF THE AUDIT COMMITTEE &amp; RECOMMENDATIONS OF THE AUDIT COMMITTEE 2018/2019</b>                                                                                | <b>411</b> |
| <b>CHAPTER 10 – FINANCIAL DECLARATIONS OF COUNCILLORS AND MUNICIPAL STAFF</b>                                                                                                          | <b>443</b> |
| <b>ANNUAL PROGRESS REPORT - SERVICE DELIVERY &amp; BUDGET IMPLEMENTATION PLAN 2018/2019</b>                                                                                            | <b>445</b> |
| <b>ANNEXURE A</b>                                                                                                                                                                      | <b>445</b> |
| <b>ANNEXURE B</b>                                                                                                                                                                      | <b>445</b> |
| <b>ANNEXURE C</b>                                                                                                                                                                      | <b>445</b> |
| <b>ANNEXURE D</b>                                                                                                                                                                      | <b>446</b> |
| <b>ANNEXURE E</b>                                                                                                                                                                      | <b>447</b> |
| <b>ANNEXURE F</b>                                                                                                                                                                      | <b>451</b> |
| <b>ANNEXURE G</b>                                                                                                                                                                      | <b>458</b> |
| <b>ANNEXURE H</b>                                                                                                                                                                      | <b>466</b> |
| <b>ANNEXURE I</b>                                                                                                                                                                      | <b>477</b> |
| <b>ANNEXURE J</b>                                                                                                                                                                      | <b>490</b> |
| <b>ANNEXURE 2</b>                                                                                                                                                                      | <b>509</b> |
| <b>ANNEXURE A</b>                                                                                                                                                                      | <b>509</b> |
| <b>ANNEXURE B</b>                                                                                                                                                                      | <b>515</b> |
| <b>ANNEXURE C</b>                                                                                                                                                                      | <b>532</b> |
| <b>ANNEXURE D</b>                                                                                                                                                                      | <b>551</b> |
| <b>ANNEXURE E</b>                                                                                                                                                                      | <b>555</b> |
| <b>ANNEXURE F</b>                                                                                                                                                                      | <b>565</b> |
| <b>NOTES</b>                                                                                                                                                                           | <b>586</b> |

## TABLE OF ABBREVIATIONS

|           |                                                                        |
|-----------|------------------------------------------------------------------------|
| 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                                              |
| MCPP      | 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      | Organisational 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 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

## COMPONENT A: MAYOR’S FOREWORD



**COUNCILLOR M Thebolla**  
**CITY MAYOR**

### FOREWORD BY THE CITY MAYOR, 2018/19

Msunduzi, as a City, sits at a critical point of change. As the second largest Metropolitan complex in the province, its ever-present possibility of reaching Metropolitan status and a shift towards City Development. The geographic location of Msunduzi municipality allows it the opportunity of becoming well connected in the global economy due to the access of various connectivity and growth opportunities throughout Msunduzi, across various sectors such as Tourism and Agriculture. As such, it is essential for physical connectivity to be further improved to stimulate these economic linkages.

During the 2018-2019 financial year the municipality continued to contribute to the Provincial Growth and Development strategy by investing in various projects and programmes across the city. To highlight a few the city invested in water and sanitation infrastructure in line with the strategic objective of ensuring availability and sustainability of water and sanitation in our communities. The Jika Joe human settlements project is in line with the strategic objective of creating sustainable human settlements this project will facilitate the existence of racially and culturally integrated human settlements, which will also promote citizens to pursue their social, cultural, political and economic goals. It will make meaning full steps in moving people from the margins of poverty into the mainstream economy by providing opportunities for sustainable livelihood and development.

The 2018-2019 financial year has also been particularly challenging year for the Msunduzi municipality with the municipality being placed under provincial administration in terms of section 139(1) (b) of the constitution of the Republic of South Africa placing the responsibility on the Ministerial representative to develop a turnaround plan. The municipality experienced distress in terms of financial management, service delivery, economic development and institutional management. The regression of the audit outcomes in previous financial years acted as a signal for the distress that is being experienced by the municipality. Non-collection of revenue, which is the life-blood of the organisation placed the municipality in a challenging position. This has resulted in the municipality enhancing and fast tracking the implementation of revenue enhancement initiatives. The municipality is tracking daily performance of disconnection contractors and having weekly status review meetings. To improve culture of paying for rates and services stakeholder engagement with the public, business and government debtors has been intensified and all illegal connections are being addressed. The City is also working on improving the enforcement by laws to stimulate new revenue.

The municipality received a qualified audit opinion from the Auditor General, which is a slight improvement from the previous financial year. The basis for qualified opinion for the 2018-2019 financial year was Property, Plant and Equipment, Consumer Debtors and revenue transactions these are areas that will be looked into closely through the audit action plan and necessary improvement will need to be instituted by management and the Council will need to play its oversight role.

**THE HONOURABLE MAYOR**  
**COUNCILLOR: COUNCILLOR M THEBOLLA**

## COMPONENT B: EXECUTIVE SUMMARY

### 1. OVERVIEW BY THE CITY MANAGER (ACTING): ANNUAL REPORT 2018/2019



**MRS. N M NGCOBO**  
**CITY MANAGER (ACTING)**

Msunduzi Municipality prepares its Annual Report based on the legislative prescripts as per below.

The Municipal Finance Management Act No. 56 of 2003, Chapter 12, prescribes that every municipality must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.

The purpose of an annual report is –

- to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;
- to provide a report on performance against the budget of the municipality or municipal entity for the financial year; and
- to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

Cities need to have long-range strategies to deal with their growth and development, within the context of rapid urbanization taking place in South Africa and throughout the continent, coupled with a resource-constrained environment. Cities that adopt an integrated approach to development will have more effective and 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 backbone of this approach is the 2018/19 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. Furthermore, it is also essential to appreciate that the delivery of the catalytic and strategic projects requires major public-led infrastructure investment facilitated by various spheres of government. It also requires significant planning and preparation in order to deal with complex technical matters, long lead times and the financial capability to move forward.

During the 2017-2018 financial year the municipality had received an adverse audit outcome and an audit action plan was developed to address all the AG findings during the 2018-2019 financial year. In deed during the 2018-2019 financial year, more emphasis was placed on month end discipline in terms of financial management. A month end checklist was developed and used to ensure that all month end processes are undertaken timeously and correctly. The waste management unit that had been reporting to the office of the City Manager was moved back to the community services business unit as per the approved structure. There has been an improvement of the control environment during the 2018-2019 financial year as compared to 2017-2018 hence the slight improvement in the audit outcome. There are areas that the municipality needs to improve on such as the billing and the subsequent declining revenue and increasing debtors. Although expenditure remains high, expenditure items such as overtime have been investigated to ensure that it is warranted. The expenditure on contracted services was investing during the 2018-2019 financial year and resulted in some official being disciplined. Revenue generation has been a major and ongoing challenge in the 2018-2019 financial year. Many initiatives have been undertaken by the municipality to pursue revenue generation and collection; however, this remains a huge challenge for Msunduzi. An audit action plan was devised to address all the audit findings and further, to improve the municipality's audit outcome. All unauthorised, irregular, fruitless and wasteful expenditure incurred during 2018/19 is subject to investigation.

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**MRS. N M NGCOBO**  
**CITY MANAGER (A)**

## 2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA

Msunduzi Municipality provides Water, Sanitation, Electricity, Refuse Removal, & Housing as part of the Basic Services. It also provides Roads, Stormwater & 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

|               | Total Population | Share of KZN Population | Share of uMgungundlovu | Population growth rate | Population density |
|---------------|------------------|-------------------------|------------------------|------------------------|--------------------|
| KZN           | 10 508 110       | 100.0%                  |                        | 0.8%                   | 112.53             |
| uMgungundlovu | 1 048 876        | 10.0%                   | 100.0%                 | 0.9%                   | 108.63             |
| uMshwathi     | 106 667          | 1.0%                    | 10.2%                  | 0.1%                   | 58.60              |
| uMngeni       | 98 803           | 0.9%                    | 9.4%                   | 1.7%                   | 62.99              |
| Mpofana       | 38 684           | 0.4%                    | 3.7%                   | 0.5%                   | 21.23              |
| Impendle      | 33 285           | 0.3%                    | 3.2%                   | -0.6%                  | 20.04              |
| Msunduzi      | 639 653          | 6.1%                    | 61.0%                  | 1.0%                   | 1 007.94           |
| Mkhambathini  | 64 571           | 0.6%                    | 6.2%                   | 0.9%                   | 71.05              |
| Richmond      | 67 212           | 0.6%                    | 6.4%                   | 0.6%                   | 54.19              |

Source: Global Insight, 2015

#### 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   |
| 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   |



| DESCRIPTION     | MALE | FEMALE | TOTAL |
|-----------------|------|--------|-------|
| 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  |
| 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  |

NB: SOURCE – STATS SA CENSUS 2011

POPULATION BY AGE

| AREA             | POPULATION BY AGE |       |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |      |
|------------------|-------------------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|------|
|                  | 0 - 4             | 5 - 9 | 10 - 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 - 34 | 35 - 39 | 40 - 44 | 45 - 49 | 50 - 54 | 55 - 59 | 60 - 64 | 65 - 69 | 70 - 74 | 75 - 79 | 80 - 84 | 85+  |
| Pietermaritzburg | 19054             | 16688 | 17227   | 20803   | 27458   | 24801   | 18905   | 17335   | 13897   | 11592   | 9489    | 7745    | 6292    | 4193    | 3121    | 2098    | 1545    | 1224 |
| Copesville       | 1922              | 1386  | 1338    | 1546    | 2174    | 2138    | 1515    | 1253    | 975     | 932     | 789     | 503     | 315     | 165     | 106     | 59      | 50      | 30   |
| Whispers         | 746               | 570   | 551     | 679     | 850     | 750     | 527     | 460     | 343     | 246     | 158     | 114     | 114     | 45      | 36      | 20      | 13      | 15   |
| Natal Crushers   | 85                | 48    | 40      | 53      | 107     | 97      | 70      | 66      | 50      | 30      | 21      | 18      | 16      | 10      | 0       | 0       | 0       | 4    |
| Panorama Gardens | 306               | 338   | 404     | 396     | 394     | 331     | 266     | 267     | 333     | 250     | 134     | 87      | 39      | 26      | 18      | 7       | 5       | 5    |
| Eastwood         | 1642              | 1367  | 1345    | 1448    | 2040    | 1961    | 1408    | 1114    | 890     | 727     | 576     | 496     | 370     | 198     | 140     | 66      | 50      | 33   |
| Willowton        | 505               | 430   | 520     | 441     | 657     | 699     | 459     | 428     | 316     | 264     | 176     | 117     | 54      | 24      | 25      | 11      | 7       | 11   |
| Woodlands        | 535               | 492   | 597     | 761     | 650     | 579     | 433     | 474     | 475     | 396     | 358     | 302     | 293     | 175     | 152     | 101     | 49      | 31   |
| Mountain Rise    | 189               | 238   | 262     | 272     | 265     | 239     | 197     | 286     | 237     | 212     | 174     | 185     | 131     | 113     | 95      | 53      | 21      | 24   |
| Queen Elizabeth  | 4                 | 5     | 1       | 2       | 2       | 6       | 4       | 2       | 4       | 5       | 5       | 0       | 0       | 0       | 0       | 0       | 0       | 0    |
| Town Bush Valley | 65                | 61    | 59      | 59      | 52      | 122     | 109     | 76      | 65      | 87      | 76      | 66      | 66      | 67      | 37      | 29      | 9       | 8    |
| Worlds View      | 5                 | 13    | 9       | 13      | 7       | 7       | 4       | 11      | 11      | 7       | 25      | 9       | 0       | 2       | 2       | 2       | 1       | 4    |
| Montrose         | 108               | 123   | 159     | 166     | 114     | 133     | 132     | 171     | 200     | 186     | 151     | 165     | 144     | 116     | 75      | 40      | 35      | 18   |
| Northern Park    | 58                | 54    | 45      | 76      | 301     | 86      | 57      | 78      | 72      | 62      | 85      | 59      | 53      | 53      | 50      | 51      | 29      | 32   |
| Athlone          | 62                | 58    | 82      | 86      | 86      | 63      | 60      | 65      | 85      | 100     | 108     | 91      | 71      | 36      | 45      | 39      | 20      | 8    |

| AREA                | 0 - 4 | 5 - 9 | 10 - 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 - 34 | 35 - 39 | 40 - 44 | 45 - 49 | 50 - 54 | 55 - 59 | 60 - 64 | 65 - 69 | 70 - 74 | 75 - 79 | 80 - 84 | 85+ |
|---------------------|-------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----|
| Town Hill           | 196   | 167   | 197     | 174     | 492     | 485     | 350     | 211     | 185     | 155     | 159     | 142     | 167     | 102     | 127     | 116     | 106     | 72  |
| Wembley             | 78    | 89    | 129     | 138     | 82      | 103     | 87      | 105     | 161     | 156     | 138     | 103     | 108     | 89      | 48      | 41      | 45      | 59  |
| Boughton            | 56    | 73    | 97      | 149     | 89      | 83      | 95      | 115     | 138     | 89      | 107     | 86      | 59      | 57      | 32      | 20      | 8       | 2   |
| Clarendon           | 95    | 106   | 189     | 251     | 139     | 129     | 119     | 138     | 164     | 109     | 144     | 121     | 132     | 92      | 71      | 28      | 22      | 12  |
| Pietermaritzburg SP | 1367  | 1111  | 1106    | 1682    | 3310    | 3110    | 2046    | 1475    | 1006    | 736     | 578     | 485     | 437     | 394     | 324     | 300     | 219     | 208 |
| Manor               | 49    | 33    | 31      | 50      | 54      | 46      | 24      | 28      | 30      | 38      | 52      | 17      | 15      | 8       | 14      | 2       | 4       | 2   |
| Wensleydale         | 49    | 55    | 65      | 95      | 156     | 125     | 76      | 64      | 89      | 60      | 78      | 55      | 37      | 27      | 15      | 13      | 6       | 6   |
| Scottsville         | 413   | 403   | 473     | 1334    | 2631    | 1053    | 650     | 706     | 486     | 352     | 348     | 350     | 262     | 211     | 162     | 106     | 75      | 52  |
| Hayfields           | 357   | 358   | 386     | 384     | 416     | 353     | 375     | 482     | 472     | 424     | 444     | 411     | 407     | 305     | 246     | 185     | 133     | 79  |
| Glenwood            | 284   | 286   | 339     | 329     | 307     | 289     | 196     | 206     | 200     | 214     | 134     | 126     | 57      | 37      | 26      | 12      | 14      | 4   |
| Sobantu             | 630   | 582   | 599     | 708     | 780     | 745     | 614     | 619     | 456     | 384     | 368     | 322     | 246     | 118     | 95      | 73      | 64      | 45  |
| Lester Park         | 20    | 25    | 31      | 35      | 24      | 25      | 15      | 45      | 40      | 28      | 17      | 23      | 22      | 30      | 43      | 34      | 23      | 12  |
| Blackridge          | 66    | 77    | 96      | 121     | 72      | 78      | 67      | 99      | 95      | 67      | 85      | 75      | 76      | 40      | 40      | 24      | 16      | 6   |
| Prestbury           | 314   | 271   | 333     | 276     | 372     | 489     | 456     | 391     | 312     | 284     | 256     | 210     | 181     | 122     | 76      | 54      | 36      | 23  |
| Signal Hill         | 156   | 141   | 84      | 82      | 146     | 266     | 208     | 125     | 68      | 42      | 29      | 22      | 13      | 7       | 5       | 0       | 1       | 5   |
| Lincoln Meade       | 423   | 373   | 304     | 293     | 349     | 475     | 472     | 535     | 399     | 250     | 203     | 177     | 164     | 117     | 86      | 44      | 30      | 13  |
| Napierville         | 174   | 189   | 246     | 340     | 692     | 682     | 549     | 474     | 339     | 234     | 236     | 110     | 66      | 44      | 31      | 9       | 16      | 24  |
| Masons Mill         | 147   | 122   | 113     | 159     | 198     | 203     | 159     | 115     | 65      | 53      | 48      | 30      | 28      | 13      | 4       | 4       | 2       | 4   |
| Camps Drift         | 2     | 0     | 0       | 3       | 4       | 4       | 1       | 4       | 2       | 3       | 0       | 3       | 1       | 0       | 0       | 0       | 0       | 0   |
| Pelham              | 368   | 297   | 289     | 622     | 582     | 627     | 486     | 438     | 363     | 264     | 234     | 250     | 419     | 193     | 149     | 98      | 85      | 121 |
| Fillan Park         | 94    | 117   | 121     | 240     | 288     | 102     | 99      | 68      | 99      | 85      | 76      | 58      | 35      | 13      | 14      | 7       | 8       | 6   |
| The Grange          | 246   | 277   | 320     | 368     | 356     | 302     | 187     | 167     | 171     | 197     | 161     | 91      | 64      | 31      | 30      | 19      | 15      | 5   |
| Westgate            | 768   | 791   | 851     | 1100    | 1177    | 967     | 810     | 787     | 721     | 654     | 515     | 398     | 272     | 211     | 126     | 97      | 60      | 55  |
| Oribi Village       | 227   | 197   | 219     | 231     | 271     | 320     | 267     | 211     | 182     | 177     | 156     | 109     | 89      | 56      | 20      | 23      | 35      | 8   |
| Scottsville Ext     | 85    | 90    | 110     | 124     | 136     | 108     | 94      | 102     | 129     | 94      | 89      | 66      | 54      | 37      | 25      | 25      | 9       | 2   |
| Epworth             | 50    | 57    | 74      | 77      | 83      | 58      | 52      | 68      | 63      | 54      | 67      | 41      | 34      | 20      | 11      | 7       | 10      | 12  |
| The Meadows         | 43    | 36    | 49      | 36      | 37      | 42      | 37      | 39      | 46      | 41      | 49      | 32      | 25      | 13      | 7       | 5       | 5       | 1   |
| Cleland SP          | 81    | 97    | 91      | 82      | 71      | 97      | 102     | 119     | 107     | 72      | 54      | 59      | 53      | 62      | 39      | 25      | 14      | 8   |
| Ockerts Kraal       | 91    | 74    | 81      | 89      | 35      | 69      | 109     | 119     | 93      | 90      | 66      | 44      | 61      | 42      | 22      | 7       | 10      | 9   |
| Bellevue            | 21    | 21    | 40      | 37      | 36      | 25      | 22      | 19      | 36      | 43      | 40      | 47      | 27      | 24      | 17      | 6       | 7       | 0   |
| Ashdown             | 897   | 825   | 802     | 1018    | 1076    | 1008    | 791     | 678     | 456     | 413     | 341     | 330     | 254     | 171     | 109     | 52      | 50      | 33  |
| Plessis-Laer        | 884   | 635   | 705     | 744     | 1102    | 1062    | 720     | 609     | 387     | 383     | 266     | 194     | 129     | 81      | 71      | 35      | 32      | 29  |
| Harewood            | 322   | 248   | 227     | 256     | 312     | 249     | 217     | 209     | 137     | 112     | 70      | 53      | 53      | 27      | 31      | 9       | 7       | 9   |
| Mkondeni            | 0     | 0     | 0       | 0       | 6       | 5       | 8       | 5       | 2       | 3       | 4       | 0       | 0       | 2       | 0       | 0       | 0       | 0   |
| Shorts Retreat      | 122   | 101   | 82      | 91      | 380     | 480     | 344     | 254     | 166     | 89      | 54      | 58      | 31      | 31      | 14      | 6       | 7       | 0   |
| Claveshay           | 75    | 60    | 51      | 60      | 64      | 77      | 77      | 87      | 74      | 57      | 26      | 29      | 28      | 23      | 7       | 6       | 1       | 1   |
| Lynroo              | 38    | 42    | 34      | 42      | 61      | 52      | 37      | 50      | 64      | 30      | 22      | 25      | 24      | 26      | 20      | 11      | 4       | 0   |
| Ridgepark           | 89    | 83    | 93      | 106     | 109     | 90      | 76      | 75      | 77      | 66      | 47      | 36      | 34      | 14      | 9       | 9       | 5       | 1   |
| Richmond Crest      | 28    | 55    | 66      | 65      | 61      | 30      | 29      | 41      | 36      | 51      | 42      | 14      | 16      | 10      | 4       | 1       | 2       | 2   |
| Hazelmere           | 29    | 40    | 46      | 42      | 46      | 43      | 30      | 38      | 31      | 35      | 26      | 31      | 11      | 4       | 5       | 5       | 0       | 4   |
| Oribi Heights       | 33    | 39    | 68      | 72      | 82      | 49      | 45      | 43      | 66      | 67      | 69      | 55      | 27      | 21      | 14      | 4       | 1       | 2   |
| Bisley Heights      | 10    | 14    | 12      | 18      | 19      | 9       | 6       | 20      | 13      | 25      | 19      | 7       | 11      | 6       | 8       | 0       | 0       | 0   |
| Bisley Crest        | 27    | 33    | 31      | 37      | 42      | 31      | 22      | 35      | 29      | 28      | 23      | 23      | 17      | 11      | 5       | 4       | 2       | 1   |
| Slangspruit         | 2092  | 1741  | 1567    | 1732    | 2023    | 1916    | 1497    | 1422    | 1028    | 829     | 492     | 415     | 245     | 156     | 96      | 62      | 50      | 36  |
| Ambleton            | 1226  | 1075  | 970     | 914     | 994     | 1025    | 940     | 948     | 556     | 452     | 221     | 197     | 135     | 66      | 46      | 30      | 18      | 24  |

NB: SOURCE - STATS SA CENSUS 2011

## 2.5. HOUSEHOLDS, HOUSEHOLD SERVICES AND BACKGROUND DATA

TABLE 2: TOTAL NUMBER OF HOUSEHOLDS

|                    |        |
|--------------------|--------|
| CENSUS REPORT 2011 | 223469 |
|--------------------|--------|

TABLE 3: ACCESS TO WATER

| AREA                | No access to piped (tap) water | Piped (tap) water inside the dwelling | Piped (tap) water inside the yard | Piped (tap) water on community stand |
|---------------------|--------------------------------|---------------------------------------|-----------------------------------|--------------------------------------|
| Pietermaritzburg    | 4758                           | 132501                                | 52945                             | 19924                                |
| Copesville          | 2599                           | 5323                                  | 266                               | 8703                                 |
| Whispers            | 26                             | 595                                   | 5363                              | 60                                   |
| Natal Crushers      | 9                              | 19                                    | 14                                | 660                                  |
| Panorama Gardens    | 20                             | 3400                                  | 29                                | 135                                  |
| Eastwood            | 5                              | 7888                                  | 6749                              | 874                                  |
| Willowton           | 52                             | 2683                                  | 2038                              | 248                                  |
| Woodlands           | 110                            | 6093                                  | 93                                | 21                                   |
| Mountain Rise       | 79                             | 2912                                  | 56                                | 124                                  |
| Queen Elizabeth     | 10                             | 19                                    | 10                                | 0                                    |
| Town Bush Valley    | 5                              | 1100                                  | 0                                 | 0                                    |
| Worlds View         | 1                              | 129                                   | 5                                 | 0                                    |
| Montrose            | 0                              | 2205                                  | 9                                 | 5                                    |
| Northern Park       | 4                              | 1057                                  | 15                                | 1                                    |
| Athlone             | 0                              | 1140                                  | 4                                 | 1                                    |
| Town Hill           | 15                             | 2403                                  | 25                                | 15                                   |
| Wembley             | 0                              | 1505                                  | 22                                | 7                                    |
| Boughton            | 7                              | 1131                                  | 60                                | 12                                   |
| Clarendon           | 0                              | 1823                                  | 5                                 | 10                                   |
| Pietermaritzburg SP | 95                             | 14297                                 | 1858                              | 2086                                 |
| Manor               | 0                              | 479                                   | 6                                 | 0                                    |
| Wensleydale         | 0                              | 1034                                  | 10                                | 15                                   |
| Scottsville         | 20                             | 7312                                  | 110                               | 12                                   |
| Hayfields           | 10                             | 5903                                  | 157                               | 14                                   |
| Glenwood            | 4                              | 2379                                  | 612                               | 26                                   |
| Sobantu             | 13                             | 3405                                  | 3759                              | 40                                   |
| Lester Park         | 1                              | 410                                   | 68                                | 1                                    |
| Blackridge          | 0                              | 1082                                  | 14                                | 4                                    |
| Prestbury           | 13                             | 3988                                  | 96                                | 5                                    |
| Signal Hill         | 3                              | 1382                                  | 11                                | 0                                    |
| Lincoln Meade       | 2                              | 4480                                  | 66                                | 112                                  |
| Napierville         | 0                              | 2238                                  | 69                                | 0                                    |
| Masons Mill         | 0                              | 81                                    | 1181                              | 192                                  |
| Camps Drift         | 4                              | 4                                     | 1                                 | 18                                   |
| Pelham              | 24                             | 4944                                  | 63                                | 14                                   |
| Fillan Park         | 0                              | 1440                                  | 4                                 | 2                                    |
| The Grange          | 0                              | 2885                                  | 37                                | 1                                    |
| Westgate            | 25                             | 9973                                  | 240                               | 32                                   |
| Oribi Village       | 34                             | 2616                                  | 31                                | 16                                   |
| Scottsville Ext     | 2                              | 1324                                  | 35                                | 10                                   |
| Epworth             | 0                              | 826                                   | 8                                 | 0                                    |
| The Meadows         | 0                              | 511                                   | 17                                | 0                                    |
| Cleland SP          | 0                              | 1199                                  | 33                                | 2                                    |
| Ockerts Kraal       | 0                              | 1091                                  | 11                                | 2                                    |
| Bellevue            | 8                              | 426                                   | 0                                 | 0                                    |
| Ashdown             | 65                             | 4937                                  | 3653                              | 349                                  |
| Plessis-Laer        | 274                            | 955                                   | 4275                              | 2241                                 |
| Harewood            | 26                             | 198                                   | 1454                              | 837                                  |
| Mkondeni            | 0                              | 34                                    | 1                                 | 0                                    |
| Shortts Retreat     | 14                             | 735                                   | 68                                | 1489                                 |
| Claveshay           | 4                              | 772                                   | 25                                | 4                                    |
| Lynroy              | 0                              | 568                                   | 0                                 | 0                                    |
| Ridgepark           | 0                              | 991                                   | 21                                | 0                                    |
| Richmond Crest      | 0                              | 553                                   | 0                                 | 0                                    |
| Hazelmere           | 0                              | 458                                   | 0                                 | 0                                    |
| Oribi Heights       | 0                              | 727                                   | 4                                 | 0                                    |
| Bisley Heights      | 0                              | 195                                   | 2                                 | 0                                    |
| Bisley Crest        | 0                              | 390                                   | 0                                 | 0                                    |
| Slangspruit         | 841                            | 2792                                  | 11950                             | 1450                                 |
| Ambleton            | 334                            | 1062                                  | 8234                              | 71                                   |

NB: SOURCE – STATS SA CENSUS 2011

**TABLE 4: TOILET FACILITIES BY NUMBER & PERCENTAGE**

|                     | Person adjusted |              |                 |             |                |        | % of Person adjusted |              |                 |             |                |       |
|---------------------|-----------------|--------------|-----------------|-------------|----------------|--------|----------------------|--------------|-----------------|-------------|----------------|-------|
|                     | None            | Flush toilet | Chemical toilet | Pit latrine | Bucket latrine | Total  | None                 | Flush toilet | Chemical toilet | Pit latrine | Bucket latrine | Total |
| Pietermaritzburg    | 3802            | 168358       | 4095            | 27303       | 1661           | 205220 | 2                    | 82           | 2               | 13          | 1              | 100   |
| Copesville          | 648             | 5574         | 1064            | 7928        | 56             | 15269  | 4                    | 37           | 7               | 52          | 0              | 100   |
| Whispers            | 16              | 5976         | 0               | 37          | 0              | 6029   | 0                    | 99           | 0               | 1           | 0              | 100   |
| Natal Crushers      | 183             | 23           | 0               | 483         | 3              | 692    | 26                   | 3            | 0               | 70          | 0              | 100   |
| Panorama Gardens    | 0               | 3448         | 0               | 135         | 0              | 3583   | 0                    | 96           | 0               | 4           | 0              | 100   |
| Eastwood            | 334             | 14626        | 137             | 341         | 40             | 15478  | 2                    | 94           | 1               | 2           | 0              | 100   |
| Willowton           | 212             | 4671         | 0               | 43          | 39             | 4966   | 4                    | 94           | 0               | 1           | 1              | 100   |
| Woodlands           | 57              | 6193         | 6               | 42          | 0              | 6298   | 1                    | 98           | 0               | 1           | 0              | 100   |
| Mountain Rise       | 34              | 2940         | 11              | 23          | 113            | 3121   | 1                    | 94           | 0               | 1           | 4              | 100   |
| Queen Elizabeth     | 8               | 23           | 6               | 2           | 0              | 39     | 21                   | 59           | 15              | 5           | 0              | 100   |
| Town Bush Valley    | 0               | 1105         | 0               | 0           | 0              | 1105   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Worlds View         | 0               | 136          | 0               | 0           | 0              | 136    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Montrose            | 0               | 2212         | 6               | 1           | 0              | 2219   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Northern Park       | 0               | 1072         | 0               | 0           | 0              | 1072   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Athlone             | 0               | 1141         | 2               | 1           | 0              | 1145   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Town Hill           | 4               | 2446         | 0               | 2           | 2              | 2455   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Wembley             | 4               | 1522         | 0               | 7           | 0              | 1533   | 0                    | 99           | 0               | 0           | 0              | 100   |
| Boughton            | 0               | 1174         | 1               | 30          | 0              | 1205   | 0                    | 97           | 0               | 2           | 0              | 100   |
| Clarendon           | 7               | 1819         | 0               | 4           | 0              | 1830   | 0                    | 99           | 0               | 0           | 0              | 100   |
| Pietermaritzburg SP | 82              | 16500        | 21              | 1608        | 51             | 18262  | 0                    | 90           | 0               | 9           | 0              | 100   |
| Manor               | 12              | 473          | 0               | 0           | 0              | 485    | 3                    | 97           | 0               | 0           | 0              | 100   |
| Wensleydale         | 0               | 1054         | 0               | 0           | 0              | 1054   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Scottsville         | 2               | 7433         | 1               | 9           | 0              | 7445   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Hayfields           | 0               | 6021         | 7               | 48          | 0              | 6076   | 0                    | 99           | 0               | 1           | 0              | 100   |
| Glenwood            | 4               | 2977         | 0               | 26          | 9              | 3016   | 0                    | 99           | 0               | 1           | 0              | 100   |
| Sobantu             | 31              | 7133         | 0               | 47          | 3              | 7214   | 0                    | 99           | 0               | 1           | 0              | 100   |
| Lester Park         | 6               | 470          | 1               | 1           | 0              | 478    | 1                    | 98           | 0               | 0           | 0              | 100   |
| Blackridge          | 8               | 1080         | 5               | 1           | 0              | 1094   | 1                    | 99           | 0               | 0           | 0              | 100   |
| Prestbury           | 4               | 4075         | 5               | 16          | 0              | 4099   | 0                    | 99           | 0               | 0           | 0              | 100   |
| Signal Hill         | 0               | 1393         | 0               | 0           | 3              | 1395   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Lincoln Meade       | 9               | 4524         | 11              | 0           | 5              | 4548   | 0                    | 99           | 0               | 0           | 0              | 100   |
| Napierville         | 0               | 2287         | 0               | 9           | 0              | 2296   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Masons Mill         | 9               | 126          | 4               | 1150        | 0              | 1289   | 1                    | 10           | 0               | 89          | 0              | 100   |
| Camps Drift         | 0               | 0            | 0               | 27          | 0              | 27     | 0                    | 0            | 0               | 100         | 0              | 100   |
| Pelham              | 1               | 5023         | 0               | 11          | 0              | 5035   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Fillan Park         | 5               | 1424         | 10              | 0           | 0              | 1440   | 0                    | 99           | 1               | 0           | 0              | 100   |
| The Grange          | 0               | 2907         | 0               | 1           | 0              | 2908   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Westgate            | 36              | 10174        | 1               | 41          | 9              | 10261  | 0                    | 99           | 0               | 0           | 0              | 100   |
| Oribi Village       | 24              | 2657         | 0               | 6           | 9              | 2696   | 1                    | 99           | 0               | 0           | 0              | 100   |
| Scottsville Ext     | 0               | 1353         | 9               | 5           | 5              | 1371   | 0                    | 99           | 1               | 0           | 0              | 100   |
| Epworth             | 5               | 829          | 0               | 0           | 0              | 834    | 1                    | 99           | 0               | 0           | 0              | 100   |
| The Meadows         | 0               | 528          | 0               | 0           | 0              | 528    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Cleland SP          | 0               | 1231         | 0               | 0           | 0              | 1231   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Ockerts Kraal       | 0               | 1098         | 0               | 6           | 0              | 1104   | 0                    | 99           | 0               | 1           | 0              | 100   |
| Bellevue            | 0               | 434          | 0               | 0           | 0              | 434    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Ashdown             | 24              | 8262         | 10              | 627         | 52             | 8974   | 0                    | 92           | 0               | 7           | 1              | 100   |
| Plessis-Laer        | 164             | 1021         | 144             | 5069        | 453            | 6851   | 2                    | 15           | 2               | 74          | 7              | 100   |
| Harewood            | 19              | 80           | 699             | 1555        | 135            | 2488   | 1                    | 3            | 28              | 63          | 5              | 100   |
| Mkondeni            | 0               | 35           | 0               | 0           | 0              | 35     | 0                    | 100          | 0               | 0           | 0              | 100   |
| Shortts Retreat     | 922             | 826          | 16              | 300         | 18             | 2082   | 44                   | 40           | 1               | 14          | 1              | 100   |
| Claveshay           | 0               | 803          | 0               | 0           | 0              | 803    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Lynroy              | 2               | 566          | 0               | 0           | 0              | 568    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Ridgepark           | 0               | 1012         | 0               | 0           | 0              | 1012   | 0                    | 100          | 0               | 0           | 0              | 100   |
| Richmond Crest      | 0               | 552          | 0               | 0           | 1              | 553    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Hazelmere           | 0               | 458          | 0               | 0           | 0              | 458    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Oribi Heights       | 0               | 730          | 1               | 0           | 0              | 731    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Bisley Heights      | 0               | 198          | 0               | 0           | 0              | 198    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Bisley Crest        | 0               | 390          | 0               | 0           | 0              | 390    | 0                    | 100          | 0               | 0           | 0              | 100   |
| Slangspruit         | 219             | 9829         | 1504            | 4800        | 87             | 16439  | 1                    | 60           | 9               | 29          | 1              | 100   |
| Ambleton            | 708             | 4291         | 413             | 2860        | 569            | 8842   | 8                    | 49           | 5               | 32          | 6              | 100   |

**NB: SOURCE – STATS SA CENSUS 2011**

**TABLE 6: ACCESS TO ELECTRICITY - ENERGY FOR LIGHTING BY TYPE**

| AREA                | ELECTRICITY | GAS | PARAFFIN | CANDLES | SOLAR | NONE |
|---------------------|-------------|-----|----------|---------|-------|------|
| Pietermaritzburg    | 189718      | 499 | 2164     | 16635   | 620   | 492  |
| Copesville          | 5444        | 174 | 1356     | 9739    | 47    | 132  |
| Whispers            | 5961        | 0   | 7        | 75      | 1     | 0    |
| Natal Crushers      | 143         | 0   | 44       | 515     | 0     | 0    |
| Panorama Gardens    | 3438        | 9   | 0        | 135     | 0     | 1    |
| Eastwood            | 15238       | 28  | 39       | 131     | 53    | 26   |
| Willowton           | 4701        | 8   | 28       | 257     | 14    | 15   |
| Woodlands           | 6099        | 41  | 9        | 164     | 2     | 0    |
| Mountain Rise       | 2932        | 15  | 111      | 105     | 8     | 0    |
| Queen Elizabeth     | 31          | 0   | 0        | 8       | 0     | 0    |
| Town Bush Valley    | 1099        | 4   | 0        | 0       | 2     | 0    |
| Worlds View         | 132         | 0   | 0        | 0       | 4     | 0    |
| Montrose            | 2216        | 0   | 0        | 3       | 0     | 0    |
| Northern Park       | 1068        | 5   | 1        | 0       | 1     | 1    |
| Athlone             | 1143        | 0   | 0        | 1       | 0     | 0    |
| Town Hill           | 2453        | 0   | 0        | 0       | 5     | 0    |
| Wembley             | 1530        | 0   | 0        | 0       | 4     | 0    |
| Boughton            | 1149        | 21  | 1        | 36      | 0     | 5    |
| Clarendon           | 1818        | 3   | 4        | 0       | 8     | 5    |
| Pietermaritzburg SP | 16087       | 22  | 189      | 1977    | 32    | 29   |
| Manor               | 485         | 0   | 0        | 0       | 0     | 0    |
| Wensleydale         | 1055        | 0   | 0        | 4       | 0     | 0    |
| Scottsville         | 7417        | 7   | 0        | 4       | 25    | 0    |
| Hayfields           | 6022        | 16  | 8        | 0       | 32    | 6    |
| Glenwood            | 2927        | 7   | 0        | 69      | 5     | 13   |
| Sobantu             | 7084        | 0   | 17       | 78      | 21    | 17   |
| Lester Park         | 476         | 1   | 0        | 0       | 0     | 2    |
| Blackridge          | 1088        | 0   | 0        | 0       | 7     | 4    |
| Prestbury           | 4049        | 21  | 8        | 13      | 9     | 2    |
| Signal Hill         | 1386        | 1   | 0        | 0       | 8     | 0    |
| Lincoln Meade       | 4569        | 4   | 1        | 81      | 0     | 5    |
| Napierville         | 2283        | 10  | 0        | 0       | 13    | 2    |
| Masons Mill         | 1394        | 0   | 1        | 60      | 0     | 0    |
| Camps Drift         | 14          | 0   | 0        | 13      | 0     | 0    |
| Pelham              | 4991        | 9   | 4        | 9       | 28    | 4    |
| Fillan Park         | 1425        | 7   | 9        | 5       | 0     | 0    |
| The Grange          | 2909        | 0   | 0        | 10      | 0     | 5    |
| Westgate            | 10156       | 2   | 7        | 20      | 66    | 18   |
| Oribi Village       | 2593        | 0   | 0        | 93      | 6     | 6    |
| Scottsville Ext     | 1350        | 14  | 0        | 0       | 2     | 5    |
| Epworth             | 834         | 0   | 0        | 0       | 0     | 0    |
| The Meadows         | 523         | 0   | 0        | 5       | 0     | 0    |
| Cleland SP          | 1234        | 0   | 0        | 0       | 0     | 0    |
| Ockerts Kraal       | 1103        | 0   | 0        | 0       | 1     | 0    |
| Bellevue            | 431         | 0   | 0        | 0       | 2     | 0    |
| Ashdown             | 8861        | 0   | 40       | 28      | 39    | 36   |
| Plessis-Laer        | 6454        | 16  | 111      | 1111    | 24    | 28   |
| Harewood            | 2218        | 6   | 0        | 221     | 31    | 39   |
| Mkondeni            | 34          | 0   | 0        | 0       | 0     | 1    |
| Shortts Retreat     | 827         | 21  | 134      | 1303    | 1     | 20   |
| Claveshay           | 800         | 0   | 0        | 0       | 0     | 4    |
| Lynroy              | 566         | 0   | 0        | 0       | 3     | 0    |
| Ridgepark           | 1011        | 0   | 1        | 0       | 0     | 0    |
| Richmond Crest      | 553         | 0   | 0        | 0       | 0     | 0    |
| Hazelmere           | 452         | 0   | 0        | 0       | 6     | 0    |
| Oribi Heights       | 730         | 0   | 0        | 0       | 1     | 0    |
| Bisley Heights      | 198         | 0   | 0        | 0       | 0     | 0    |
| Bisley Crest        | 390         | 0   | 0        | 0       | 0     | 0    |
| Slangspruit         | 16593       | 21  | 11       | 282     | 91    | 35   |
| Ambleton            | 9551        | 7   | 24       | 81      | 13    | 26   |

**NB: SOURCE – STATS SA CENSUS 2011**

**TABLE 7: FUNCTIONAL LITERACY – HIGHEST EDUCATIONAL LEVEL**

| AREA                | NO SCHOOLING | SOME PRIMARY | COMPLETED PRIMARY | SOME SEC-ONDARY | COMPLETED SECONDARY | HIGHER |
|---------------------|--------------|--------------|-------------------|-----------------|---------------------|--------|
| Pietermaritzburg    | 4606         | 11446        | 4513              | 44739           | 47952               | 28495  |
| Copesville          | 1084         | 2222         | 878               | 4265            | 2263                | 257    |
| Whispers            | 246          | 571          | 221               | 1642            | 945                 | 66     |
| Natal Crushers      | 39           | 113          | 38                | 232             | 57                  | 9      |
| Panorama Gardens    | 19           | 108          | 37                | 416             | 1041                | 532    |
| Eastwood            | 652          | 1068         | 442               | 4243            | 3045                | 606    |
| Willowton           | 105          | 364          | 138               | 1386            | 1108                | 129    |
| Woodlands           | 59           | 299          | 136               | 1645            | 1421                | 662    |
| Mountain Rise       | 60           | 174          | 95                | 588             | 812                 | 482    |
| Queen Elizabeth     | 3            | 3            | 1                 | 5               | 6                   | 8      |
| Town Bush Valley    | 3            | 20           | 2                 | 109             | 231                 | 500    |
| Worlds View         | 0            | 1            | 4                 | 15              | 29                  | 45     |
| Montrose            | 4            | 33           | 18                | 209             | 553                 | 841    |
| Northern Park       | 4            | 17           | 4                 | 250             | 335                 | 234    |
| Athlone             | 4            | 26           | 5                 | 91              | 245                 | 479    |
| Town Hill           | 9            | 56           | 21                | 317             | 678                 | 906    |
| Wembley             | 2            | 32           | 6                 | 114             | 286                 | 680    |
| Boughton            | 17           | 40           | 15                | 179             | 321                 | 337    |
| Clarendon           | 5            | 17           | 6                 | 217             | 439                 | 711    |
| Pietermaritzburg SP | 279          | 929          | 381               | 4339            | 5429                | 2416   |
| Manor               | 5            | 13           | 9                 | 129             | 133                 | 43     |
| Wensleydale         | 5            | 24           | 18                | 151             | 336                 | 268    |
| Scottsville         | 17           | 100          | 40                | 782             | 2203                | 2342   |
| Hayfields           | 28           | 107          | 42                | 1043            | 1678                | 1798   |
| Glenwood            | 61           | 153          | 77                | 531             | 608                 | 378    |
| Sobantu             | 76           | 339          | 149               | 2016            | 1776                | 558    |
| Lester Park         | 10           | 13           | 6                 | 132             | 89                  | 125    |
| Blackridge          | 7            | 23           | 7                 | 178             | 334                 | 257    |
| Prestbury           | 18           | 96           | 34                | 728             | 1079                | 1016   |
| Signal Hill         | 6            | 25           | 9                 | 128             | 310                 | 455    |
| Lincoln Meade       | 31           | 130          | 55                | 553             | 1109                | 1396   |
| Napierville         | 9            | 85           | 22                | 401             | 588                 | 403    |
| Masons Mill         | 19           | 92           | 46                | 413             | 272                 | 82     |
| Camps Drift         | 0            | 8            | 1                 | 8               | 5                   | 0      |
| Pelham              | 31           | 84           | 16                | 695             | 1229                | 1697   |
| Fillan Park         | 9            | 27           | 4                 | 105             | 611                 | 202    |
| The Grange          | 29           | 75           | 14                | 316             | 911                 | 443    |
| Westgate            | 162          | 207          | 83                | 1375            | 2606                | 2361   |
| Oribi Village       | 52           | 175          | 56                | 752             | 768                 | 114    |
| Scottsville Ext     | 2            | 15           | 9                 | 256             | 360                 | 319    |
| Epworth             | 3            | 10           | 5                 | 102             | 213                 | 245    |
| The Meadows         | 0            | 3            | 4                 | 90              | 159                 | 122    |
| Cleland SP          | 2            | 16           | 14                | 184             | 384                 | 275    |
| Ockerts Kraal       | 5            | 14           | 7                 | 154             | 199                 | 388    |
| Bellevue            | 0            | 3            | 1                 | 70              | 118                 | 156    |
| Ashdown             | 114          | 528          | 206               | 2111            | 2094                | 702    |
| Plessis-Laer        | 151          | 596          | 213               | 2106            | 1496                | 412    |
| Harewood            | 88           | 251          | 90                | 616             | 432                 | 20     |
| Mkondeni            | 1            | 2            | 1                 | 16              | 12                  | 3      |
| Shortts Retreat     | 89           | 158          | 74                | 775             | 609                 | 206    |
| Claveshay           | 11           | 12           | 4                 | 115             | 234                 | 181    |
| Lynroy              | 9            | 5            | 6                 | 110             | 154                 | 135    |
| Ridgepark           | 5            | 23           | 2                 | 95              | 258                 | 258    |
| Richmond Crest      | 7            | 10           | 5                 | 35              | 137                 | 144    |
| Hazelmere           | 4            | 14           | 9                 | 39              | 114                 | 126    |
| Oribi Heights       | 4            | 14           | 5                 | 101             | 183                 | 238    |
| Bisley Heights      | 0            | 8            | 0                 | 36              | 42                  | 57     |
| Bisley Crest        | 2            | 2            | 2                 | 56              | 78                  | 131    |
| Slangspruit         | 455          | 1223         | 455               | 4526            | 3223                | 338    |
| Ambleton            | 487          | 669          | 265               | 2451            | 1568                | 201    |

**NB: SOURCE – STATS SA CENSUS 2011**

**TABLE 8: HEALTH FACILITIES WITHIN MSUNDUZI MUNICIPALITY**

| Name sub-District | Mobiles | Satellites | Clinics | Community Health Centres |
|-------------------|---------|------------|---------|--------------------------|
| Msunduzi          | 6       | 7          | 31      | 2                        |

**TABLE 9: DISTRIBUTION OF CHILD HEADED HOUSEHOLDS – 1996, 2001 AND 2011**

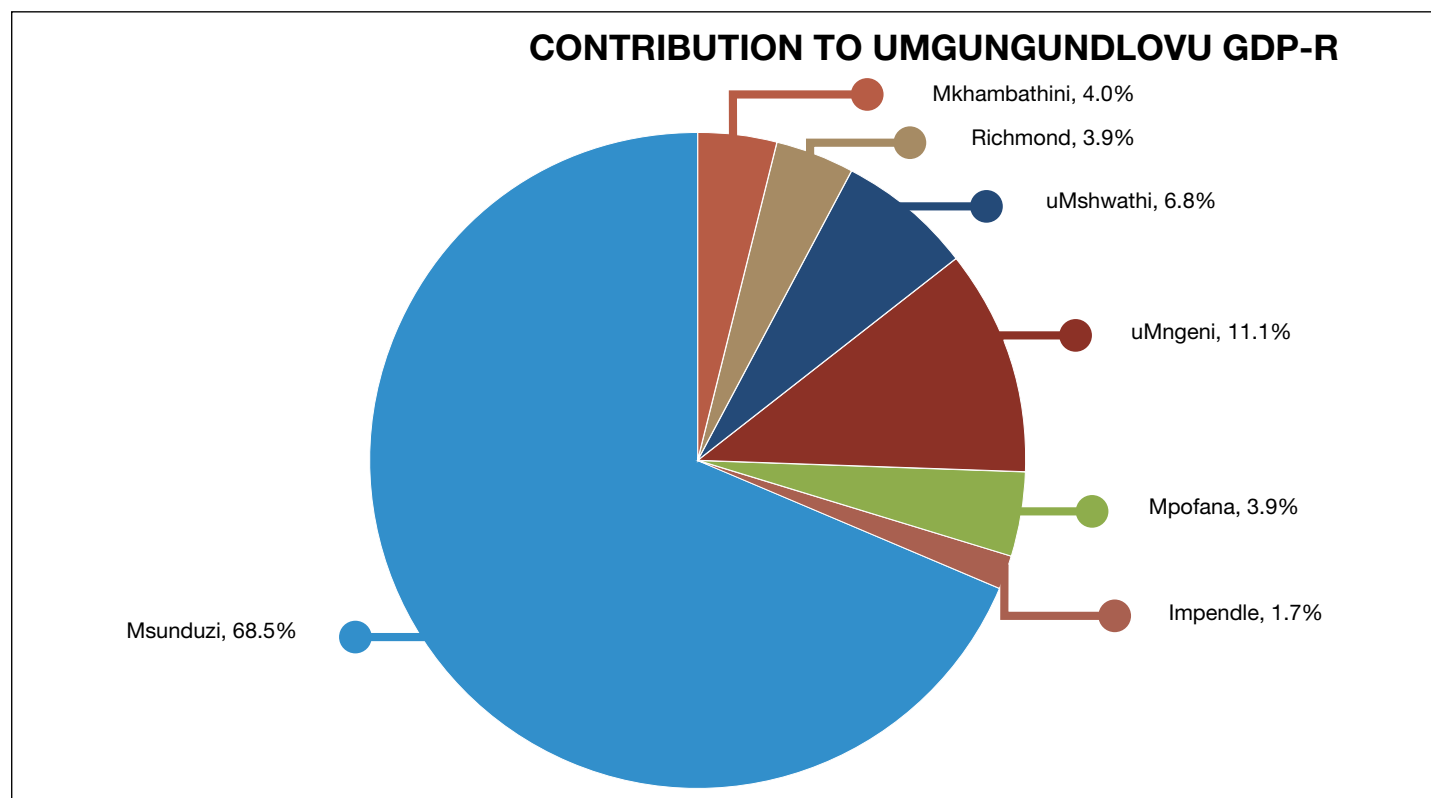
| Municipality          | No. of households headed by children (0-17 years) |      |      | % of households headed by children (0-17 years) |      |      |
|-----------------------|---------------------------------------------------|------|------|-------------------------------------------------|------|------|
|                       | 1996                                              | 2001 | 2011 | 1996                                            | 2001 | 2011 |
| MSUNDUZI MUNICIPALITY | 1,067                                             | 674  | 920  | 0,9                                             | 0,3  | 0,6  |

## THE ECONOMY

The Municipality possesses a number of economic advantages, including:

- Locational Advantages: the centrality of the Municipality and the fact that the Municipality is bisected by the N3 corridor, which is the primary logistical corridor linking Gauteng and the Durban Harbour;
- Natural/Geographical Advantages: Highly fertile land;
- Human Capital Advantages: Good Schools and Tertiary institutions; and
- Institutional Advantages: Msunduzi enjoys the 'Capital City' Status.

## CONTRIBUTION TO UMGUNGUNDLOVU GDP-R



Source: Global Insight, 2015

## SECTOR CONTRIBUTION (2014)

|                         | KZN           | uMgungundlovu | uMshwathi     | uMngeni       | Mpofana       | Impendle      | Msunduzi      | Mkhambathini  | Richmond      |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Primary sector</b>   | <b>6.8%</b>   | <b>10.6%</b>  | <b>30.8%</b>  | <b>13.3%</b>  | <b>33.7%</b>  | <b>36.5%</b>  | <b>4.9%</b>   | <b>13.1%</b>  | <b>29.7%</b>  |
| Agriculture             | 4.8%          | 10.0%         | 28.9%         | 12.9%         | 33.4%         | 36.0%         | 4.3%          | 12.5%         | 29.1%         |
| Mining                  | 1.9%          | 0.6%          | 1.9%          | 0.4%          | 0.3%          | 0.4%          | 0.6%          | 0.5%          | 0.5%          |
| <b>Secondary sector</b> | <b>25.3%</b>  | <b>23.2%</b>  | <b>26.4%</b>  | <b>25.5%</b>  | <b>18.1%</b>  | <b>15.5%</b>  | <b>23.3%</b>  | <b>24.2%</b>  | <b>17.4%</b>  |
| Manufacturing           | 18.3%         | 15.5%         | 21.9%         | 16.1%         | 11.6%         | 7.2%          | 15.4%         | 16.8%         | 11.5%         |
| Electricity             | 2.4%          | 3.9%          | 2.2%          | 5.3%          | 3.3%          | 3.2%          | 4.0%          | 3.5%          | 2.6%          |
| Construction            | 4.6%          | 3.8%          | 2.2%          | 4.1%          | 3.1%          | 5.1%          | 3.9%          | 3.8%          | 3.3%          |
| <b>Tertiary sector</b>  | <b>68.0%</b>  | <b>66.2%</b>  | <b>42.9%</b>  | <b>61.3%</b>  | <b>48.2%</b>  | <b>48.0%</b>  | <b>71.8%</b>  | <b>62.8%</b>  | <b>52.9%</b>  |
| Trade                   | 15.5%         | 13.6%         | 11.7%         | 12.9%         | 12.6%         | 14.6%         | 14.0%         | 13.5%         | 12.7%         |
| Transport               | 12.3%         | 10.4%         | 8.7%          | 8.5%          | 8.9%          | 7.3%          | 11.2%         | 9.9%          | 8.6%          |
| Finance                 | 18.1%         | 15.9%         | 7.2%          | 15.8%         | 7.3%          | 5.3%          | 18.0%         | 15.5%         | 9.2%          |
| Community Services      | 22.0%         | 26.2%         | 15.2%         | 24.0%         | 19.5%         | 20.8%         | 28.6%         | 23.9%         | 22.4%         |
| <b>Total Industries</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

Source: Global Insight, 2015

## EMPLOYMENT BY SECTOR (2014)

|                         | KZN           | uMgungundlovu | uMshwathi     | uMngeni       | Mpofana       | Impendle      | Msunduzi      | Mkhambathini  | Richmond      |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Primary sector</b>   | <b>5.0%</b>   | <b>9.4%</b>   | <b>18.2%</b>  | <b>18.1%</b>  | <b>21.9%</b>  | <b>10.0%</b>  | <b>5.4%</b>   | <b>12.0%</b>  | <b>19.5%</b>  |
| Agriculture             | 4.5%          | 9.2%          | 18.1%         | 18.0%         | 20.1%         | 9.6%          | 5.2%          | 11.8%         | 19.3%         |
| Mining                  | 0.5%          | 0.2%          | 0.2%          | 0.1%          | 1.8%          | 0.4%          | 0.1%          | 0.2%          | 0.1%          |
| <b>Secondary sector</b> | <b>21.5%</b>  | <b>20.6%</b>  | <b>20.8%</b>  | <b>17.3%</b>  | <b>19.8%</b>  | <b>15.2%</b>  | <b>21.4%</b>  | <b>21.6%</b>  | <b>18.3%</b>  |
| Manufacturing           | 14.5%         | 13.5%         | 14.9%         | 11.2%         | 7.3%          | 4.9%          | 14.4%         | 14.7%         | 11.3%         |
| Electricity             | 0.5%          | 0.6%          | 0.5%          | 0.5%          | 0.3%          | 1.4%          | 0.6%          | 0.6%          | 0.3%          |
| Construction            | 6.5%          | 6.6%          | 5.4%          | 5.6%          | 12.2%         | 8.9%          | 6.5%          | 6.3%          | 6.3%          |
| <b>Tertiary sector</b>  | <b>62.6%</b>  | <b>58.7%</b>  | <b>46.9%</b>  | <b>53.6%</b>  | <b>48.0%</b>  | <b>59.3%</b>  | <b>62.2%</b>  | <b>56.2%</b>  | <b>50.9%</b>  |
| Trade                   | 16.7%         | 14.6%         | 14.0%         | 12.7%         | 16.5%         | 9.8%          | 15.2%         | 14.4%         | 12.6%         |
| Transport               | 6.0%          | 3.6%          | 2.9%          | 3.0%          | 3.2%          | 3.6%          | 3.6%          | 5.6%          | 4.6%          |
| Finance                 | 15.4%         | 13.2%         | 9.2%          | 11.8%         | 6.5%          | 10.5%         | 14.4%         | 14.4%         | 11.8%         |
| Community Services      | 24.5%         | 27.2%         | 20.8%         | 26.0%         | 21.7%         | 35.4%         | 29.0%         | 21.8%         | 21.8%         |
| <b>Households</b>       | <b>10.9%</b>  | <b>11.3%</b>  | <b>14.1%</b>  | <b>11.0%</b>  | <b>10.4%</b>  | <b>15.4%</b>  | <b>11.0%</b>  | <b>10.2%</b>  | <b>11.3%</b>  |
| <b>Total Industries</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

Source: Global Insight, 2015

## INTERNATIONAL TRADE: EXPORTS AS PERCENTAGE OF GDP-R, 2014

|                  | Exports (R 1000) | Imports (R 1000) | Exports (%) | Imports (%) | Exports as % of GDP |
|------------------|------------------|------------------|-------------|-------------|---------------------|
| KZN              | 118 006 121      | 118 006 695      | 50.0        | 50.0        | 19.4                |
| uMgungundlovu DM | 12 215 056       | 11 838 576       | 50.8        | 49.2        | 20.7                |
| uMshwathi        | 217 623          | 54 838           | 79.9        | 20.1        | 5.4                 |
| uMngeni          | 334 809          | 251 367          | 57.1        | 42.9        | 5.2                 |
| Mpofana          | 102 673          | 253 283          | 28.8        | 71.2        | 4.4                 |
| Impendle         | 979              | 598              | 62.1        | 37.9        | 0.1                 |
| Msunduzi         | 11 538 473       | 11 230 215       | 50.7        | 49.3        | 28.5                |
| Mkhambathini     | 19 735           | 46 195           | 29.9        | 70.1        | 0.8                 |
| Richmond         | 765              | 2 080            | 26.9        | 73.1        | 0.0                 |

Source: Global Insight, 2015

## EMPLOYMENT STATUS

| AREA                | Employed | Unemployed | Discouraged work-seeker | Other not economically active |
|---------------------|----------|------------|-------------------------|-------------------------------|
| Pietermaritzburg    | 72175    | 22761      | 5973                    | 49308                         |
| Copesville          | 4776     | 2028       | 886                     | 4450                          |
| Whispers            | 1594     | 916        | 214                     | 1517                          |
| Natal Crushers      | 312      | 74         | 35                      | 107                           |
| Panorama Gardens    | 1417     | 298        | 37                      | 744                           |
| Eastwood            | 4457     | 2365       | 632                     | 3575                          |
| Willowton           | 1559     | 797        | 266                     | 976                           |
| Woodlands           | 1843     | 625        | 357                     | 1566                          |
| Mountain Rise       | 1033     | 110        | 24                      | 1032                          |
| Queen Elizabeth     | 18       | 8          | 0                       | 2                             |
| Town Bush Valley    | 611      | 13         | 6                       | 146                           |
| Worlds View         | 61       | 3          | 1                       | 31                            |
| Montrose            | 1158     | 35         | 11                      | 356                           |
| Northern Park       | 501      | 60         | 5                       | 146                           |
| Athlone             | 608      | 22         | 0                       | 185                           |
| Town Hill           | 1271     | 40         | 6                       | 316                           |
| Wembley             | 837      | 41         | 4                       | 236                           |
| Boughton            | 677      | 32         | 6                       | 180                           |
| Clarendon           | 973      | 35         | 13                      | 278                           |
| Pietermaritzburg SP | 7199     | 1973       | 262                     | 4671                          |
| Manor               | 177      | 21         | 53                      | 104                           |
| Wensleydale         | 462      | 44         | 11                      | 317                           |
| Scottsville         | 3175     | 261        | 47                      | 2295                          |
| Hayfields           | 2812     | 176        | 37                      | 1142                          |
| Glenwood            | 638      | 309        | 34                      | 1079                          |
| Sobantu             | 2051     | 1226       | 257                     | 1707                          |
| Lester Park         | 190      | 20         | 29                      | 34                            |
| Blackridge          | 468      | 33         | 13                      | 268                           |
| Prestbury           | 2141     | 176        | 16                      | 622                           |
| Signal Hill         | 748      | 59         | 3                       | 192                           |
| Lincoln Meade       | 2343     | 134        | 100                     | 740                           |
| Napierville         | 948      | 176        | 21                      | 539                           |
| Masons Mill         | 383      | 471        | 5                       | 201                           |
| Camps Drift         | 16       | 5          | 0                       | 4                             |



| AREA            | Employed | Unemployed | Discouraged work-seeker | Other not economically active |
|-----------------|----------|------------|-------------------------|-------------------------------|
| Pelham          | 2513     | 145        | 52                      | 939                           |
| Fillan Park     | 452      | 131        | 43                      | 506                           |
| The Grange      | 922      | 384        | 138                     | 620                           |
| Westgate        | 3940     | 1098       | 134                     | 2223                          |
| Oribi Village   | 791      | 442        | 29                      | 751                           |
| Scottsville Ext | 631      | 44         | 24                      | 297                           |
| Epworth         | 408      | 37         | 1                       | 150                           |
| The Meadows     | 273      | 10         | 4                       | 97                            |
| Cleland SP      | 534      | 43         | 10                      | 230                           |
| Ockert's Kraal  | 579      | 28         | 5                       | 162                           |
| Bellevue        | 251      | 7          | 7                       | 66                            |
| Ashdown         | 2175     | 1693       | 178                     | 2320                          |
| Plessis-Laer    | 1800     | 1554       | 427                     | 1725                          |
| Harewood        | 302      | 593        | 31                      | 741                           |
| Mkondeni        | 33       | 0          | 0                       | 0                             |
| Shortts Retreat | 896      | 338        | 135                     | 580                           |
| Claveshay       | 377      | 19         | 12                      | 172                           |
| Lynroy          | 279      | 6          | 14                      | 107                           |
| Ridgepark       | 345      | 29         | 105                     | 237                           |
| Richmond Crest  | 204      | 23         | 4                       | 155                           |
| Hazelmere       | 204      | 30         | 0                       | 99                            |
| Oribi Heights   | 379      | 45         | 13                      | 140                           |
| Bisley Heights  | 97       | 10         | 0                       | 40                            |
| Bisley Crest    | 193      | 8          | 13                      | 73                            |
| Slangspruit     | 3780     | 2174       | 883                     | 4711                          |
| Ambleton        | 2359     | 1287       | 323                     | 2408                          |

NB: SOURCE – STATS SA CENSUS 2011

EMPLOYMENT BY INDUSTRY

| AREA             | Agricultural; hunting; forestry and fishing | Mining and quarrying | Manufacturing | Electricity; gas and water supply | Construction | Wholesale and retail trade | Transport; storage and communication | Financial intermediation; insurance; real estate and business services | Community, social and personal services | Private households |
|------------------|---------------------------------------------|----------------------|---------------|-----------------------------------|--------------|----------------------------|--------------------------------------|------------------------------------------------------------------------|-----------------------------------------|--------------------|
| Pietermaritzburg | 1841                                        | 410                  | 7914          | 832                               | 5357         | 10473                      | 3632                                 | 10383                                                                  | 24499                                   | 6823               |
| Copesville       | 201                                         | 20                   | 435           | 15                                | 1054         | 811                        | 173                                  | 404                                                                    | 505                                     | 1158               |
| Whispers         | 116                                         | 1                    | 233           | 9                                 | 177          | 300                        | 79                                   | 179                                                                    | 226                                     | 273                |
| Natal Crushers   | 7                                           | 0                    | 43            | 1                                 | 42           | 44                         | 7                                    | 14                                                                     | 35                                      | 119                |
| Panorama Gardens | 20                                          | 8                    | 59            | 11                                | 49           | 117                        | 57                                   | 175                                                                    | 791                                     | 130                |
| Eastwood         | 102                                         | 23                   | 991           | 28                                | 431          | 734                        | 268                                  | 513                                                                    | 949                                     | 419                |
| Willowton        | 24                                          | 8                    | 300           | 7                                 | 150          | 270                        | 61                                   | 156                                                                    | 371                                     | 212                |
| Woodlands        | 21                                          | 13                   | 282           | 18                                | 167          | 312                        | 49                                   | 192                                                                    | 707                                     | 82                 |
| Mountain Rise    | 13                                          | 0                    | 113           | 7                                 | 40           | 267                        | 38                                   | 109                                                                    | 302                                     | 145                |
| Queen Elizabeth  | 0                                           | 0                    | 2             | 4                                 | 0            | 4                          | 0                                    | 0                                                                      | 7                                       | 2                  |
| Town Bush Valley | 25                                          | 1                    | 47            | 1                                 | 43           | 50                         | 13                                   | 116                                                                    | 281                                     | 32                 |
| Worlds View      | 1                                           | 0                    | 2             | 0                                 | 6            | 5                          | 1                                    | 16                                                                     | 18                                      | 11                 |
| Montrose         | 21                                          | 1                    | 120           | 4                                 | 96           | 98                         | 24                                   | 221                                                                    | 471                                     | 102                |
| Northern Park    | 6                                           | 0                    | 64            | 6                                 | 32           | 47                         | 14                                   | 79                                                                     | 189                                     | 62                 |
| Athlone          | 13                                          | 0                    | 72            | 4                                 | 16           | 47                         | 20                                   | 156                                                                    | 237                                     | 43                 |

| AREA                | Agriculture; hunting; forestry and fishing | Mining and quarrying | Manufacturing | Electricity; gas and water supply | Construction | Wholesale and retail trade | Transport; storage and communication | Financial intermediation; insurance; real estate and business services | Community, social and personal services | Private households |
|---------------------|--------------------------------------------|----------------------|---------------|-----------------------------------|--------------|----------------------------|--------------------------------------|------------------------------------------------------------------------|-----------------------------------------|--------------------|
| Town Hill           | 37                                         | 5                    | 68            | 12                                | 58           | 122                        | 43                                   | 238                                                                    | 617                                     | 72                 |
| Wembley             | 45                                         | 1                    | 80            | 2                                 | 36           | 87                         | 46                                   | 198                                                                    | 267                                     | 76                 |
| Boughton            | 81                                         | 1                    | 65            | 5                                 | 52           | 59                         | 26                                   | 132                                                                    | 206                                     | 50                 |
| Clarendon           | 36                                         | 1                    | 64            | 10                                | 65           | 167                        | 22                                   | 194                                                                    | 331                                     | 82                 |
| Pietermaritzburg SP | 128                                        | 40                   | 668           | 55                                | 453          | 1603                       | 311                                  | 1110                                                                   | 2360                                    | 469                |
| Manor               | 8                                          | 1                    | 15            | 2                                 | 11           | 38                         | 9                                    | 23                                                                     | 66                                      | 2                  |
| Wensleydale         | 2                                          | 1                    | 31            | 17                                | 28           | 65                         | 19                                   | 101                                                                    | 176                                     | 23                 |
| Scottsville         | 82                                         | 8                    | 218           | 38                                | 152          | 402                        | 111                                  | 515                                                                    | 1453                                    | 196                |
| Hayfields           | 101                                        | 6                    | 254           | 47                                | 160          | 331                        | 156                                  | 627                                                                    | 984                                     | 147                |
| Glenwood            | 3                                          | 9                    | 110           | 2                                 | 43           | 76                         | 20                                   | 67                                                                     | 283                                     | 25                 |
| Sobantu             | 66                                         | 14                   | 334           | 5                                 | 98           | 297                        | 82                                   | 207                                                                    | 661                                     | 286                |
| Lester Park         | 23                                         | 0                    | 24            | 0                                 | 10           | 22                         | 6                                    | 50                                                                     | 49                                      | 6                  |
| Blackridge          | 13                                         | 0                    | 41            | 7                                 | 41           | 80                         | 23                                   | 87                                                                     | 141                                     | 35                 |
| Prestbury           | 40                                         | 4                    | 153           | 48                                | 142          | 221                        | 86                                   | 358                                                                    | 975                                     | 114                |
| Signal Hill         | 9                                          | 1                    | 36            | 9                                 | 27           | 99                         | 56                                   | 143                                                                    | 338                                     | 29                 |
| Lincoln Meade       | 34                                         | 21                   | 246           | 62                                | 144          | 210                        | 160                                  | 383                                                                    | 937                                     | 146                |
| Napierville         | 16                                         | 0                    | 50            | 17                                | 41           | 70                         | 75                                   | 118                                                                    | 519                                     | 39                 |
| Masons Mill         | 6                                          | 1                    | 69            | 4                                 | 23           | 90                         | 21                                   | 55                                                                     | 52                                      | 63                 |
| Camps Drift         | 0                                          | 0                    | 3             | 0                                 | 0            | 2                          | 1                                    | 2                                                                      | 6                                       | 2                  |
| Pelham              | 49                                         | 43                   | 195           | 52                                | 146          | 204                        | 95                                   | 443                                                                    | 1108                                    | 177                |
| Filan Park          | 4                                          | 21                   | 15            | 7                                 | 1            | 21                         | 86                                   | 46                                                                     | 231                                     | 20                 |
| The Grange          | 17                                         | 8                    | 39            | 10                                | 4            | 60                         | 47                                   | 77                                                                     | 584                                     | 76                 |
| Westgate            | 60                                         | 36                   | 348           | 66                                | 122          | 309                        | 173                                  | 464                                                                    | 2069                                    | 294                |
| Oribi Village       | 12                                         | 9                    | 128           | 23                                | 58           | 116                        | 50                                   | 94                                                                     | 260                                     | 40                 |
| Scottsville Ext     | 13                                         | 4                    | 53            | 15                                | 28           | 51                         | 26                                   | 102                                                                    | 318                                     | 21                 |
| Epworth             | 16                                         | 0                    | 46            | 10                                | 20           | 29                         | 29                                   | 66                                                                     | 174                                     | 19                 |
| The Meadows         | 5                                          | 1                    | 20            | 8                                 | 48           | 39                         | 15                                   | 38                                                                     | 78                                      | 23                 |
| Cleland SP          | 24                                         | 3                    | 59            | 16                                | 24           | 72                         | 41                                   | 61                                                                     | 209                                     | 26                 |
| Oockerts Kraal      | 10                                         | 5                    | 48            | 12                                | 72           | 56                         | 40                                   | 148                                                                    | 173                                     | 16                 |
| Bellevue            | 0                                          | 19                   | 26            | 0                                 | 24           | 16                         | 14                                   | 66                                                                     | 79                                      | 6                  |
| Ashdown             | 14                                         | 10                   | 197           | 13                                | 88           | 350                        | 170                                  | 280                                                                    | 937                                     | 116                |
| Plessis-Laer        | 16                                         | 5                    | 240           | 6                                 | 103          | 350                        | 132                                  | 282                                                                    | 439                                     | 226                |
| Harewood            | 23                                         | 0                    | 43            | 1                                 | 36           | 39                         | 11                                   | 45                                                                     | 72                                      | 32                 |
| Mkondeni            | 4                                          | 0                    | 9             | 0                                 | 6            | 7                          | 2                                    | 0                                                                      | 5                                       | 0                  |
| Shortts Retreat     | 18                                         | 4                    | 183           | 28                                | 106          | 198                        | 53                                   | 84                                                                     | 177                                     | 46                 |
| Claveshay           | 17                                         | 1                    | 43            | 18                                | 15           | 36                         | 16                                   | 73                                                                     | 150                                     | 7                  |
| Lynroy              | 9                                          | 2                    | 35            | 19                                | 15           | 22                         | 6                                    | 58                                                                     | 104                                     | 7                  |
| Ridgepark           | 5                                          | 0                    | 11            | 4                                 | 3            | 2                          | 33                                   | 29                                                                     | 245                                     | 11                 |
| Richmond Crest      | 1                                          | 3                    | 5             | 1                                 | 9            | 30                         | 10                                   | 20                                                                     | 121                                     | 4                  |
| Hazelmere           | 2                                          | 4                    | 7             | 4                                 | 11           | 27                         | 6                                    | 24                                                                     | 105                                     | 12                 |
| Oribi Heights       | 6                                          | 4                    | 27            | 5                                 | 11           | 62                         | 9                                    | 29                                                                     | 192                                     | 35                 |
| Bisley Heights      | 0                                          | 2                    | 0             | 0                                 | 4            | 20                         | 6                                    | 13                                                                     | 45                                      | 6                  |
| Bisley Crest        | 2                                          | 3                    | 7             | 8                                 | 4            | 22                         | 7                                    | 22                                                                     | 96                                      | 21                 |
| Slangspruit         | 87                                         | 5                    | 562           | 36                                | 325          | 708                        | 303                                  | 480                                                                    | 704                                     | 568                |
| Ambleton            | 126                                        | 27                   | 280           | 14                                | 188          | 478                        | 174                                  | 397                                                                    | 314                                     | 359                |

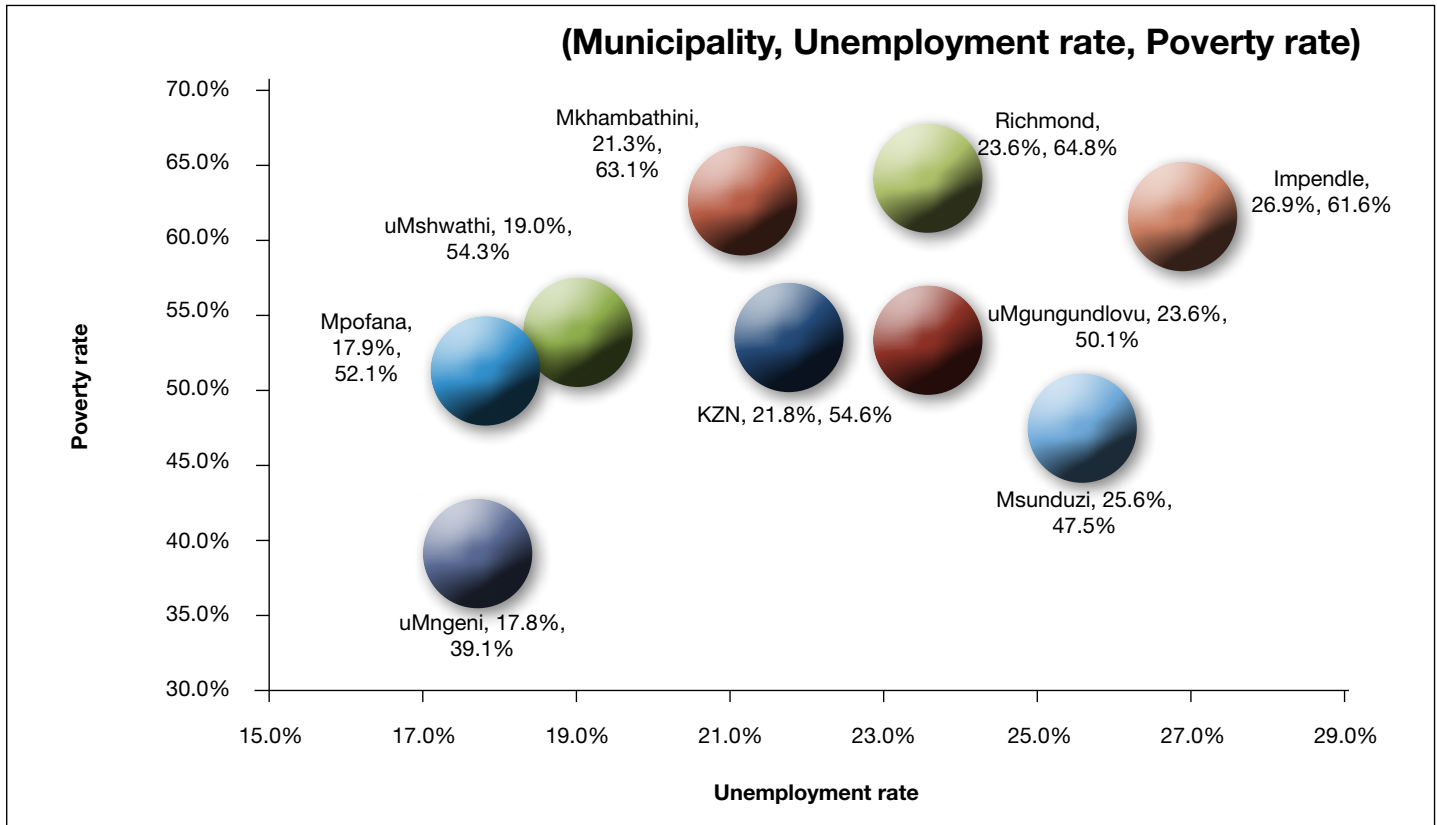
NB: SOURCE – STATS SA CENSUS 2011

## DEVELOPMENT INDICATORS (2014)

|                                                           | KZN   | uMgungundlovu | uMshwathi | uMngeni | Mpofana | Impendle | Msunduzi | Mkhambathini | Richmond |
|-----------------------------------------------------------|-------|---------------|-----------|---------|---------|----------|----------|--------------|----------|
| Human Development Index (HDI)                             | 0.56  | 0.58          | 0.51      | 0.63    | 0.53    | 0.50     | 0.60     | 0.50         | 0.49     |
| Gini coefficient                                          | 0.63  | 0.63          | 0.57      | 0.64    | 0.60    | 0.59     | 0.64     | 0.59         | 0.56     |
| Share below the food poverty line                         | 30.3% | 26.5%         | 25.7%     | 18.2%   | 25.0%   | 33.2%    | 26.0%    | 33.5%        | 35.1%    |
| Share below the lower poverty line                        | 42.5% | 38.1%         | 39.5%     | 28.0%   | 38.0%   | 47.4%    | 36.6%    | 48.6%        | 50.4%    |
| Share below the upper poverty line                        | 54.6% | 50.1%         | 54.3%     | 39.1%   | 52.1%   | 61.6%    | 47.5%    | 63.1%        | 64.8%    |
| Functional literacy: age 15+, completed grade 7 or higher | 80.0% | 81.8%         | 70.6%     | 84.7%   | 74.2%   | 71.2%    | 86.2%    | 69.9%        | 70.8%    |

Source: Global Insight, 2015

## UNEMPLOYMENT AND POVERTY NEXUS



Source: Global Insight, 2015

### 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. SERVICE DELIVERY OVERVIEW

### SERVICE DELIVERY INTRODUCTION

#### 1. Service Delivery

The Msunduzi Municipality basic services as contained in the Municipal Indigent Policy is intended to provide norms and standards for a program to improve the lives of indigents and to improve access to FREE BASIC SERVICES. The policy recognizes the need for inter-government co-operation in the process of dealing with indigents but places a specific emphasis on the local government sphere, recognizing the important role a municipality has in effectively addressing the needs of indigent households. This requires local understanding and local initiative as well as co-ordination and support from national and provincial governments.

The indigent policy seeks to address the problem of institutional exclusion by facilitating the reform of the systems of local government in ways that ensure the inclusion of the poor in ways that will guarantee their access to affordable basic services. The implementation of the indigent policy as the basis of providing Free Basic Services was done in context of socio-economic realities facing our communities such as:

- High level unemployment
- Low income earners that have limited affordability
- High incidents of child-headed households
- Natural attrition of elderly headed households within our society.

Indigent applications are valid from 1 July 2018 – 30 June 2019. The application process began on 1 March 2018 and is open until 30 June 2019.

Applications were available from 333 Church Street, Area Based Management Offices and all Ward Councillors offices.

Currently there are 4210 applied indigents as at 30 June 2019.

## 2. Indigent Population

“Indigents” – means an owner /occupier of a property as defined in the qualification for concessions. Lacking the necessities of life such as sufficient water, basic sanitation, refuse removal, environmental health, basic energy, health care, housing, food and clothing. This is a household, which is not financially capable of paying for the delivery of Basic Services – including poor households.

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.”

### Qualification for concessions – Indigent policy 2016/2017

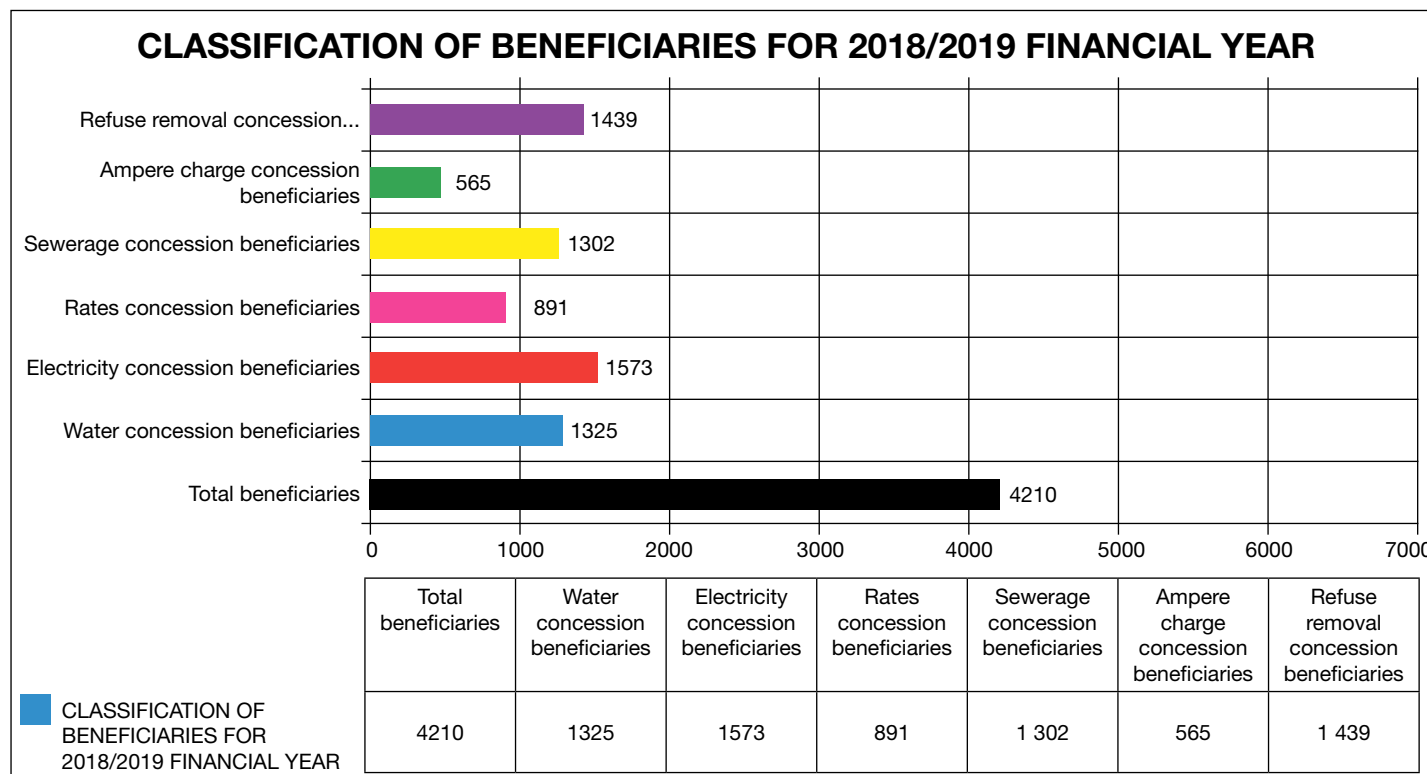
1. That the gross household income for qualification as a registered Indigent be determined each year by Council in terms of the tariff register. Currently the threshold income is **R4 260.00**.
2. That the prescribed application forms be completed annually.

### COMMENT ON ACCESS TO BASIC SERVICES:

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 **R4 260.00** 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 customer meter’s 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.

|                                         |       |
|-----------------------------------------|-------|
| Total beneficiaries                     | 4 210 |
| Water concession beneficiaries          | 1 325 |
| Electricity concession beneficiaries    | 1 573 |
| Rates concession beneficiaries          | 891   |
| Sewerage concession beneficiaries       | 1 302 |
| Ampere charge concession beneficiaries  | 565   |
| Refuse removal concession beneficiaries | 1 439 |

### CLASSIFICATION OF BENEFICIARIES FOR 2018/2019 FINANCIAL YEAR – GRAPHICAL REPRESENTATION



## 4. FINANCIAL HEALTH OVERVIEW

### FINANCIAL OVERVIEW

The Municipality began the financial year with a cash balance of R458, 2 million. During the year, a total amount of R5,0 billion accrued and some portion of it the actual cash received, while expenditure incurred, during the same period also amounted to R5, 2 billion. By the end of June 2019, the municipality's cash was R290, 8 million. This balance is inclusive of unspent conditional grants of R127, 9 million. Hence the deficit of R159, 2 million as per table below.

| FINANCIAL OVERVIEW – 2018/2019<br>R'000 |                 |                   |           |
|-----------------------------------------|-----------------|-------------------|-----------|
| Details                                 | Original Budget | Adjustment Budget | Actual    |
| Income                                  |                 |                   |           |
| Grants                                  | 672,679         | 671,406           | 602,211   |
| Taxes, Levies and Tariffs               | 4,154,383       | 4,126,900         | 4,123,160 |
| Other                                   | 204,885         | 170,881           | 283,132   |
| Subtotal                                | 5,031,947       | 4,969,187         | 5,008,503 |
| Less Expenditure                        | 4,927,968       | 4,923,966         | 5,167,662 |
| Net Total*                              |                 |                   |           |
| * Note: Surplus/ (deficit)              | 103,979         | 45,221            | (159,159) |

| Operating Ratios                 |     |
|----------------------------------|-----|
| Details                          | %   |
| Employee Cost                    | 22% |
| Repairs and Maintenance          | 1%  |
| Finance Charges and Depreciation | 10% |

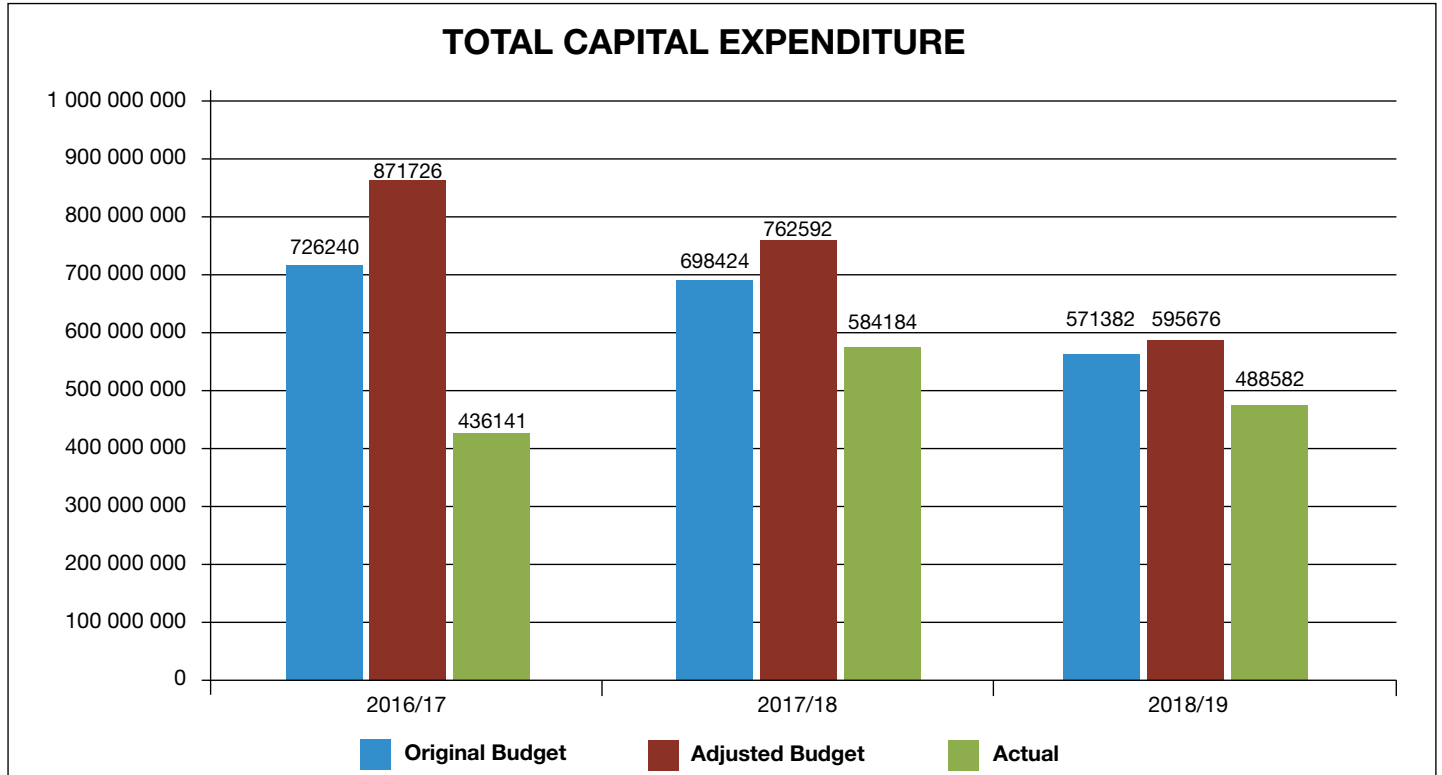
### COMMENT ON OPERATING RATIOS:

The municipality's employee related costs is 22% of the total operating expenditure and this is below the norm of between 30% and 35%. This is due to vacancies, that exists within the municipality, as provided for in the municipality's 2013 approved organogram.

Repairs and maintenance as a percentage of operating budget is 1% and this is below the norm recommended by National Treasury however, this is only the operating budget part of repairs and maintenance. The bulk of the municipality's capital expenditure for the year is on the renewal of existing assets, which a capital budget portion of repairs.

The municipality's Finance Charges costs are projected to decrease over the next few years and continues to honour loan repayments timeously.

| TOTAL CAPITAL EXPENDITURE 2017/18– 2018/19<br>R'000 |         |         |         |
|-----------------------------------------------------|---------|---------|---------|
| Detail                                              | 2016/17 | 2017/18 | 2018/19 |
| Original Budget                                     | 726 240 | 698 424 | 571 382 |
| Adjustment Budget                                   | 871 726 | 762 592 | 595 676 |
| Actual                                              | 436 141 | 584 184 | 488 582 |



#### COMMENT ON CAPITAL EXPENDITURE:

The municipality's capital budget was initially R571, 4 million, during the adjustments budget, it was increased to R595, 7 million. The increase was due to additional funding that was made available to deal with much needed infrastructure. At the end of the financial year, an amount of R488, 6 million was 82% of the total capital budget. This is an improvement compared to the previous financial year.

## 5. ORGANISATIONAL DEVELOPMENT OVERVIEW

#### INTRODUCTION TO ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Human Resources Function of the Msunduzi Municipality consists of a single Process Unit, namely: Human Resources Management, comprising; Personnel Management, Organisational and Skills Development, Occupational Health and Safety, and HR Management Services.

The key achievements of the unit in 2018/2019 are as follows;

- 166 new Appointments
- The Occupational Health unit conducted 2 employee wellness events attended by 327 employees
- 100 high risk employees were vaccinated in accordance to the risk of exposure as per OHSA 85 of 1993 (HBAs) hazardous Biological Agents
- Appointed 113 Interns in various disciplines within the Msunduzi Municipality.
- Implemented the Public Admin NQF 5 and Environmental Practice NQF 3 Learnership, training 50 learners.
- Trained 361 employees in various skills programmes.
- Embarked on a recruitment drive to register employees for Adult Education Programme (AET) and Matric. The initiative was aimed at establishing the number of employees wanting to complete Matric and employees wanting to pursue the Adult Education Programme.
- Facilitated the implementation of the Environmental Practice, Transport Management and Disaster Management LGSETA funded Learnerships.
- 38 municipal employees were awarded study assistance in the 2018/2019 Financial Year.
- Facilitated the LGSETA 2018/2019 DG bursaries for 4 employed and 3 unemployed students.
- 101 Work exposure students were placed in the various Business Units in the 2018/2019 Financial Year.

## 6. AUDITOR GENERAL REPORTS 2017 / 2018 & 2018 / 2019 FINANCIAL YEARS

### AUDITOR GENERAL REPORT 2017 / 2018 FINANCIAL YEAR

In the 2017/2018 financial year, the Auditor General expressed an Adverse opinion for Msunduzi Municipality.

#### The basis for the adverse opinion is as follows:

- Property, plant and equipment
- Consumer debts
- Revenue from exchange transactions – interest from consumer debtors and receivables
- Receivables from exchange transactions
- Payables from exchange transactions
- Related parties
- Statement of comparison of budget and actual amounts
- Cash Flow Statement
- Unauthorised expenditure
- Additional disclosures in terms of MFMA

#### Emphasis of matters raised were as follows:

- Restatement of corresponding figures
- Material losses (Water & Electricity)

#### Predetermined Objectives:

- The report achievements were inconsistent with the planned targets for the indicators.
- The reported measures taken to improve performance against the planned target did not agree to the supporting evidence provided for the indicators.
- The reported achievement in the annual performance report did not agree to the supporting evidence provided for the indicators

#### Report on the audit of compliance with Legislation:

- Financial statements, Procurement and contract management, Expenditure Management, Revenue Management, Asset Management, Consequence Management, Strategic Planning 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 2018 / 2019 FINANCIAL YEAR

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
- Material uncertainty relating to going concern

#### 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.

## 7. ANNUAL REPORT PROCESS 2018/2019

Msunduzi Municipality Operational Plan for the preparation and adoption of the Annual Report 2018/2019:

| TABLE 13: Annual report process |                                                                                                                                                                                                                                                                                                                                                                                 |                                                                   |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| No:                             | Description:                                                                                                                                                                                                                                                                                                                                                                    | Timeframe:                                                        |
| 1.                              | Data Collection, Preparation and finalization of the annual performance report 2018/2019 (SBU's to supply information.                                                                                                                                                                                                                                                          | July 1 – 14 August 2019                                           |
| 2.                              | Preparation and finalization of the annual financial statements / consolidated financial statements 2018/2019                                                                                                                                                                                                                                                                   | July – August 2019                                                |
| 3.                              | Submission of the annual financial statements/consolidated financial statements 2018/2018 and the Annual Performance Report 2016/2017 to the Auditor General for auditing                                                                                                                                                                                                       | On or before the 31 August 2019                                   |
| 4.                              | Safe City (Municipal Entity) to submit to the Municipality and the Auditor General its annual financial statements for auditing                                                                                                                                                                                                                                                 | On or before the 31 August 2019                                   |
| 5.                              | Data collection commences for the compilation of a first draft of the annual report – an e-mail with a template attached will be forwarded to respective individuals responsible for required information submissions in order to complete the annual report 2018/2019 - Submissions to be received by the end of September 2019. <b>COMMENCEMENT OF THE OVERSIGHT PROCESS.</b> | September 2019                                                    |
| 6.                              | Finalize 1st draft of the Annual report 2018/2019 and forward to the Municipal Manager for comment                                                                                                                                                                                                                                                                              | 1 – 9 November 2019                                               |
| 7.                              | Draft completed and forwarded to Auditor General for comments / changes if required                                                                                                                                                                                                                                                                                             | 9 – 16 November 2019                                              |
| 8.                              | 2nd draft of Annual report completed and forwarded to Municipal Manager for comment.                                                                                                                                                                                                                                                                                            | On or before the 30 November 2019                                 |
| 9.                              | Engage appointed service provider – produce drafts of the Annual Report 2018/2019                                                                                                                                                                                                                                                                                               | December 2019                                                     |
| 10.                             | Finalized, published and printed annual report by service provider                                                                                                                                                                                                                                                                                                              | First week of January 2020                                        |
| 11.                             | Annual report table by the Mayor at Full Council                                                                                                                                                                                                                                                                                                                                | On or before the 31 January 2020                                  |
| 12.                             | Tabled annual report 2018/2019 to be made accessible to the public                                                                                                                                                                                                                                                                                                              | Within 14 days from the date of tabling the annual report         |
| 13.                             | A copy of the report to be submitted to the MEC for local government in KZN, the Auditor General, Provincial Legislature and National Treasury.                                                                                                                                                                                                                                 | Within 14 days from the date of tabling the annual report         |
| 14.                             | Oversight report on Annual Report 2018/2019 to commence once Annual Report has been tabled at Full Council – Oversight report to be completed within two months of the Tabling of the Annual Report to Full Council.                                                                                                                                                            | Start in February 2020 – completed on or before the 31 March 2020 |
| 15.                             | Oversight report made available to the public within seven days of being tabled in Council                                                                                                                                                                                                                                                                                      | On or before the 6 April 2020                                     |

### COMMENT ON THE ANNUAL REPORT PROCESS:

The Municipal Finance Management Act No. 56 of 2003, Chapter 12, prescribes that every municipality must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.

The purpose of an annual report is –

- To provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;
- To provide a report on performance against the budget of the municipality or municipal entity for the financial year; and
- To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

The annual report of municipality must include –

- The annual financial statements of the municipality, and in addition if section 122 (2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126 (1);
- The Auditor-General's audit report in terms of section 126 (3) on those financial statements;
- The annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act.

The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit those statements to the Auditor-General for auditing and the accounting officer of a municipal entity must prepare the annual financial statements of the entity and, within two months after the end of the financial year to which those statements relate, submit those statements to the parent municipality of the entity and the Auditor-General for auditing. The Auditor-General must audit those financial statements and submit the audit report to the accounting officer of the municipality or entity within three months of the receipt of the statements.

The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

The council of a municipality must consider the annual report of the municipality of municipal entity, and by no later than two months from the date on which the annual report was tabled in council, adopt an oversight report containing council's comments on the annual report which must include a statement whether the council-

- Has approved the annual report without reservations;
- Has rejected the annual report; or
- Has referred the annual report back for the revision of those components that can be revised.

In order to give effect to the above legislative requirements, Msunduzi Municipality developed the above table in order to ensure the communities of Msunduzi Municipality are able to view the contents of the Annual Report on time; the table serves as a strict guide.



## 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 Councillors, Council and council committees. It plays oversight over the administration of the municipality to ensure effective and efficient service delivery. Administrative governance takes place through various administrative structures and functionaries under the leadership of the Municipal Manager. Intergovernmental relations refers to the structures and processes by which municipality forges relationships with national and provincial government departments as well as with other municipalities and government structures to ensure unimpeded, coherent and coordinated service delivery. Public participation refers to the manner in which the Municipality engages and involves communities within its area jurisdiction in the running of its affairs. This takes place through community meetings, izimbizo's, as well as ward committee and ward meetings. Corporate governance looks at issues of transparency, compliance with the rule of law, accountability and upholding of the Batho Pele Principles. Together these important aspects intertwine and ensure that the objects of local government as enshrined in section 152 of the Constitution are realized.

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political & administrative governance at Msunduzi Municipality comprises of the elected 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 Municipal Public Accounts Committee (MPAC) which is one of the Council Committees that oversees the expenditure of public funds on behalf of Council and thereby ensures accountability of both the Executive Committee and administration. It further considers the Annual Report and provides Council with oversight report and its comments on the Annual Report. To ensure effective oversight, the Council has further appointed the Audit Committee, which is a Committee that is made up of private individuals with expertise in the areas of finance, performance management and law to advise Council on the performance of the Executive Committee and administration with regard to financial management, risk management, performance management and legislative compliance.


## MSUNDUZI MUNICIPALITY COUNCILLORS CURRENT MSUNDUZI WARD COUNCILLORS LIST

### KNOW YOUR COUNCILLOR MSUNDUZI PR COUNCILLORS


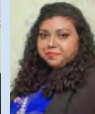

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| <br><b>THE MAYOR</b><br>MZI M THEBOLLA<br>EXT. 2036 | <br><b>DEPUTY MAYOR</b><br>MANILAL INDERJIT<br>EXT.2037<br>082 367 1810 | <br><b>EXCO</b><br>MADLALA LINDA<br>LINFORD<br>072 449 5988 | <br><b>EXCO</b><br>DORCAS<br>SIBONGILE MKHIZE<br>083 331 3170 | <br><b>EXCO</b><br>ZANELE P NGCOBO<br>082 836 7319 | <br><b>EXCO</b><br>GUGU MARY-JANE<br>DLADLANGUBO<br>073 205 0671 | <br><b>EXCO</b><br>NTUTHUKO<br>NTSHANGASE<br>076 256 5412 | <br><b>EXCO</b><br>GLENN ROBERT<br>MCARTHUR<br>072 844 7630 |
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|                                                                                                                                                    |                                                                                                                                          |                                                                                                                                                         |                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br><b>EXCO</b><br>JEROME<br>SIBONGISENI<br>MAJOLA<br>082 887 5716 | <br><b>EXCO</b><br>DENNIS T<br>NTOMBELA<br>082 432 9396 | <br><b>THE SPEAKER</b><br>EUNICE<br>NOMAGUGU<br>MAJOLA<br>071 156 7427 | <br><b>THE CHIEF WHIP</b><br>VUSUMUZI<br>NTSHANGASE<br>078 555 9648 |
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|                                                                                                                                  |                                                                                                                                |                                                                                                                                   |                                                                                                                                   |                                                                                                                                    |                                                                                                                                     |                                                                                                                                |                                                                                                                             |                                                                                                                                     |                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| <br>MDUDUZI J<br>"THEMBA" NJILO<br>082 954 9241 | <br>THOBANI ZUMA<br>072 629 9119             | <br>THOLAKELE<br>IGNETA DLAMINI<br>072 212 3375 | <br>PHILISIWE SITHOLE<br>072 396 5852           | <br>SPHAMANDLA<br>DENNIS KHUMALO<br>072 203 9018 | <br>AMBROSIA<br>SIBONGILE DLAMINI<br>072 011 3739 | <br>MARY SCHALKWYK<br>072 587 8686          | <br>RACHEL<br>SOOBIAH<br>061 247 1518   | <br>MEHMOOD-UL-<br>HASSAN OUMAR<br>083 278 6647 | <br>MANSIZWA SIMON<br>SOKHELA<br>079 052 1986 |
| <br>NELISIWE JANNET<br>GWALA<br>083 366 4847   | <br>NAJMAH B.<br>AHMED<br>082 774 6174      | <br>NINGSI J ZUNGU<br>082 342 8547             | <br>KATHRINE MALINDI<br>NGCOBO<br>082 635 5146 | <br>WILLIAM FRANCIS<br>LAMBERT<br>082 774 6176  | <br>BONGUMUSA<br>CYRIL NHLABATHI<br>079 613 1056 | <br>REGINA ZINHLE<br>NGUBO<br>074 045 5089 | <br>ZUMA<br>BUKELANI E<br>072 098 4796 | <br>DOLO PHILLIP<br>ZONDI<br>082 440 2996      | <br>S'FISO DERRICK<br>NE NE<br>063 153 2631  |
| <br>SOKHELA<br>BALOZILE C<br>072 793 8711      | <br>SANDILE CYRIL<br>SHANGE<br>073 379 7137 | <br>RAJDAVE<br>SIVNATH<br>060 901 5025         | <br>PRINCE DUMISA<br>DUMA<br>078 499 9599      | <br>NOMALADY<br>E. DLELA<br>072 578 6470        | <br>RIENUS<br>NIEMAND<br>076 289 0982            | <br>MOHAMED SALIM<br>GOGA<br>083 996 8886  |                                                                                                                             |                                                                                                                                     |                                                                                                                                   |

### MSUNDUZI WARD COUNCILLORS

|                                                                                                                                         |                                                                                                                                          |                                                                                                                                           |                                                                                                                                           |                                                                                                                                          |                                                                                                                                          |                                                                                                                                                  |                                                                                                                                          |                                                                                                                                            |                                                                                                                                                |                                                                                                                                             |                                                                                                                                             |                                                                                                                                              |
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| <br><b>WARD 1</b><br>J.<br>NGUBO<br>079 606 0103      | <br><b>WARD 2</b><br>B. S.<br>MTSHALI<br>072 740 5306 | <br><b>WARD 3</b><br>M. L.<br>LINFORD<br>072 449 5988  | <br><b>WARD 4</b><br>H. M.<br>ZONDI<br>083 947 2453    | <br><b>WARD 5</b><br>N. M.<br>MBANJWA<br>071 366 0106 | <br><b>WARD 6</b><br>S. R.<br>MHLONGO<br>079 060 2204 | <br><b>WARD 7</b><br>S. D.<br>NGUBANE<br>083 878 9837         | <br><b>WARD 8</b><br>M. P.<br>ZONDO<br>076 261 9450   | <br><b>WARD 9</b><br>K.<br>NONTOBEKO<br>072 209 0448   | <br><b>WARD 10</b><br>N.C.N<br>GAMBU<br>072 104 6593      | <br><b>WARD 11</b><br>I. S.<br>MADONDA<br>073 721 5748 | <br><b>WARD 12</b><br>T. S.<br>MAJOLA<br>084 424 4362  | <br><b>WARD 13</b><br>G.S.<br>MNCWANGO<br>072 438 5931  |
| <br><b>WARD 14</b><br>T. P.<br>MOLEFE<br>083 690 1400 | <br><b>WARD 15</b><br>J.<br>NENE<br>079 795 1883      | <br><b>WARD 16</b><br>B. M.<br>ZUMA<br>072 203 9018    | <br><b>WARD 17</b><br>T. W.<br>SITHOLE<br>078 767 6589 | <br><b>WARD 18</b><br>S. C.<br>GWALA<br>082 739 6350  | <br><b>WARD 19</b><br>C.<br>NDAWONDE<br>073 431 4277  | <br><b>WARD 20</b><br>N. Z. (T. U.)<br>NDLOVU<br>073 230 4802 | <br><b>WARD 21</b><br>B. M.<br>MKHIZE<br>082 694 3026 | <br><b>WARD 22</b><br>X.E<br>NGONGOMA<br>072 962 4857  | <br><b>WARD 23</b><br>D. B.<br>PHUNGULA<br>083 328 8328   | <br><b>WARD 24</b><br>S. P.<br>MSIMANG<br>078 620 1867 | <br><b>WARD 25</b><br>M.<br>SINGH<br>072 900 1389      | <br><b>WARD 26</b><br>R. B.<br>STRACHAN<br>076 882 8101 |
| <br><b>WARD 27</b><br>M. NGUBO<br>082 701 0321        | <br><b>WARD 28</b><br>C. M.<br>CHETTY<br>084 699 8832 | <br><b>WARD 29</b><br>S. S.<br>MADLALA<br>084 019 1397 | <br><b>WARD 30</b><br>R.<br>JUGMOHAN<br>083 486 7932   | <br><b>WARD 31</b><br>F. R.<br>AHMED<br>065 805 8728  | <br><b>WARD 32</b><br>S.<br>ADKINS<br>065 823 3556    | <br><b>WARD 33</b><br>N.<br>MKHIZE<br>073 788 3506            | <br><b>WARD 34</b><br>M. I.<br>AMIDI<br>082 786 2127  | <br><b>WARD 35</b><br>S. W.<br>DLAMINI<br>072 848 3587 | <br><b>WARD 36</b><br>L. J.<br>WINTERBACH<br>084 511 4170 | <br><b>WARD 37</b><br>S. P.<br>LYNE<br>082 896 5264    | <br><b>WARD 38</b><br>G. N.<br>DLAMINI<br>079 915 0545 | <br><b>WARD 39</b><br>I. T.<br>MADONDO<br>071 426 6902  |

## 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 wards they represent. The other 39 seats are allocated to political parties in proportion to the number of votes cast for the respective parties.

## COMMITTEE ALLOCATIONS – JULY 2018 – JUNE 2019

| COMMITTEE ALLOCATIONS – JULY 2018 – JUNE 2019 |                                             |                                                                                                                                                                          |
|-----------------------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COMMITTEE                                     | CHAIRPERSON                                 | MEMBERS                                                                                                                                                                  |
| Sustainable Development & City Entities       | Cllr NE Majola-Zondi                        | Cllrs R Ahmed, CM Chetty (resigned), AS Dlamini, WF Lambert JP, NM Mbanjwa, SR Mhlongo, DS Mkhize, NZ Ndlovu, SD Nene, KM Ngcobo, GM Ngubo, MH Oumar                     |
| Corporate Services                            | Cllr P Sithole                              | Cllrs S Adkins, NI Gwala, TV Magubane, TS Majola, TP Molefe, N Ntshangase, TD Ntombela, M Singh, R Soobiah, P Sivnath, MB Zuma, NJ Zungu                                 |
| Infrastructure Services                       | The Deputy Mayor, Cllr T Zuma               | Cllrs TI Dlamini, LL Madlala, IT Madondo, G McArthur, N Naidoo (resigned), EZ Ntombela (resigned), DB Phungula, S Shange, MS Sokhela, DP Zondi, MP Zondo, TRM Zungu      |
| Community Services                            | Cllr SD Khumalo                             | Cllrs MI Amod, NE Dlela, GN Dlamini, SP Lyne, NY Khumalo, LJ Winterbach, BC Sokhela, RZ Ngubo, SS Madlala, BS Mncwango, BS Mtshali, J Nene                               |
| Financial Services                            | His Worship, the Mayor (Councillor T Njilo) | Cllrs SW Dlamini, MS Goga, SC Gwala (deceased) M Inderjit, JS Majola, PN Msimang, SC Ndawonde, BC Nhlabathi, TD Ntombela, MH Oumar, TW Sithole, RB Strachan and HM Zondi |
| Municipal Public Accounts                     | Cllr M Schalkwyk                            | Cllrs M Ngubo, NC Gambu, SI Madonda, SD Ngubane, MB Mkhize, XE Ngongoma, NB Ahmed, BE Zuma, N Mkhize (resigned), R Jugmohan (resigned), R Niemand, P Duma                |
| EXECUTIVE                                     | His Worship, the Mayor (Councillor T Njilo) | The Deputy Mayor Cllr TR Zuma, Cllrs TI Dlamini, SD Khumalo, JS Majola, NE Majola-Zondi, G McArthur, PN Msimang, DT Ntombela, P Sithole                                  |

**Table 15.1: Ward Councillors By Political Party (2018 – 2019)**

| WARD NO. | NAME                                   | CONTACT DETAILS                                                  | PARTY         |
|----------|----------------------------------------|------------------------------------------------------------------|---------------|
| 1        | Jabulisile Joyce Ngubo                 | 079 6060 103 *4524 • Jabungubo364@gmail.com                      | ANC           |
| 2        | Blessing Sbusiso Mtshali               | 072 740 5306 *4682 • sbusisontuswa@gmail.com                     | ANC           |
| 3        | Madlala Linda Linford                  | 072 449 5988 *4151 • lindahmadlala1@gmail.com                    | ANC           |
| 4        | Hamilton Mlungisi Zondi                | 083 947 2453 *4684 • mlungisi22@hotmail.com                      | ANC           |
| 5        | Nkosinathi Maxwell Mbanjwa             | 071 366 0106 *4685 • nathi22634mb@gmail.com                      | ANC           |
| 6        | Snothi Raphael Mhlongo                 | 079 060 2204 *4512 • mrlogbook1@gmail.com                        | ANC           |
| 7        | Sandile Duncan Ngubane                 | 083 878 9837 *4686 • isivunoagric@gmail.com                      | ANC           |
| 8        | Makhosazane Precious Zondo             | 076 261 9450 *4687 • makhosazanezondo233@gmail.com               | ANC           |
| 9        | Khumalo Nontobeko                      | 072 2090 448 *4689 • ntobekhumalo9@gmail.com                     | ANC           |
| 10       | Nkosinathi Chasewell Nhlakanipho Gambu | 072 104 6593 *4690 • tknathi@gmail.com                           | ANC           |
| 11       | Madonda Innocent Siph                  | 073 721 5748 • 033 348 2255 *4515                                | ANC           |
| 12       | Majola Terence Sboniso                 | 084 424 4362 *4516 • terence.majola75@gmail.com                  | ANC           |
| 13       | Gladness Sibongile Mncwango            | 072 438 5931 *4691 • mncwa2@gmail.com                            | ANC           |
| 14       | Thabiso Patrick Molefe                 | 083 690 1400 *5155 • thabisotp4@yahoo.co.uk                      | ANC           |
| 15       | Jabulani Nene                          | 079 795 1883 *4710 • jabulani.nene05@gmail.com                   | ANC           |
| 16       | Zuma Bhekabantu Michael                | 078 251 4585 *4693 • michealbzuma@gmail.com                      | ANC           |
| 17       | Sithole Thamsanqa Wonderboy            | 078 767 6589 *4752 • thamiwonder2017@gmail.com                   | ANC           |
| 18       | Gwala Sindisiwe Cydy                   | 082 739 6350 *4694 • gwalasindi@gmail.com                        | ANC           |
| 19       | Ndawonde Caiphas                       | 073 431 4277/ 033 392 3632 *4712 • nomusa.isdora@msunduzi.gov.za | ANC           |
| 20       | Nelisiwe Zanele (TU) Ndlovu            | 073 230 4802 *4719 • nelisiwen76@gmail.com                       | ANC           |
| 21       | Bhekithemba Mtuza Mkhize               | 082 694 3026 *4519                                               | ANC           |
| 22       | Xolani Ellington Ngongoma              | 072 962 4857 *4695 • xolaningongoma74@gmail.com                  | ANC           |
| 23       | Phungula Bernard Dumisani              | 083 328 8328 *4696 • dphungula@gmail.com                         | ANC           |
| 24       | Prudence Nokuthula Msimang             | 078 620 1867 *4718 • solly.khoza@msunduzi.gov.za                 | ANC           |
| 25       | Melika Singh                           | 072 900 1389 *5162 • mellkd2002@yahoo.com                        | DA            |
| 26       | Ross Bryn Strachan                     | 076 882 8101 *4697 • ross.strachan83@gmail.com                   | DA            |
| 27       | Manqoba Ngubo                          | 082 701 0321 *4520 • ngubom@hotmail.com                          | ANC           |
| 28       | Claudell Milany Chetty                 | 084 699 8832 *5174 • Claudell.naidoo@msunduzi.gov.za             | DA - Resigned |
| 29       | Spha Sydney Madlala                    | 084 019 1397 *4705 • spha80@yahoo.com                            | ANC           |
| 30       | Renisha Jugmohan                       | 083 486 7932 *4698 • renisha.jugmohan@msunduzi.gov.za            | DA - Resigned |
| 31       | Rooksana Ahmed                         | 065 805 8728/ 033 397 2162 *4708 • ahmed.rooksana162@gmail.com   | DA            |
| 32       | Shawn Adkins                           | 065 823 3556 / 033 397 9544 *4701 • cityofhopepmb@gmail.com      | DA            |
| 33       | Nkululeko Mkhize                       | 073 788 3506 *4713 • Fortune.mkhize85@gmail.com                  | DA            |
| 34       | Mike Ismail Amod                       | 082 786 2127/ 079 874 4637 *4518 • mikeamod@gmail.com            | ANC           |
| 35       | Sandile Wellington Dlamini             | 072 848 3587 *4714 • elangeni@702mail.co.za                      | ANC           |
| 36       | Winterbach Ludwig Johann               | 084 511 4170 *4709 • wintervw@sai.co.za                          | DA            |
| 37       | Sandra Patricia Lyne                   | 082 896 5264 *5177 • sandylyne@sai.co.za                         | DA            |
| 38       | Godman Nkosivelile Dlamini             | 079 915 0545 *5120                                               | ANC           |
| 39       | Ignatia Thandiwe Madondo               | 071 426 6902 *4525 • madondot508@gmail.com                       | ANC           |

**Table 15.2: Proportional Representation Councillors By Political Party (2018 – 2019)**

| NO. | NAME                               | CONTACT DETAILS                                                      | PARTY          |
|-----|------------------------------------|----------------------------------------------------------------------|----------------|
| 1   | Mduduzi Jerome Njilo: The Mayor    | 082 954 9241 *5110 • phumile.ntsele@msunduzi.gov.za                  | ANC            |
| 2   | Thobani Zuma: The Deputy Mayor     | 072 629 9119 *5144 • ashreena.jethoo@msunduzi.gov.za                 | ANC            |
| 3   | Tholakele Ignatia Dlamini: EXCO    | 072 212 3375 *5160 • solly.khoza@msunduzi.gov.za                     | ANC            |
| 4   | Philisiwe Sithole: EXCO            | 072 398 5852 *4711 • Philisiwe.sithole@msunduzi.gov.za               | ANC            |
| 5   | Sphamandla Dennis Khumalo: EXCO    | 072 203 9018 *5121 • mrsphamandla1@gmail.com                         | ANC            |
| 6   | Eunice Nomagugu Majola: EXCO       | 071 156 7427 *4594 • solly.khoza@msunduzi.gov.za                     | ANC            |
| 7   | Glenn Robert McArthur: EXCO        | 072 844 7630 *5166 • g.mcarthur@telkomsa.net                         | DA             |
| 8   | Jerome Sibongiseni Majola: EXCO    | 082 887 5716 *4522 • bhulube@webmail.co.za                           | DA             |
| 9   | Dennis T Ntombela: EXCO            | 082 432 9396 *5149 • solly.khoza@msunduzi.gov.za                     | IFP            |
| 10  | Truman V. Magubane: The Chief Whip | 082 057 5626 *4715 • nkanyiso.thabethe@msunduzi.gov.za               | ANC            |
| 11  | Gugu Mary-Jane Dladla/Ngubo        | 073 205 0671 *4017 • gugungube@gmail.com                             | ANC            |
| 12  | Fucwana Rose Marry Zungu           | 083 733 1694 *5125 • nokulunga.mbanjwa@umdm.gov.za                   | ANC - Resigned |
| 13  | Ntuthuko Ntshangase                | 076 256 5412 *5168 • kolobakbntshangase@gmail.com                    | ANC            |
| 14  | Ambrosia Sibongile Dlamini         | 072 011 3739 *4720 • sbongile.dlamini224@gmail.com                   | ANC            |
| 15  | Mary Schalkwyk                     | 072 587 8686 *4699 • schalkwyk.lee@gmail.com                         | ANC            |
| 16  | Ethel Zodwa Ntombela               | 084 091 9496 *5176 • 079 453 3344                                    | ANC - Resigned |
| 17  | Dorcas Sibongile Mkhize            | 083 331 3170 *4707 • sbongilemkize@gmail.com                         | ANC            |
| 18  | Rachel Soobiah                     | 061 247 1518 *4717 • rachelsoobiah23@gmail.com                       | ANC            |
| 19  | Manilal Inderjit                   | 082 367 1810 *4171 • manilalinderjit@yahoo.com                       | ANC            |
| 20  | Mehmood-UL-Hassan Oumar            | 083 278 6647 *4706 • muhoumar@gmail.com • parklanelinen@telkomsa.net | ANC            |
| 21  | Mansizwa Simon Sokhela             | 079 052 1986 *4683 • simon.sokhela64@gmail.com                       | ANC            |
| 22  | Nelisiwe Jannet Gwala              | 083 366 4847 *4531 • nellyzindela@gmail.com                          | ANC            |
| 23  | Najmah B. Ahmed                    | 082 774 6174 *5124 • ahmednb786@vodamail.com                         | ANC            |
| 24  | Ningi J Zungu                      | 082 342 8547 • zunguningi@gmail.com                                  | ANC            |
| 25  | Kathrine Malindi Ngcobo            | 082 635 5146 • queenzinto1@gmail.com                                 | ANC            |
| 26  | William Francis Lambert            | 082 774 6176 *5114 • william.lambert@msunduzi.gov.za                 | DA             |
| 27  | Bongumusa Cyril Nhlabathi          | 079 613 1056 *4702 • bongumusa@gmail.com                             | DA             |
| 28  | Naline Naidoo                      | 076 5151 919 • naline@vodamail.co.za                                 | DA             |
| 29  | Regina Zinhle Ngubo                | 074 045 5089 *5169 • zingubo@gmail.com                               | DA             |
| 30  | Zuma Bukelani E                    | 072 098 4796 *4513 • bukezuma@gmail.com                              | IFP            |
| 31  | Dolo Phillip Zondi                 | 082 440 2996 *5115                                                   | IFP            |
| 32  | S'fiso Derrick Nene                | 063 153 2631 *4753                                                   | IFP            |
| 33  | Sokhela Balozile C                 | 072 793 8711 *5140                                                   | IFP            |
| 34  | Sandile Cyril Shange               | 073 379 7137 *4754 • murati1979@gmail.com                            | EFF            |
| 35  | Rajdave Sivnath                    | 060 901 5025 *4755                                                   | EFF            |
| 36  | Prince Dumisa Duma                 | 078 499 9599 *4703 • husdumi@gmail.com                               | EFF            |
| 37  | Nomalady E. Dlela                  | 060 575 6028 *4535 • nomaladydlela@gmail.com                         | AIC            |
| 38  | Rienus Niemand                     | 076 289 0982 *4763 • rienus.niemand@gmail.com                        | ACDP           |
| 39  | Mohamed Salim Goga                 | 083 996 8886 *4517 • gogasalim@gmail.com                             | AL JAMA-AH     |

### COUNCILLOR ATTENDANCE AT MEETINGS 2018/2019 FINANCIAL YEAR

Councillor attendance is monitored by the Office of the Speaker based on the attendance registers that are recorded by the Secretariat during meetings and forwarded to the Office of the Speaker at the end of each meeting. The table below indicates the number of meetings attended by each Councillor during the period 1 July 2018 – 30 June 2019. In certain instances, though very few, Councillors attended meetings but did not sign the attendance registers and this omission may slightly compromise the accuracy of the number of meetings actually attended by some Councillors.

### NUMBER OF MEETINGS ATTENDED BY COUNCILLORS FROM 01 JULY 2018 TO 30 JUNE 2019

| NO. | CLLR'S NAME                     | JULY | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUNE | TOTAL |
|-----|---------------------------------|------|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|------|-------|
| 1   | The Speaker: Clr JJ Ngubo       | 2    | 6   | 5    | 3   | 5   | 1   | 2   | 3   | 2   | 2   | 2   | 2    | 35    |
| 2   | The Mayor: Clr T Njilo          | 2    | 7   | 5    | 2   | 7   | 2   | 3   | 7   | 2   | 4   | 6   | 6    | 53    |
| 3   | Deputy Mayor: Clr TR. Zuma      | 2    | 2   | 5    | 4   | 3   | 3   | 4   | 4   | 4   | 4   | 5   | 5    | 45    |
| 4   | The Chief Whip: Clr TV Magubane | 3    | 5   | 6    | 5   | 6   | 2   | 3   | 6   | 3   | 5   | 4   | 3    | 51    |
| 5   | Adkins S                        | 3    | 5   | 2    | 4   | 5   | 1   | 2   | 3   | 3   | 2   | 3   | 3    | 36    |
| 6   | Ahmed NB                        | 1    | 4   | 3    | 3   | 3   | 1   | 2   | 7   | 9   | 3   | 3   | 3    | 42    |
| 7   | Ahmed R                         | 1    | 6   | 4    | 2   | 4   | 2   | 2   | 3   | 3   | 2   | 2   | 4    | 35    |
| 8   | Amod MI                         | 1    | 4   | 4    | 3   | 4   | 1   | 1   | 3   | 3   | 2   | 2   | 2    | 30    |
| 9   | Chetty CM                       | 1    | 4   | 4    | 2   | 4   | 0   | 2   | 3   | 1   | 0   | 0   | 0    | 21    |
| 10  | Dlamini AS                      | 1    | 5   | 3    | 2   | 2   | 0   | 0   | 0   | 0   | 2   | 2   | 3    | 20    |
| 11  | Dlamini GN                      | 0    | 6   | 3    | 3   | 6   | 0   | 2   | 3   | 1   | 2   | 2   | 2    | 30    |
| 12  | Dlamini SW                      | 1    | 5   | 3    | 3   | 6   | 2   | 3   | 5   | 3   | 2   | 3   | 4    | 40    |
| 13  | Dlamini TI                      | 1    | 5   | 6    | 4   | 6   | 3   | 4   | 5   | 4   | 4   | 5   | 3    | 50    |
| 14  | Dlela NE                        | 0    | 6   | 3    | 3   | 3   | 1   | 2   | 3   | 1   | 1   | 2   | 3    | 28    |
| 15  | Duma PD                         | 1    | 1   | 1    | 3   | 2   | 0   | 1   | 1   | 2   | 1   | 1   | 1    | 15    |
| 16  | Gambu NCN                       | 0    | 3   | 1    | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0    | 4     |
| 17  | Goga MS                         | 1    | 5   | 4    | 2   | 4   | 2   | 3   | 3   | 1   | 2   | 0   | 5    | 32    |

# Msunduzi Annual Report 2018/2019

| NO. | CLLR'S NAME    | JULY | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUNE | TOTAL |
|-----|----------------|------|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|------|-------|
| 18  | Gwala NJ       | 2    | 5   | 5    | 3   | 4   | 1   | 2   | 3   | 3   | 3   | 2   | 2    | 35    |
| 19  | Gwala SC       | 1    | 5   | 3    | 2   | 5   | 2   | 3   | 4   | 3   | 2   | 0   | 0    | 30    |
| 20  | Inderjit M     | 0    | 1   | 2    | 0   | 4   | 0   | 2   | 2   | 1   | 1   | 2   | 2    | 17    |
| 21  | Jugmohan R     | 0    | 2   | 2    | 3   | 4   | 0   | 0   | 1   | 2   | 0   | 0   | 0    | 14    |
| 22  | Khumalo SD     | 2    | 5   | 5    | 6   | 6   | 2   | 4   | 6   | 3   | 4   | 5   | 5    | 53    |
| 23  | Khumalo NY     | 0    | 0   | 0    | 0   | 4   | 1   | 2   | 3   | 2   | 1   | 2   | 3    | 18    |
| 24  | Lambert WF- JP | 1    | 5   | 2    | 2   | 6   | 1   | 2   | 4   | 2   | 2   | 1   | 3    | 31    |
| 25  | Lyne SP        | 1    | 4   | 4    | 2   | 4   | 1   | 2   | 3   | 2   | 2   | 1   | 3    | 29    |
| 26  | Madlala LL     | 2    | 4   | 3    | 2   | 3   | 1   | 0   | 3   | 4   | 2   | 3   | 1    | 28    |
| 27  | Madlala SS     | 1    | 4   | 4    | 3   | 4   | 1   | 2   | 3   | 3   | 2   | 2   | 2    | 31    |
| 28  | Madonda SI     | 1    | 3   | 2    | 2   | 5   | 1   | 1   | 5   | 6   | 2   | 1   | 2    | 31    |
| 29  | Madondo IT     | 2    | 3   | 4    | 2   | 4   | 1   | 2   | 2   | 3   | 2   | 3   | 2    | 30    |
| 30  | Majola NE      | 1    | 3   | 5    | 5   | 6   | 2   | 4   | 5   | 1   | 4   | 4   | 5    | 45    |
| 31  | Majola JS      | 2    | 5   | 5    | 2   | 6   | 2   | 1   | 4   | 2   | 2   | 3   | 3    | 37    |
| 32  | Majola ST      | 1    | 5   | 6    | 4   | 5   | 2   | 2   | 5   | 1   | 4   | 5   | 4    | 44    |
| 33  | Mbanjwa NM     | 0    | 3   | 4    | 2   | 4   | 2   | 1   | 3   | 3   | 1   | 2   | 3    | 28    |
| 34  | McArthur GR    | 0    | 5   | 0    | 4   | 8   | 2   | 4   | 4   | 3   | 4   | 3   | 5    | 42    |
| 35  | Mkhize DS      | 1    | 5   | 1    | 2   | 5   | 1   | 2   | 3   | 1   | 2   | 2   | 3    | 28    |
| 36  | Mkhize MB      | 1    | 5   | 4    | 2   | 5   | 0   | 2   | 5   | 5   | 1   | 2   | 1    | 33    |
| 37  | Mkhize NF      | 0    | 5   | 4    | 2   | 6   | 1   | 2   | 5   | 9   | 2   | 0   | 0    | 36    |
| 38  | Mhlongo SR     | 1    | 4   | 1    | 1   | 3   | 1   | 2   | 2   | 2   | 2   | 1   | 3    | 23    |
| 39  | Mncwango GS    | 1    | 5   | 4    | 3   | 5   | 0   | 2   | 3   | 3   | 2   | 2   | 3    | 33    |
| 40  | Mtshali BS     | 1    | 4   | 2    | 2   | 6   | 1   | 2   | 3   | 3   | 2   | 2   | 2    | 30    |
| 41  | Molefe TP      | 1    | 5   | 5    | 3   | 4   | 0   | 2   | 3   | 2   | 2   | 0   | 2    | 29    |
| 42  | Msimang PN     | 1    | 7   | 3    | 5   | 7   | 2   | 4   | 6   | 3   | 4   | 5   | 5    | 52    |
| 43  | Naidoo N       | 2    | 6   | 6    | 2   | 5   | 2   | 2   | 3   | 1   | 0   | 0   | 0    | 27    |
| 44  | Ndawonde SC    | 1    | 5   | 3    | 2   | 3   | 1   | 2   | 4   | 2   | 2   | 3   | 4    | 32    |
| 45  | Ndlovu NZ      | 1    | 5   | 4    | 2   | 5   | 2   | 2   | 4   | 3   | 2   | 2   | 3    | 35    |
| 46  | Nene J         | 1    | 3   | 2    | 2   | 5   | 1   | 1   | 3   | 0   | 2   | 1   | 3    | 24    |
| 47  | Nene SD        | 1    | 3   | 3    | 2   | 3   | 1   | 2   | 4   | 2   | 2   | 2   | 3    | 28    |
| 48  | Ngcobo KM      | 0    | 0   | 0    | 0   | 0   | 0   | 2   | 3   | 1   | 1   | 2   | 3    | 12    |
| 49  | Ngcobo JM      | 0    | 0   | 0    | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0    | 0     |
| 50  | Ngongoma XE    | 1    | 5   | 1    | 2   | 4   | 1   | 2   | 5   | 7   | 7   | 2   | 2    | 39    |
| 51  | Ngubane SD     | 1    | 3   | 4    | 2   | 2   | 1   | 2   | 4   | 8   | 8   | 2   | 2    | 39    |
| 52  | Ngube GM       | 0    | 4   | 2    | 3   | 4   | 2   | 2   | 4   | 3   | 3   | 1   | 3    | 31    |
| 53  | Ngubo M        | 1    | 5   | 4    | 3   | 5   | 1   | 2   | 6   | 8   | 8   | 2   | 2    | 47    |
| 54  | Ngubo RZ       | 1    | 6   | 4    | 2   | 4   | 1   | 2   | 2   | 2   | 2   | 2   | 3    | 31    |
| 55  | Nhlabathi BC   | 0    | 2   | 2    | 1   | 5   | 2   | 1   | 4   | 3   | 3   | 1   | 2    | 26    |
| 56  | Niemand R      | 1    | 5   | 4    | 3   | 6   | 1   | 2   | 6   | 8   | 8   | 2   | 2    | 48    |
| 57  | Ntombela EZ    | 2    | 1   | 2    | 2   | 2   | 1   | 2   | 2   | 2   | 2   | 0   | 0    | 18    |
| 58  | Ntombela TD    | 2    | 3   | 6    | 6   | 6   | 2   | 3   | 9   | 0   | 0   | 5   | 6    | 48    |
| 59  | Ntshangase N   | 1    | 0   | 1    | 2   | 2   | 0   | 2   | 2   | 1   | 1   | 1   | 3    | 16    |
| 60  | Oumar MH       | 1    | 6   | 5    | 4   | 7   | 3   | 1   | 7   | 4   | 4   | 4   | 4    | 50    |
| 61  | Phungula DB    | 1    | 5   | 4    | 2   | 2   | 2   | 2   | 2   | 3   | 2   | 2   | 2    | 29    |
| 62  | Schalkwyk M    | 1    | 6   | 4    | 2   | 6   | 0   | 2   | 6   | 8   | 2   | 2   | 2    | 41    |
| 63  | Shange SC      | 1    | 0   | 1    | 1   | 1   | 0   | 1   | 2   | 0   | 1   | 1   | 1    | 10    |
| 64  | Singh M        | 2    | 4   | 5    | 2   | 2   | 1   | 0   | 0   | 0   | 0   | 0   | 0    | 16    |
| 65  | Sithole P      | 3    | 4   | 6    | 6   | 5   | 2   | 4   | 6   | 3   | 5   | 5   | 5    | 54    |
| 66  | Sithole TW     | 1    | 3   | 4    | 1   | 4   | 2   | 3   | 3   | 2   | 2   | 3   | 3    | 31    |
| 67  | Sivnath R      | 1    | 3   | 5    | 2   | 4   | 0   | 1   | 2   | 3   | 1   | 0   | 2    | 24    |
| 68  | Sokhela BC     | 1    | 1   | 1    | 2   | 5   | 1   | 2   | 2   | 1   | 1   | 1   | 3    | 21    |
| 69  | Sokhela MS     | 2    | 1   | 5    | 1   | 3   | 2   | 2   | 3   | 4   | 2   | 3   | 2    | 30    |
| 70  | Soobiah R      | 1    | 5   | 1    | 3   | 4   | 0   | 2   | 0   | 1   | 3   | 2   | 2    | 24    |
| 71  | Strachan RB    | 1    | 1   | 5    | 3   | 6   | 2   | 2   | 4   | 3   | 2   | 2   | 5    | 36    |
| 72  | Winterbach LJ  | 0    | 0   | 0    | 2   | 6   | 1   | 2   | 3   | 4   | 2   | 2   | 3    | 25    |
| 73  | Zondi DP       | 2    | 4   | 2    | 1   | 1   | 1   | 1   | 2   | 3   | 1   | 2   | 2    | 22    |
| 74  | Zondi HM       | 1    | 5   | 4    | 3   | 4   | 2   | 2   | 4   | 3   | 2   | 3   | 4    | 37    |
| 75  | Zondo MP       | 2    | 6   | 4    | 2   | 4   | 2   | 1   | 3   | 4   | 2   | 3   | 2    | 35    |
| 76  | Zuma BE        | 1    | 2   | 4    | 2   | 3   | 0   | 1   | 3   | 6   | 3   | 4   | 2    | 31    |
| 77  | Zuma MB        | 0    | 3   | 2    | 2   | 3   | 1   | 2   | 2   | 2   | 2   | 1   | 2    | 22    |
| 78  | Zungu NJ       | 2    | 5   | 4    | 1   | 4   | 1   | 2   | 1   | 2   | 2   | 2   | 3    | 29    |
| 79  | Zungu TRM      | 1    | 1   | 4    | 0   | 3   | 0   | 1   | 2   | 1   | 1   | 1   | 0    | 15    |

## **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**

At its meeting, which was held on 29 June 2016, Council took a resolution adopting the Terms of Reference and the establishment of the following committees:

### **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. It exercises an oversight role over the Executive and the Administration on behalf of the Council, with regard to matters falling within its area of competence and reports directly to Council. The primary purpose of the MPAC is to assist Council to hold the executive and the municipal administration to account. To this end, it reviews and interrogates the Annual Report as well as the audit reports on the financial and administrative affairs of the municipality and may initiate, direct and supervise investigations into any matter falling within its terms of reference, including projects requested by Council and Executive Committee.

### **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. The Committee has the power to decide all appeals against decisions taken by a political structure, political office bearer or a Councillor of the municipality.

### **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. The Committee is empowered to make emergency decisions where it deems necessary and incur concomitant expenditure or make recommendations to Council.

### **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 and those matters that could not be finalized before the Council went to recess and have been designated as such to the Recess Committee to finalize them.

### **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) and is the principal committee of the Municipal Council which guides the Council in performing its role of political oversight of the municipality's functions, programmes and the management of the administration. The Committee presents its resolutions and recommendations to Council.

### **COMMITTEES TO ASSIST THE EXECUTIVE COMMITTEE**

The following Committees have been established in terms of section 80 of the Structures Act to assist the Executive Committee:

#### **CORPORATE SERVICES PORTFOLIO COMMITTEE**

This Portfolio Committee is charged with the responsibility for efficient and effective Council and Committee support services, legally compliant human resources management, information management and legal services.

#### **FINANCIAL SERVICES PORTFOLIO COMMITTEE**

This Portfolio Committee is responsible for the matters relating to the transparent, efficient and effective management of municipal finances, which includes in the main treasury and budget management, supply chain management, revenue and expenditure management, as well as financial control and cash management.

#### **INFRASTRUCTURE SERVICES PORTFOLIO COMMITTEE**

This Portfolio Committee is responsible for municipal infrastructure planning, financing, development, maintenance and management of water, sanitation, electricity, roads and storm water provision.

#### **COMMUNITY SERVICES PORTFOLIO COMMITTEE**

This Portfolio Committee is responsible for landfill site and waste management, libraries, cemeteries and crematoria services, public safety and disaster management as well as traffic law enforcement services.

#### **SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES PORTFOLIO COMMITTEE**

This Portfolio Committee deals with integrated development planning matters, municipal markets, forestry and tourism, local economic development, environmental health as well as human settlements development and management.

**NOTE: - FULL VERSION OF THE APPROVED TERMS OF REFERENCE ARE AVAILABLE ON REQUEST FROM THE ARCHIVES, REGISTRY & INFORMATION SUB-UNIT**

## 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 Municipal Manager and a head of department of the Council.”

## NUMBER OF MEETINGS HELD FOR EACH PORTFOLIO COMMITTEE FOR THE 2018/2019 FINANCIAL YEAR

Number of meetings held for Council & its Committees for the 2018/2019 FY

| SERVICE STATISTICS FOR COUNCIL & EXECUTIVE 2018 /2019 |        |
|-------------------------------------------------------|--------|
| ITEM                                                  | NUMBER |
| Number and Type of Council Committee Meetings:        |        |
| Full Council                                          | 23     |
| Executive Committee                                   | 24     |
| Corporate Services                                    | 9      |
| Financial Services                                    | 14     |
| Infrastructure Services                               | 11     |
| Community Services                                    | 8      |
| Sustainable Development & City Entities               | 13     |
| Municipal Public Accounts Committee                   | 7      |

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

## 2.2 ADMINISTRATIVE GOVERNANCE

### INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

During the 18/19 financial year, the General Manager: Sustainable Development post was filled. The General Manager: Infrastructure, vacated in June 2018, remains vacant. All remaining Section 56/57 posts were occupied throughout the year. As the head of the municipal administration, subject to the policy directions of the municipal council, the City Manager is responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. The City Manager must make sure the administration is equipped to implement the municipality's integrated development plan, that it operates in accordance with the municipality's performance management system, and that it is responsive to the needs of the local community.

The roles and responsibilities of the City Manager are comprehensively set out in Section 55 of the Municipal Systems Act and responsibilities of the City Manager as Accounting Officer is set out in Chapter 8 of the Municipal Finance Management Act, 56 of 2003.

The City Manager's office has assumed direct responsibility for Communications and Corporate Strategy as well as the drafting, management and implementation of Council's Integrated Development Plan [IDP]. The Internal Audit unit is also located in the Municipal Manager's office and ensures compliance with municipal legislation.

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

- Infrastructure services;
- Community services;
- Economic Development;
- Financial Services; and
- Corporate services.

The City Manager and his team of executive managers hold weekly meetings to discuss key strategic service deliverables, and to offer guidance on achieving IDP goals. The administrative component is aligned with the five National Key Performance Areas; **Financial Viability and management, Local economic Development, Basic service delivery and Infrastructure development, Good Governance and Public Participation, Institutional Development and Transformation, Environmental Planning and Social Services**

## TOP ADMINISTRATIVE STRUCTURE

| TIER 1                              |
|-------------------------------------|
| <b>CITY MANAGER</b><br>Sizwe Hadebe |

| FUNCTIONS                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------|
| Communications<br>Integrated Development Plan<br>Internal Audit<br>Monitoring & Evaluation<br>Policy, Strategy and Research |

| TIER 2                                     |
|--------------------------------------------|
| <b>CHIEF FINANCIAL OFFICER</b><br>N Ngcobo |

| TIER 2                                                 |
|--------------------------------------------------------|
| <b>GENERAL MANAGER: Corporate Services</b><br>M Molapo |

| TIER 2                                               |
|------------------------------------------------------|
| <b>GENERAL MANAGER: Community Services</b><br>B Zulu |

| TIER 2                                                    |
|-----------------------------------------------------------|
| <b>GENERAL MANAGER: Infrastructure Services</b><br>Vacant |

| TIER 2                                                        |
|---------------------------------------------------------------|
| <b>GENERAL MANAGER: Sustainable Development</b><br>FT Nxumalo |

**CITY MANAGERS OFFICE**

| TIER 3                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Senior Manager: Expenditure Management</b><br>S Nxumalo<br><b>Senior Manager: Revenue</b><br>B Ngobese<br><b>Senior Manager: Budget</b><br>S Khoza<br><b>Senior Manager: Supply Chain</b><br>D Ndlovu<br><b>Senior Manager: Asset Management</b><br>K Shoba<br><b>Senior Manager: Financial Performance</b><br>Vacant |

| TIER 3                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Senior Manager: Human Resources Management</b><br>F Ndlovu<br><b>Senior Manager: Legal Services</b><br>Vacant<br><b>Senior Manager: Secretariate and Auxillary Services</b><br>S Dubazana<br><b>Senior Manager: ICT</b><br>X Ngebulana |

| TIER 3                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Senior Manager: Waste Management</b><br>R Raghunandan<br><b>Senior Manager: Recreation and Facilities</b><br>M Zuma<br><b>Senior Manager: Public Safety</b><br>K Khumalo<br><b>Senior Manager: ABM</b><br>L Kunene |

| TIER 3                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Senior Manager: Roads and Transportation</b><br>L Mngenela<br><b>Senior Manager: Electricity Management</b><br>N Mpisi<br><b>Senior Manager: Water and Sanitation</b><br>B Sivparsad<br><b>Programme Manager: PMU</b><br>S Kunene |

| TIER 3                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Senior Manager: Development Services</b><br>Vacant<br><b>Senior Manager: Planning &amp; Environment</b><br>Vacant<br><b>Senior Manager: Human Settlements</b><br>E Nombungu<br><b>Senior Manager: Municipal Entities</b><br>S Zimu |

| TIER 3                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Senior Manager: City Managers Office</b><br>M Jackson<br><b>Senior Manager: PURP</b><br>Vacant<br><b>Senior Manager: Political Support</b><br>NPN Dube<br><b>Senior Manager: Strategic Planning</b><br>Vacant<br><b>Chief Audit Executive:</b><br>PJ Mahlaba |

| FUNCTIONS                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Budget & Financial Control<br>Expenditure Management and Financial Control<br>Revenue Management & Customer Care<br>Supply Chain Management<br>Treasury and Financial Support |

| FUNCTIONS                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recruitment and Selection<br>Staff establishment<br>HR Support Services<br>Benefits Administration<br>Employee Relations<br>Occupational Health, Safety and Wellness<br>Skills Development<br>Organisational Development<br>Performance Management<br>Secretariat and Auxillary<br>ICT<br>Registry<br>Legal services |

| FUNCTIONS                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| HIV and AIDS<br>Parks<br>Sports and Recreation Facilities<br>Libraries Disaster Management<br>Fire and Emergency Services<br>Traffic and Security Services<br>Waste Management Area Based Management |

| FUNCTIONS                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Electricity Distribution, Technical Services, Roads, Storm-water and Transportation<br>Public Works<br>Infrastructure Design & Implementation<br>Project Management<br>Water and Sanitation |

| FUNCTIONS                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Development Services<br>Town Planning<br>Real Estate and Housing<br>Environmental Management and Land Survey, Building Inspectorate and Licensing<br>Human Settlements Entities<br>Environmental Health |

| FUNCTIONS                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------|
| IDP<br>Communication<br>OPMS<br>PMB Urban Renewal<br>Political Offices<br>MPAC Chair<br>Strategic Planning<br>Internal Audit |



FUNCTIONAL ORGANOGRAM:

FUNCTIONAL ORGANOGRAME 2018/2019



**CITY  
MANAGER**  
**MR. SIZWE  
HADEBE**



**CHIEF FINANCIAL  
OFFICER**

**MRS. NELISIWE  
NGCOBO**

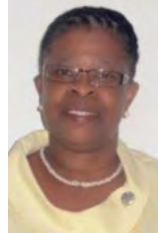
- EXPENDITURE REVENUE
- ASSET MANAGEMENT
- FINANCIAL PERFORMANCE
- BUDGET MONITORING AND IMPLEMENTATION



**GM: COMMUNITY  
SERVICES**

**MS. BONIWE ZULU**

- WASTE MANAGEMENT
- AREA BASED MANAGEMENT
- PUBLIC SAFETY
- PARKS AND RECREATION
- LIBRARIES
- BUILDINGS & FACILITIES



**GM: CORPORATE  
SERVICES**

**MS. MOSA  
MOLAPO**

- HUMAN RESOURCES
- LEGAL
- SECRETARIAT
- ICT



**GM:  
INFRASTRUCTURE  
SERVICES**

**VACANT**

- ELECTRICITY
- ROADS AND TRANSPORTATION
- WATER AND SANITATION
- MECHANICAL WORKSHOPS
- PROJECT MANAGEMENT



**GM: SUSTAINABLE  
DEVELOPMENT**

**MR. FELIX  
NXUMALO**

- HUMAN SETTLEMENTS
- DEVELOPMENT SERVICES
- PLANNING AND ENVIRONMENT
- MUNICIPAL ENTITIES

## 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 Neighbourhood 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.

### 2.3 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 Municipal 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 remains a member of the South African Cities Network at a national level. The Mayor sits on the Board of Directors of the SACN and the Municipal Manager is an alternate.

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

| PROJECT DESCRIPTION                  | FUNDER            | RECEIVED             |
|--------------------------------------|-------------------|----------------------|
| PROVINCIALISATION                    | ARTS & CULTURE    | 19,559,000           |
| TATHAM ART GALLERY                   | ARTS & CULTURE    | 441,000              |
| HOUSING OPERATIONAL COST             | HUMAN SETTLEMENTS | 13,596,785           |
| EQUITABLE SHARE                      | NATIONAL TREASURY | 505,852,849          |
| FMG                                  | NATIONAL TREASURY | 1,700,000            |
| EPWP                                 | NATIONAL TREASURY | 2,890,000            |
| MIG                                  | NATIONAL TREASURY | 193,316,000          |
| WSIG                                 | NATIONAL TREASURY | 42,760,000           |
| PTIG                                 | NATIONAL TREASURY | 199,104,000          |
| NDPG                                 | NATIONAL TREASURY | 14,900,000           |
|                                      |                   | <b>994,119,634</b>   |
| NOT ON GAZETTE                       |                   |                      |
| JIKA JOE COMMUNITY RESIDENTIAL UNITS | HUMAN SETTLEMENTS | 37,602,972           |
| TITLE DEED RESTORATION               | HUMAN SETTLEMENTS | 8,965,991            |
|                                      |                   | 46,568,963           |
|                                      |                   | <b>1,040,688,597</b> |

#### 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 Municipal Manager does attend. The Mayor is the chairperson of the provincial SALGA Human Resources Working Group.

#### RELATIONSHIPS WITH MUNICIPAL ENTITIES

The municipality has one municipal entity called Safe City. Safe City is dedicated to making the City of Pietermaritzburg a better place in which to live, work and play.

#### SAFE CITY MUNICIPAL ENTITY

The accounting officer ensures that annual performance objectives and indicators for the municipal entity are established by agreement with the municipal entity and included in the municipal entity's multi-year business plan. The accounting also ensures that as part of the municipal entity's annual budget process, the performance of the municipal entity against the agreed performance objectives and indicators is monitored.

A compliance checklist with all applicable legislation is developed and implemented to serve as a preventative control in ensuring compliance with legislation. Furthermore, senior management has to review and monitor implementation of the checklist.



A multi-year business plan of the entity will include performance targets and indicators and these will be included in the Sustainable Development and City Entities Service Delivery and Budget Implementation Plan (SDBIP). The municipality will have two resolutions, for approval Msunduzi consolidated budget and approval of Safe City budget.

**DISTRICT INTERGOVERNMENTAL STRUCTURES**

The Municipal Manager and the Mayor are members of the Technical District and Mayoral District Forum respectively. The Municipal Manager is also the Chairperson of the District Infrastructure Services Forum.

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

During the 2018/2019 financial year, the municipality had 39 functional ward committees which serve as a conduit between the municipality and the committee. In addition, a public participation policy and guideline was already developed and approved by Council. In addition to ward committees, the Service Delivery and Budget Implementation Plan (SDBIP) is made public and published on the municipal website. This contains projected financial and service delivery Indicators and deliverables. Members of the public are also invited to participate in the Oversight process related to the Annual Report.

In the promotion of public accountability and participating 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.

Section 2.4 below provides an outline of further mechanisms which the municipality utilizes as a mean of public participation.

### 2.4 PUBLIC MEETINGS

#### COMMUNICATION, PARTICIPATION AND FORUMS

Every year around the end of August, Msunduzi Municipality finalizes a Process Plan which is approved by Full Council, once approved a public notice is posted to our website and various newspapers inviting members of public as well as various stakeholders to make submissions with regards to developmental priority needs. The very same Process Plan is posted to the Msunduzi website where different activities and milestones are reflected in terms of the IDP review and PMS and Budget implementation and monitoring.

The Msunduzi Municipality has a structured program of public participation. This program is reflected in the Process Plan and forms the basis for citizenry engagement framework which is currently mooted in a form of a public participation policy.

The following are forms of citizenry participation that are utilized by the Municipality to ensure the citizen and stakeholders voice are accommodated in the planning, execution and review of the IDP, Budget and PMS processes:

- Ward Committee Monthly Meetings
- Stakeholders Quarterly Meeting (Reporting on PMS Progress/SDBIP and IDP)
- Monthly Community Meetings by Councillors (due to financial constrains-are held once in two months /6 meetings per annum per ward)
- Project Based Meetings
- Sector Plan Based Engagements
- Executive committee – Public Gallery
- Full Council Meeting – Public Gallery
- Integrated Development Planning Meetings:
- Izimbizo: Public Meetings for Budget, IDP etc.
- Municipal Property Rates Act (MPRA)
- Service Standard or Charter
- Community Based Planning
- Complaints Register: Customer Care and Batho Pele Engagements
- Sukuma Sakhe – Premier's Flagship Tool for Accelerated Service Delivery at a Ward Base Level
- Attendance to invitations by Interest groups
- Partnerships and MOUs

The above various forms of public participation engagements are conducted throughout the year specifically at an operational level and then some of them are organized on a fortnightly, monthly, quarterly and annually as reflected in our Process Plan, the intergovernmental relations and citizenry participation system model is presented for adoption by Full Council which forms the basis for Public Participation Policy.

#### 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, these are:

- 1) To serve as an official specialized participatory structure in the Msunduzi Municipality.
- 2) To create formal unbiased communication channels as well as a co-operative partnership between the community and the Council.
- 3) Advise and make recommendations to the Ward Councillor on matters of policy affecting the Ward.
- 4) Assisting the Ward Councillors in identifying the challenges and needs of residents.
- 5) Dissemination of information in the Ward concerning municipal affairs such as the budget, integrated development planning, performance management systems, service delivery options and municipal properties.
- 6) Receive queries and complaints from residents concerning municipal service delivery, communication with Council and provide feedback to the community on Council's response.
- 7) Ensure constructive and harmonious interaction between the municipality and community through the use and co-ordination of ward residents meetings and other community development forums, and
- 8) Interact with other organisations and forums on matters affecting the ward.

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.

**PUBLIC MEETINGS**

In total 363 ward committee meetings were held and 181 community (public) meetings were held, broken down as follows:

**WARD COMMITTEE MEETINGS 2018 /2019 FY**

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY                                                                                                     |                 |                                               |                                                  |                                            |                                                                                                         |                                                                                                              |                                                           |                                                                                             |                                                                             |                                     |                                                                                    |                                          |                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|
| Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year |                 |                                               |                                                  |                                            |                                                                                                         |                                                                                                              |                                                           |                                                                                             |                                                                             |                                     |                                                                                    |                                          |                                                      |
| WARD                                                                                                                                              | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                | WARD COMMITTEE MEETINGS                                                                                      |                                                           |                                                                                             |                                                                             |                                     | Dates and manner of feedback given to Councillors to forward to the Ward Committee |                                          |                                                      |
|                                                                                                                                                   |                 |                                               |                                                  |                                            |                                                                                                         | Date information forwarded to Customer Care / Relevant Department for actioning                              | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Services received per ward          |                                                                                    |                                          |                                                      |
| 1                                                                                                                                                 | 07.07.18        | 1                                             | None                                             | 5                                          | Housing, transport. Safety and security, youth and sport                                                | Nil                                                                                                          | Nil                                                       | Nil                                                                                         | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 21.08.18        | 1                                             | None                                             | 5                                          | Womens Parliament Report                                                                                | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 17.10.18        | 1                                             | None                                             | 7                                          | Plan for festive games, Reporting of all portfolios on what they had done                               | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 29.10.18        | 1                                             | None                                             | 7                                          | Transport, RDP houses, Communication, Water problem, Soccer stadium, Health                             | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 18.01.19        | 1                                             | None                                             | 6                                          | Establishment of peace/ stability committee, community library,                                         | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 30.01.19        | 1                                             | None                                             | 6                                          | crime rate, RDP houses, Drugs awareness campaign                                                        | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 07.02.19        | 1                                             | None                                             | 6                                          | Drugs and substance abuse, Issue of housing and VDA employees                                           | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 26.02.19        | 1                                             | None                                             | 6                                          | Concerns regarding ward committee members that are not attending meetings,                              | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 22.03.19        | 1                                             | None                                             | 6                                          | Ward committee reports regarding work shop by human settlements, Phayphini ward games, Voter education, | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 26.04.19        | 1                                             | None                                             | 6                                          | Sectoral reports, housing                                                                               | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 19.05.19        | 1                                             | None                                             | 6                                          | substance abuse, Housing issue,                                                                         | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 14.06.19        | 1                                             | None                                             | 7                                          | Newly built road near Vezokuhle Primary School, peace/stability, RDP houses.                            | Nil                                                                                                          | Nil                                                       | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   |                 |                                               | 1                                                | None                                       |                                                                                                         |                                                                                                              | None                                                      | None                                                                                        | None                                                                        | None                                | None                                                                               | None                                     | None                                                 |
|                                                                                                                                                   | 2               | 06.07.18                                      | 1                                                | None                                       | 10                                                                                                      | Water leak problem at Zayeka area at Mandlakazi area, name list of people who have problem of falling houses | Nil                                                       | Nil                                                                                         | None                                                                        | The Cllr communicated direct to VDA | VDA will attend housing queries on continuous basis                                | None                                     | Cllr dealt direct with VDA to resolve the challenges |
| 19.07.18                                                                                                                                          |                 | 1                                             | None                                             | 10                                         | Request for ramps, crime and deaths happening at unregistered taverns, RDP housing,                     | Nil                                                                                                          | Nil                                                       | None                                                                                        | Forwarded to relevant unit                                                  | Roads unit met with the Cllr        | None                                                                               | Cllr dealt direct with the relevant unit |                                                      |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

### WARD COMMITTEE MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                                                                                                                       | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 2    | 08.08.18        | 1                                             | None                                             | 10                                         | D2069 road at Mbutshane, EPWP programme, Zayeka Hall renovation, VDA housing project, Rehabilitating of Gcebeni Hall, Stadium rehabilitation programme to start, Mabane bridge, Zayeka road to be extended                                                                                                     | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                           |
|      | 09.09.18        | 1                                             | None                                             | 10                                         | Renovation of clinic, Khwezi project installing new globes which are electricity saving, Building of 50 new toilets at Soul city area,                                                                                                                                                                         | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads and electricity unit met with the Cllr                                | Cllr dealt direct with the relevant unit                                           |
|      | 21.09.18        | 1                                             | None                                             | 10                                         | Water, Roads, and RDP houses issue and a need of high master lights at Insika area, new water reservoir to be made by uMgeni Water at Mbutshane area                                                                                                                                                           | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 05.09.18        | 1                                             | None                                             | 10                                         | electricity, water, crime, transport                                                                                                                                                                                                                                                                           | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 21.10.18        | 1                                             | none                                             | 10                                         | renovation of Gcebeni hall                                                                                                                                                                                                                                                                                     | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 14.10.18        | 1                                             | None                                             | 10                                         | Report back of D2069                                                                                                                                                                                                                                                                                           | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 20.12.18        | 1                                             | None                                             | 10                                         | vda project, Renovation of Gcebeni Hall                                                                                                                                                                                                                                                                        | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 13.11.18        | 1                                             | None                                             | 10                                         | Poor access of health care                                                                                                                                                                                                                                                                                     | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 16.01.19        | 1                                             |                                                  | 10                                         | Schools opening, discussion of pick up points of medication, discussion of change of school name, booking of halls, tree cutting                                                                                                                                                                               | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 06.02.19        | 1                                             |                                                  | 10                                         | Housing, transport, streetlights                                                                                                                                                                                                                                                                               | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 22.03.19        | 1                                             |                                                  | 10                                         | Construction of bus shelters project, drug awareness, gravelling of Nobanda Road                                                                                                                                                                                                                               | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 10.04.19        | 1                                             |                                                  | 10                                         | housing, toilet project, D2069 Mbutshana Road                                                                                                                                                                                                                                                                  | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 29.05.19        | 1                                             |                                                  | 10                                         | Master lights, gravel road maintenance, water and light issue                                                                                                                                                                                                                                                  | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
| 3    | 24.05.19        | 1                                             | None                                             | 9                                          | Installation of electricity in 150 houses at Bhothonono and Nxamalala area, building of 60 toilets, Installation of water meters at Mvelweni area, Housing progress report, maintenance of Nhangulela Rd, Maquba Rd, Zwane Rd, Masimini Rd, Datalala Rd, Polokwane, Msunduzi main road, Skhila Rd, Masomini Rd | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | Cllr reported to the Ward Committee                                                |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | WARD COMMITTEE MEETINGS |                                               |                                                  |                                            |                                                                                                                                                                                                                                                                                |                                                                                 |                                                           |                                                                                             |                                                                                             |                                                                                             | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
|------|-------------------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------|
|      | Date of Meeting         | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                                                                                       | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Measures taken to address Challenges / Complaints / Requests for Services received per ward |                                                                             |                                                                                    |
| 3    | 27.04.19                | 1                                             | None                                             | 9                                          | Electricity, water, VIP toilets, gravel road maintenance                                                                                                                                                                                                                       | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                                        | None                                                                                        | Cllr reported to the Ward Committee                                         |                                                                                    |
|      | 14.04.19                | 1                                             | None                                             | 10                                         | Introduction of Community care project, Upgrading of Mpanza Road, Installation of Master lights at Mvelweni area, Request for the road at Mpande new sites is in IDP, Mpande community hall needs maintenance, Potholes at Maqube road, Darky road has been newly constructed. | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                                        | None                                                                                        | Cllr reported to the Ward Committee                                         |                                                                                    |
|      | 10.03.19                | 1                                             |                                                  | 10                                         | VIP toilet, Master lights, Mvelweni Pipe, Gravel road                                                                                                                                                                                                                          |                                                                                 |                                                           |                                                                                             |                                                                                             |                                                                                             |                                                                             |                                                                                    |
|      | 22.02.18                | 1                                             | None                                             | 9                                          | VIP toilet, Master lights, Mvelweni extend Pipe, Gravel road, Nqabeni Community hall                                                                                                                                                                                           | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                                         | Cllr dealt direct with VDA to resolve the challenges                        |                                                                                    |
|      | 06.11.18                | 1                                             | None                                             | 9                                          | VIP toilet, Master lights, Mvelweni extend Pipe, Gravel road, Nqabeni Community hall                                                                                                                                                                                           | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                                         | Cllr dealt direct with VDA to resolve the challenges                        |                                                                                    |
|      | 13.10.18                | 1                                             | None                                             | 9                                          | VIP toilet, Master lights, Mvelweni extend Pipe, Gravel road, Nqabeni Community hall                                                                                                                                                                                           | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                                         | Cllr dealt direct with VDA to resolve the challenges                        |                                                                                    |
|      | 16.09.18                | 1                                             | None                                             | 9                                          | VIP toilet, Master lights, Mvelweni extend Pipe, Gravel road, Nqabeni Community hall                                                                                                                                                                                           | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                                         | Cllr dealt direct with VDA to resolve the challenges                        |                                                                                    |
|      | 30.06.19                | 1                                             | Nil                                              | 10                                         | Roads, shortage of water, Recreational parks, hall maintenance                                                                                                                                                                                                                 | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                                | Cllr dealt direct with the relevant unit                                    |                                                                                    |
|      | 26.05.19                | 1                                             | Nil                                              | 5                                          | RDP Houses, EPWP contracts, school fencing (Mtholagongo)                                                                                                                                                                                                                       | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                                         | Cllr dealt direct with VDA to resolve the challenges                        |                                                                                    |
|      | 28.07.19                | 1                                             | Nil                                              | 6                                          | Construction of Ndeleshane Road, Cllr's commitment to meet with community in every 3 months                                                                                                                                                                                    | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                                | Cllr dealt direct with the relevant unit                                    |                                                                                    |
| 4    | 31.03.19                | 1                                             | Nil                                              | 8                                          | Construction of Church Road, child headed family issue, sports and business revival at Henley Village, Waste disposal issue, Water crisis, Toilets, Transport problem at Mgodini area, Business sector, safety and security and education.                                     | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                                | Cllr dealt direct with the relevant unit                                    |                                                                                    |
|      | 03.03.19                | 1                                             | Nil                                              | 8                                          | Reports from different sectors, Non attendance of stakeholders in warrooms,                                                                                                                                                                                                    | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                                | Cllr dealt direct with the relevant unit                                    |                                                                                    |
|      | 28.10.18                | 1                                             | Nil                                              | 8                                          | Workshop which will help ward committees to assist community with regard to filling of revenue enhancement for, reports from different sectors.                                                                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                                | Cllr dealt direct with the relevant unit                                    |                                                                                    |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

### WARD COMMITTEE MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                                                                             | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 4    | 17.12.18        | 1                                             | Nil                                              | 6                                          | Reports from different sectors, issue of non attendance of telephones in Msunduzi call centre if people want to make enquiries, Notification of a Cllr by the community if they need waterkan, Reduction of IDP budget for construction of the roads by Municipality | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                           |
|      | 24.09.18        | 1                                             | Nil                                              | 7                                          | Reports from sectors, Report from Inkosi with regards to the construction of Ngobese Rd which is in pipeline and will be built recently, issue of electricity at Zibomvini area,                                                                                     | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                           |
|      | 26.08.18        | 1                                             | Nil                                              | 8                                          | Reports from different portfolios, EPWP employment, Advertisement of a company that will collect waste in the area, High masterlight                                                                                                                                 | Nil                                                                             | Nil                                                       |                                                                                             |                                                                             |                                                                                    |
|      | 23.06.18        | 1                                             | Nil                                              | 7                                          | Reports from sectors, Issue of construction of walkways to RDP houses, List of people who have not received RDP Houses,                                                                                                                                              | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                           |
|      | 27.05.19        | 1                                             | Nil                                              | 7                                          | Shortage of water, Issue of RDP houses, Update of P412 road and upgrade of D1138                                                                                                                                                                                     | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                           |
|      | 29.04.19        | 1                                             | Nil                                              | 7                                          | Reports from different sectors, Construction of road at Mbubu area, construction of new reservoir that will distribute water to Henley area, Construction of toilets,                                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                           |
|      | 27.07.19        | 1                                             | Nil                                              | 8                                          | Housing                                                                                                                                                                                                                                                              | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
| 5    | 13.07.19        | 1                                             |                                                  | 7                                          | Government to give out DSTV, Ward Committee meetings have to visit Government department to ask for help.                                                                                                                                                            | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 27.03.19        | 1                                             |                                                  | 7                                          | Cllr request all ward committees to assist communities if they need help.                                                                                                                                                                                            | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
|      | 23.01.19        | 1                                             |                                                  | 7                                          | Cllr requested ward committees to report all problems that they receive from communities.                                                                                                                                                                            | Nil                                                                             | Nil                                                       | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges                               |
| 6    | 24.08.18        | 1                                             | Nil                                              | 6                                          | Introduction of Ward Committees                                                                                                                                                                                                                                      | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | The Cllr introduced the Ward Committee                                             |
|      | 11.07.18        | 1                                             | Nil                                              | 7                                          | Road, electricity                                                                                                                                                                                                                                                    | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                           |



OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD     | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending                                                     | Challenges / Complaints / Requests for Services received                                                                               | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward                              | Dates and manner of feedback given to Councillors to forward to the Ward Committee                       |
|----------|-----------------|-----------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
|          |                 |                                               |                                                  |                                                                                                |                                                                                                                                        |                                                                                 |                                                           |                                                                                             |                                                                                                          |                                                                                                          |
| 7        | 17.03.19        | 1                                             | Nil                                              | 10                                                                                             | Access road, Water, Electricity, skills development, Renovation of community halls                                                     | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Clir                                                                             | Clir dealt direct with the relevant unit                                                                 |
|          | 23.02.19        | 1                                             | Nil                                              | 10                                                                                             | Crime, People living with disability                                                                                                   | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|          | 16.09.18        | 1                                             | Nil                                              | 10                                                                                             | Community safety and security,, RDP houses, unemployment, HIV&AIDS,                                                                    | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|          | 29.07.2018      | 1                                             | Nil                                              | 9                                                                                              | Election of War room chairperson                                                                                                       | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                                                     | None                                                                                                     |
|          | 28.10.18        | 1                                             | Nil                                              | 10                                                                                             | Reporting of sectors                                                                                                                   | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                                                     | None                                                                                                     |
|          | 18.11.18        | 1                                             | Nil                                              | 10                                                                                             | shortage of grazing land and dip in the area, illegal electricity connection, toilets and RDP houses                                   | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|          | 19.01.19        | 1                                             | Nil                                              | 10                                                                                             | RDP houses, illegal connections of electricity,                                                                                        | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
| 8        | 27.01.19        | 1                                             | Nil                                              | 10                                                                                             | electing of war room members, dates of meetings ie public meetings and ward community meetings                                         | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|          | 23.02.19        | 1                                             | Nil                                              | 8                                                                                              | shortage of grazing land and dip in the area, illegal electricity connection, toilets and RDP houses, Access roads and community hall. | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|          | 24.03.19        | 1                                             | Nil                                              | 10                                                                                             | Crime, People living with disability                                                                                                   | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|          | 28.03.19        | 1                                             | Nil                                              | 10                                                                                             | Crime, People living with disability                                                                                                   | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|          | 29.04.19        | 1                                             | Nil                                              | 10                                                                                             | Fixing of water leaks                                                                                                                  | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
| 18.05.19 |                 |                                               |                                                  |                                                                                                |                                                                                                                                        |                                                                                 |                                                           |                                                                                             |                                                                                                          |                                                                                                          |
| 26.05.19 | 1               | Nil                                           | 9                                                | Sikhululiwe schools request for Wifi so that children can register on line, Zwelyazuza School. | Nil                                                                                                                                    | Nil                                                                             | involving SAPS and other relevant departments             | Clir followed it up with customer care and also other relevant units                        | Clir followed it up with customer care and also other relevant units then reported back to the community |                                                                                                          |



OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | WARD COMMITTEE MEETINGS |                                               |                                                  |                                            |                                                                                                                                              |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                                          |
|------|-------------------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
|      | Date of Meeting         | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                     | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee                       |
| 13   | 29.07.18                | 1                                             | Nil                                              | 8                                          | Unemployment, Payment of Housing project                                                                                                     | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                                                 |
|      | 30.09.18                | 1                                             | Nil                                              | 7                                          | Back to school program                                                                                                                       | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |
|      | 20.12.18                | 1                                             | Nil                                              | 5                                          | Water, Selling of RDP houses, Food parcels                                                                                                   | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 29.11.18                | 1                                             | Nil                                              | 9                                          | Vegetable gardens programs, Poultry farming program, People who merge against Hlelgomusa Primary school, Youth portfolio as they are vacant. | Nil                                                                             | Nil                                                       | Cllr had a meeting with the Department of Agriculture                                       | The Cllr will conduct a follow up meeting                                   | Cllr dealt direct with the relevant unit                                                                 |
|      | 31.01.19                | 1                                             | Nil                                              | 7                                          | A request for sport field has been sent to the Municipality, Reports from different portfolios                                               | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | Cllr dealt direct with the relevant unit                                                                 |
|      | 28.04.19                | 1                                             | Nil                                              | 5                                          | Back to school program                                                                                                                       | Nil                                                                             | None                                                      | None                                                                                        | Cllr dealt direct with the relevant unit                                    |                                                                                                          |
|      | 30.05.19                | 1                                             | Nil                                              | 9                                          | Water, Selling of RDP houses, Food parcels                                                                                                   |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                                          |
|      | 23.07.18                | 1                                             | Nil                                              | 8                                          | Planning meeting                                                                                                                             | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |
|      | 13.09.18                | 1                                             | Nil                                              | 10                                         | Phupha Raod, water and construction of Creche                                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                                                 |
|      | 05.07.18                | 1                                             | Nil                                              | 7                                          | Water, Roads, Streetlights, Development of computer sensor. EPWP COGTA contracts.                                                            | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Electricity unit met with the Cllr                                          | Cllr dealt direct with the relevant unit                                                                 |
| 14   | 16.08.18                | 1                                             | Nil                                              | 9                                          | Water, Roads, Streetlights                                                                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Electricity unit met with the Cllr                                          | Cllr dealt direct with the relevant unit                                                                 |
|      | 19.10.18                | 1                                             | Nil                                              | 10                                         | construction of Tomu creche, Road construction, water                                                                                        | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads unit met with the Cllr                                                | Cllr dealt direct with the relevant unit                                                                 |
|      | 05.06.18                | 1                                             | Nil                                              | 10                                         | Crime, Housing, water                                                                                                                        | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 17.07.18                | 1                                             | Nil                                              | 10                                         | Schedule of meeting dates and portfolios, blockages. Giving of title deeds by Dept of Housing                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Housing unit met with the Cllr                                              | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 07.08.18                | 1                                             | Nil                                              | 10                                         | Distribution of wheelchairs, Project of a shopping centre,                                                                                   | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |
|      | 04.09.18                | 1                                             | Nil                                              | 10                                         | Distribution of wheelchairs, Project of a shopping centre, One school One garden programme.                                                  | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |
|      | 09.10.18                | 1                                             | Nil                                              | 10                                         | speedhumps, electricity theft, housing                                                                                                       | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |
|      | 15.01.19                |                                               |                                                  |                                            | illegal connections of electricity at Madakaneni area, water issue at Madakaneni                                                             | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

| WARD | WARD COMMITTEE MEETINGS |                                               |                                                  |                                            |                                                                                                                     |                                                                                 |                                                           |                                                                                             |                                                                |                                                                                                          |
|------|-------------------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
|      | Date of Meeting         | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                            | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee                       |
| 15   | 05.02.19                | 1                                             | Nil                                              | 10                                         | Crime, Housing, water                                                                                               | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                           |                                                                                                          |
|      | 19.03.19                | 1                                             | Nil                                              | 10                                         | Schedule of meeting dates and portfolios, blockages, Giving of title deeds by Dept of Housing                       | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                           |                                                                                                          |
|      | 14.05.19                | 1                                             | Nil                                              | 10                                         | Distribution of wheelchairs, Project of a shopping centre,                                                          | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                           |                                                                                                          |
|      |                         | 1                                             | Nil                                              | 10                                         | Distribution of wheelchairs, Project of a shopping centre,                                                          | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                           |                                                                                                          |
|      | 25.08.18                | 1                                             | Nil                                              | 10                                         | Rates, sewage project, fencing of grave yard                                                                        | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                         | Cllr followed it up with customer care and also other relevant units then reported back to the community |
| 16   | 20.09.18                | 1                                             | Nil                                              | 6                                          | land invasion, Indigent policy, postbox issue, housing                                                              | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                         | Cllr dealt direct with the relevant unit                                                                 |
|      | 13.11.18                | 1                                             | Nil                                              | 7                                          | Electricity issue, water leaks, request for master lights                                                           | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                         | Cllr dealt direct with the relevant unit                                                                 |
|      | 03.01.19                | 1                                             | Nil                                              | 8                                          | rates, water running across the road, RDP housing                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                         | Cllr dealt direct with the relevant unit                                                                 |
|      | 27.02.19                | 1                                             | Nil                                              | 2                                          | Illegal connection of electricity, speed humps, water crisis, electricity cut off                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                         | Cllr dealt direct with the relevant unit                                                                 |
|      | 23.03.19                | 1                                             | Nil                                              | 6                                          | Non collection of waste, illegal dumping, electricity crisis                                                        | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                         | Cllr dealt direct with the relevant unit                                                                 |
|      | 21.07.18                | 1                                             | Nil                                              | 8                                          | Rectification of wire walls, side walkways, water shortages, land invasion, road, Renovations of Bongudunga school. | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Roads and other relevant units met with the Cllr               | Cllr dealt direct with the relevant units                                                                |
|      | 18.08.18                | 1                                             | Nil                                              | 7                                          | Theft, land invasion,                                                                                               | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                         | Cllr dealt direct with the relevant unit                                                                 |
|      | 23.09.18                | 1                                             | Nil                                              | 9                                          | Housing project willow EE phase1, EPWP, vegetation along the road                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Housing unit met with the Cllr                                 | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 18.10.18                | 1                                             | Nil                                              | 10                                         | Housing project, Rectification of wire walls illegal dumping and indigent forms                                     | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Housing unit met with the Cllr                                 | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 07.12.18                | 1                                             | Nil                                              | 5                                          | RDP houses,                                                                                                         | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Housing unit met with the Cllr                                 | Cllr followed it up with customer care and also other relevant units then reported back to the community |
| 17   | 08.02.19                | 1                                             | Nil                                              | 7                                          | Rectification of wire walls, side walkways, water shortages, land invasion, road                                    | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                           |                                                                                                          |
|      | 10.02.19                | 1                                             | Nil                                              | 8                                          | Theft, land invasion,                                                                                               | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                           |                                                                                                          |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                         | WARD COMMITTEE MEETINGS                                            |                                                           |                                                                    |                                                           | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                            |                                                                                                                                  | Date informed to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Date informed to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department |                                                                                             |                                                                             |                                                                                    |
| 17   | 03.03.19        | 1                                             | Nil                                              | 8                                          | Housing project willow EE phase <sup>1</sup> , EPWP, vegetation along the road, extend/build three rooms at Implwenhle clinic.   | Nil                                                                | Nil                                                       | Nil                                                                | None                                                      | None                                                                                        | None                                                                        |                                                                                    |
|      | 22.04.19        | 1                                             | Nil                                              | 8                                          | Housing project, Rectification of wire walls illegal dumping and incipient forms                                                 | Nil                                                                | Nil                                                       | Nil                                                                | None                                                      | None                                                                                        | None                                                                        |                                                                                    |
|      | 12.05.19        | 1                                             | Nil                                              | 6                                          | RDP houses,                                                                                                                      | Nil                                                                | Nil                                                       | Nil                                                                | None                                                      | None                                                                                        | None                                                                        |                                                                                    |
|      | 26.07.18        | 1                                             | Nil                                              | 6                                          | Introduction of construction company, boreholes, water                                                                           | Nil                                                                | Nil                                                       | Nil                                                                | None                                                      | None                                                                                        | None                                                                        | Cilr introduced the construction company at the meeting                            |
|      | 17.09.18        | 1                                             | Nil                                              | 6                                          | land invasion                                                                                                                    | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 02.10.18        | 1                                             | Nil                                              | 8                                          | Housing, land invasion                                                                                                           | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
| 18   | 04.10.18        | 1                                             | Nil                                              | 6                                          | skills development, location of the hall at stedon site, contractor who wanted to leave due to protest in ward 13 project.       | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 06.12.18        | 1                                             | Nil                                              | 6                                          | Illegal dumping, speedhumps, water crisis                                                                                        | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 31.01.19        | 1                                             | Nil                                              | 6                                          | Electricity, water, unemployment                                                                                                 | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 15.06.18        | 1                                             | Nil                                              | 10                                         | Water project,                                                                                                                   | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 31.07.18        | 1                                             | Nil                                              | 7                                          | DUT project, pipe project                                                                                                        | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 22.08.18        | 1                                             | Nil                                              | 10                                         | crime, promotion of arts and culture                                                                                             | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
| 19   | 03.10.18        | 1                                             | Nil                                              | 8                                          | Non collection of waste, Rates, water leaks                                                                                      | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 28.11.18        | 1                                             | Nil                                              | 9                                          | Crime, safety and security                                                                                                       | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 28.01.19        | 1                                             | Nil                                              | 6                                          | Unemployment, safety and security, speed humps, Education challenge at Tvet college registration, sport.easter soccer tournament | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 28.02.19        | 1                                             | Nil                                              | 9                                          | Housing problem, land invasion, water leaks                                                                                      | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 22.03.19        | 1                                             | Nil                                              | 9                                          | Crime, potholes, youth unemployment                                                                                              | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |
|      | 29.04.19        | 1                                             | Nil                                              | 9                                          | Speed humps, potholes, rates                                                                                                     | Nil                                                                | Nil                                                       | Nil                                                                | Forwarded to relevant unit                                | unit met with the Cilr                                                                      | Cilr dealt direct with the relevant unit                                    |                                                                                    |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

### WARD COMMITTEE MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                             | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee                       |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 20   | 15.06.18        | 1                                             | Nil                                              | 6                                          | SALGA games, indigent forms housing project, IDP report, request for taxis new roads, taxi fair increase, charity towards the community.             | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 20.07.18        | 1                                             | Nil                                              | 7                                          | idp roads land owners, bridges                                                                                                                       | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 12.08.18        | 1                                             | Nil                                              | 6                                          | housing, completion of hall                                                                                                                          | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 07.09.18        | 1                                             | Nil                                              | 9                                          | electricity, road and the bridge, CPF                                                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 19.10.18        | 1                                             | Nil                                              | 9                                          | illegal selling of Municipal land, water, electricity                                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 15.11.18        | 1                                             | Nil                                              | 9                                          | water leaks, potholes                                                                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 14.12.18        | 1                                             | Nil                                              | 9                                          | Illegal connection of electricity, crime, housing, youth unemployment                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 18.01.19        | 1                                             | Nil                                              | 9                                          | water leak, electricity cut offs, potholes                                                                                                           | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 06.02.19        | 1                                             | Nil                                              | 9                                          | unemployment, non collection of waste,                                                                                                               | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 04.04.19        | 1                                             | Nil                                              | 8                                          | Purchasing of land from owners, conversion of pit toilets into flush system, crime, installation of water standpipes                                 | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | Cllr dealt direct with the relevant unit                                                                 |
| 21   | 19.05.19        |                                               |                                                  | 6                                          | potholes, water crisis, shortage of ward committee members, crime                                                                                    | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 24.07.19        |                                               |                                                  |                                            | crime, safety and security, illegal dumping                                                                                                          | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 08.02.18        | 1                                             | Nil                                              | 10                                         | Development, rape, housebreaking and crime, housing                                                                                                  | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
| 22   | 19.06.18        | 1                                             | Nil                                              | 10                                         | RDP housing, speedhumps, buying of land, robot in cnr of Mt Patridge                                                                                 | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 25.06.18        | 1                                             | Nil                                              | 5                                          | Toilets, VIP projects toilets, Eskom project-installation of electricity, 20 people that were marshals in the car spin, pavement for Ashdown primary | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
| 23   | 09.09.18        | 1                                             | Nil                                              | No attendance register                     | Rates, Land invasion in Masons Mill, housing project at peaceville, indigent policy, potholes, streetlights                                          | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 29.07.18        | 1                                             | Nil                                              | 10                                         | Visiting of child headed families, speedhumps, Fencing of Southland area                                                                             | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                                        | WARD COMMITTEE MEETINGS                                                         |                                                           |                                                                                 |                                                           | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward                              | Dates and manner of feedback given to Councillors to forward to the Ward Committee                       |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                            |                                                                                                                                                                                                 | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department |                                                                                             |                                                                                                          |                                                                                                          |
| 24   | 16.09.18        | 1                                             | Nil                                              | 10                                         | Launch of War room and CBPs                                                                                                                                                                     | Nil                                                                             | Nil                                                       | Nil                                                                             | None                                                      | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr and relevant stakeholders                                                                           |
|      | 28.10.18        | 1                                             | Nil                                              | 6                                          | Illegal dumping, grass cutting,                                                                                                                                                                 | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
|      | 25.11.18        | 1                                             | Nil                                              | 8                                          | Crime                                                                                                                                                                                           | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
|      | 20.01.19        | 1                                             | Nil                                              | 8                                          | Electricity, crime, Establishment of Cooperatives, housing                                                                                                                                      | Nil                                                                             | Nil                                                       | Nil                                                                             | involving SAPS and other relevant departments             | Cllr followed it up with customer care and also other relevant units                        | Cllr followed it up with customer care and also other relevant units then reported back to the community | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 10.12.19        | 1                                             | Nil                                              | 10                                         | Vacancie, housing, distribution of school shoes, celebration of youth month, Looking after physically challenged                                                                                | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
|      | 17.03.19        | 1                                             | Nil                                              | 6                                          | Application for a boarding house                                                                                                                                                                | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
|      | 03.07.18        | 1                                             | Nil                                              | 10                                         | Livestock at Ottoosbluff Road in Woodlands, Electricity outage, Road constructed is too narrow, refuse dump in Old Howick dump                                                                  | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
| 26   | 07.08.18        | 1                                             | Nil                                              | 8                                          | Housing at Woodlands extension, refuse collection tennis club has no toilets, streetlights left on all day                                                                                      | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
|      | 13.06.18        | 1                                             | Nil                                              | 7                                          | Parks maintenance schedule for veres and vacant land, Peacevalley waste removal, Fields maintenance required, Peacevalle 3 toilets, Housing, Appointment of caregivers and faulty streetlights, | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
| 27   | 02.08.18        | 1                                             | Nil                                              | 7                                          | Signal hill housing new project, faulty streetlights, maintenance of Transnet railway reserve, refuse removal, vigrance and crime.                                                              | Nil                                                                             | Nil                                                       | Nil                                                                             | None                                                      | None                                                                                        | None                                                                                                     | None                                                                                                     |
|      | NIL             | 1                                             | Nil                                              | 8                                          | Visitation to a rehabilitation centre, rates, introduction of plan for Safety \$ Security                                                                                                       | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
| 28   | 01.06.18        | 1                                             | Nil                                              | 7                                          | Illegal connection of electricity, water shortage, grasscutting, streetlights, crime, illegal dumping                                                                                           | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
|      | 26.06.18        | 1                                             | Nil                                              | 10                                         | Leaking taps, illegal dumping, schedule of cutting grass.                                                                                                                                       | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |
|      | 30.08.18        | 1                                             | Nil                                              | 7                                          | Indigent application forms, illegal structures at Nkululeko settlement, water shortage, Cleaning of dump site,                                                                                  | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                                                   | Cllr dealt direct with the relevant unit                                                                 |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

### WARD COMMITTEE MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                          | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee                       |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 28   | 13.09.18        | 1                                             | Nil                                              | 3                                          | Crime,                                                                                                                                                                            | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 18.11.18        | 1                                             | Nil                                              | 6                                          | Rates, prepaid meter for electricity, illegal connection of electricity                                                                                                           | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 07.02.19        | 1                                             | Nil                                              | 6                                          | rates water, lights                                                                                                                                                               | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      |                 | 1                                             | Nil                                              | 6                                          | toilets required, electricity, water taps required, pathway for school children, SAPS required as there is high level of selling of drugs in the area, removal of dirt and waste, | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
| 29   | 10.09.18        | 1                                             | Nil                                              | 9                                          | ID and Birth certificate problem at Copseville                                                                                                                                    | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |
|      | 08.11.18        | 1                                             | Nil                                              | 9                                          | RDP houses, installation of new electricity meters, potholes at SWAPO, construction of Road at Honniville                                                                         | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 11.11.18        | 1                                             | Nil                                              | 8                                          | Handing over of houses, mobile clinic issue,                                                                                                                                      | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
| 30   | 08.02.2019      | 1                                             | Nil                                              | 8                                          | RDP houses, upgrade of Copesville stadium, library to be built, Community park required.update on the reseviour                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 07.03.19        | 1                                             | Nil                                              | 7                                          | Transport problem in Hanniville                                                                                                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 01.08.18        | 1                                             | Nil                                              | 4                                          | Introduction of Ward Committees and their training                                                                                                                                | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | The Cllr introduced the Ward Committee                                                                   |
|      | 30.08.18        | 1                                             | Nil                                              | 9                                          | Water shortage, electricity                                                                                                                                                       | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 19.09.18        | 1                                             | Nil                                              | 9                                          | Illegal dumping, Road's resurfacing, problems with robots, call center wich failed to send complaints to the officalls                                                            | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
| 31   | 11.07.18        | 1                                             | Nil                                              | 10                                         | speed humps, housing, street lights, illegal dumping, potholes, water leaks                                                                                                       | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 14.08.18        | 1                                             | Nil                                              | 9                                          | Illegal dumping, installation of network cable, indigent, crime                                                                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 21.06.18        | 1                                             | Nil                                              | 9                                          | illegal dumping, informal traders, land invasion, non collection of waste                                                                                                         | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 06.09.18        | 1                                             | Nil                                              | 9                                          | Reports from Ward committees                                                                                                                                                      | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |
|      | 18.10.18        | 1                                             | Nil                                              | 9                                          | SASSA deadlines                                                                                                                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cllr                                                      | Cllr dealt direct with the relevant unit                                                                 |



OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                                    | WARD COMMITTEE MEETINGS                                                         |                                                           |                                                          |                                                                                             | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                            |                                                                                                                                                                                             | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Challenges / Complaints / Requests for Services received | Measures taken to address Challenges / Complaints / Requests for Services received per ward |                                                                                             |                                                                             |                                                                                    |
| 31   | 15.11.18        | 1                                             | Nil                                              | 7                                          | Business Forums, Clinic committee schedule of meetings, potholes, water leaks                                                                                                               | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 18.12.18        | 1                                             | Nil                                              | 9                                          | IRPTN project, Signing of new contractor signed, illegal connection of electricity, indigent applications                                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 17.01.19        | 1                                             | Nil                                              | 9                                          | Incorrect billing of electricity, water leaks, rates problems                                                                                                                               | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
| 32   | 26.06.18        | 1                                             | Nil                                              | 10                                         | housing, unemployment rates, introduction of Ward Committees and Newly elected Councillor Shawn Atkins, School project in Boom street                                                       | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 30.07.18        | 1                                             | Nil                                              | 8                                          | Connection of tower, East street hostels,                                                                                                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 17.09.18        | 1                                             | Nil                                              | 7                                          | Complaints about crossing of train line to go to the office, Issue of Bron clear which is used as a drug, Complaint about Wood lands clinic, Repairs needed to be done in the swimming pool | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 09.11.18        | 1                                             | Nil                                              | 6                                          | Supply of food vouchers for needy people, Building of houses project stopped                                                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
| 33   | 04.12.18        |                                               |                                                  |                                            | Provision of food hampers to the poor people,                                                                                                                                               | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 31.01.19        |                                               |                                                  |                                            | Incorrect of billing by Municipality, overgrown grass in ward 32                                                                                                                            | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 18.02.19        |                                               |                                                  |                                            | water leaks, electricity theft,                                                                                                                                                             | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 19.03.19        |                                               |                                                  |                                            | potholes, illegal dumping, water leaks                                                                                                                                                      | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 05.06.18        | 1                                             | Nil                                              | 7                                          | Electricity, housing, recycling in Garfield                                                                                                                                                 | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
| 34   | 04.09.18        |                                               |                                                  | 7                                          | Jika Joe housing scheme, electricity                                                                                                                                                        | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 30.06.18        | 1                                             | Nil                                              | 8                                          | Agricultural issues, Programmes in youth development, school visits to fight with drugs, Need to launch CPF, Revival of swimming pool                                                       | Nil                                                                             | Nil                                                       | Cllr had a meeting with the Department of Agriculture    | The Cllr will conduct a follow up meeting                                                   | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |
|      | 29.07.18        | 1                                             | Nil                                              | 10                                         | Street renaming, bus stop shelters required, sponsorship of learners, Transport problem                                                                                                     | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                               | unit met with the Cllr                                                                      | Cllr dealt direct with the relevant unit                                                    |                                                                             |                                                                                    |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

WARD COMMITTEE MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                                                              | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee                       |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 34   | 28.01.19        | 1                                             | Nil                                              | 9                                          | Informal traders, electricity, crime                                                                                                                                                                                                                  | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Cilr followed it up with customer care and also other relevant units        | Cilr followed it up with customer care and also other relevant units then reported back to the community |
|      | 25.02.19        | 1                                             | Nil                                              | 10                                         | Youth tournament, grasscutting, improvement at Eastwood clinic, Informal trading audit                                                                                                                                                                | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cilr                                                      | Cilr dealt direct with the relevant unit                                                                 |
|      | 31.03.19        | 1                                             | Nil                                              | 8                                          | Cleaning up campaign, street lights problem at Cindarella, cutting of grass, Monitoring of students at Eastwood High school, blockade of manhole at Cindarella, Land use management, indigent application, reason for National housing needs register | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cilr                                                      | Cilr dealt direct with the relevant unit                                                                 |
|      | 29.04.19        | 1                                             | Nil                                              | 8                                          | Report back about electricity, Revamping of Eastwood library, Crime at Cindarella, Blockade of sewer                                                                                                                                                  | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | unit met with the Cilr                                                      | Cilr dealt direct with the relevant unit                                                                 |
| 35   | 26.06.18        | 1                                             | Nil                                              | 10                                         | Crime, illegal dumping, housing development, CPF launch                                                                                                                                                                                               | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Cilr followed it up with customer care and also other relevant units        | Cilr followed it up with customer care and also other relevant units then reported back to the community |
|      | 01.08.18        | 1                                             | Nil                                              | 8                                          | Crime, landfill site rehabilitation, EPWP project, Community projects, skills development                                                                                                                                                             | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Cilr followed it up with customer care and also other relevant units        | Cilr followed it up with customer care and also other relevant units then reported back to the community |
|      | 26.09.18        | 1                                             | Nil                                              | 8                                          | 40% deduction from electricity, profiling forms, identification of land for housing development, water crisis, streetlights faulty                                                                                                                    | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cilr                                             | Cilr dealt direct with the relevant unit                                                                 |
|      | 26.11.18        | 1                                             | Nil                                              | 7                                          | Developing working, communication strategy, back to school campaign, ward profiling, cleaning campaign, community care givers, peace and stability, 5 volunteers by UKZN                                                                              | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cilr                                             | Cilr dealt direct with the relevant unit                                                                 |
| 36   | 11.12.18        | 1                                             | Nil                                              | 6                                          | Ward profiling, identification of land for housing, energy saving initiative                                                                                                                                                                          | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cilr                                             | Cilr dealt direct with the relevant unit                                                                 |
|      | 14.02.19        | 1                                             | Nil                                              | 6                                          | land invasion at Hollingwood, water leaks, potholes                                                                                                                                                                                                   | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cilr                                             | Cilr dealt direct with the relevant unit                                                                 |
|      | 17.05.19        | 1                                             | Nil                                              | 8                                          | potholes, rates, theft of electricity                                                                                                                                                                                                                 | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cilr                                             | Cilr dealt direct with the relevant unit                                                                 |
|      | 11.09.18        | 1                                             | Nil                                              | 8                                          | Planning and zoning control, illegal posters, garden waste sites, Electricity issue, roads and storm water drain                                                                                                                                      | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cilr                                             | Cilr dealt direct with the relevant unit                                                                 |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                                                         | WARD COMMITTEE MEETINGS                                                         |                                                           |                                                                                 | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                            |                                                                                                                                                                                                                                                  | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Date information forwarded to Customer Care / Relevant Department for actioning |                                                                                             |                                                                             |                                                                                    |
| 36   | 02.10.19        | 1                                             | Nil                                              | 6                                          | Consolidation of 18 & 20 Bromhead road. Disturbance in Gower Road, Increase of 1,2% of electricity, ward profiling, Zoning of Richie and pretorius road, community project...vegetable garden, pollution of water in foxhill spruit in mkhondeni | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 28.06.18        | 1                                             | Nil                                              | 7                                          | CBP workshop, IDP workshop, recycling, ward news letter, informal settlement at SACCA                                                                                                                                                            | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 26.07.18        | 1                                             | Nil                                              | 7                                          | Building operations at Isabell beardmore Drive, Ashburton Bottle store complain, Temporal units converted to permanent structures, poor service delivery by Parks department                                                                     | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 23.06.18        | 1                                             | Nil                                              | 8                                          | Programmes of the ward, Tamboville creche issue, CPF launch                                                                                                                                                                                      | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 02.08.18        | 1                                             | Nil                                              | 10                                         | Land invasion, duties of ward committees, introduction of war room                                                                                                                                                                               | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 22.07.18        | 1                                             | Nil                                              | 8                                          | Blocked drain at Tembalihe, child headed family, promotion of Atrs and culture to Youth                                                                                                                                                          | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 16.09.18        | 1                                             | Nil                                              | 7                                          | Transport, housing, workshop for agriculture, CCGs planning, Title deeds issue,                                                                                                                                                                  | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
| 37   | 26.10.18        | 1                                             | Nil                                              | 7                                          | Development of ward, land invasion issue, door to door campaign about one garden, one home, Promotion of Art & Culture activities                                                                                                                | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 29.11.18        | 1                                             | Nil                                              | No register                                | Housing project at Mvuzo, Housing for MKVA                                                                                                                                                                                                       | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 27.01.18        | 1                                             | Nil                                              | 7                                          | Door to door campaign, Dept of Health visit, Housing and infrastructure, illegal invading from North East area, transport issue, Youth and Sport development, Health and Social                                                                  | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 30.06.18        | 1                                             | Nil                                              | 7                                          | Drawing up of year plan, Schedule of meetings and War room, youth programme                                                                                                                                                                      | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
| 38   | 29.09.18        | 1                                             | Nil                                              | 6                                          | school visit at Gudintaba Primary School, Drug problem, ID issue, agriculture                                                                                                                                                                    | Nil                                                                             | Nil                                                       | Nil                                                                             | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

### WARD COMMITTEE MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Ward Committee members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                                                                      | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the Ward Committee |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 39   | 20.10.18        | 1                                             | Nil                                              | 9                                          | Housing programme, Id issue, sportfield at Mbumbane, Development of Faith Base programme, Zibambebele transport project, Registration of cooperatives, Health and Social report, water tank issue resolved at Embumbane community, Bottle store road complete | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 11.11.18        | 1                                             | Nil                                              | 8                                          | Lack of road signs, livestock on the road, fallen electricity poles                                                                                                                                                                                           | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |
|      | 27.02.19        | 1                                             | Nil                                              | 7                                          | Career guidance at St John Paul school, Food voucher for needy family, agriculture ie shortage of grazing land for livestock, illegal connection of electricity                                                                                               | Nil                                                                             | Nil                                                       | Forwarded to relevant unit                                                                  | Relevant unit met with the Cllr                                             | Cllr dealt direct with the relevant unit                                           |

### COMMUNITY MEETINGS 2018 /2019 FY

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

### COMMUNITY MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                                         | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community         |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| 1    | 27.04.19        | 1                                             | N/A                                              | 39                                    | Construction of foot bridge, Employment creation with regards to construction of bridge.                                                                         | N/A                                                                             | N/A                                                       | N/A                                                                                         | N/A                                                                         | N/A                                                                                   |
|      | 22.02.19        | Nil                                           | Nil                                              | 44                                    | Non attendance of stakeholders in war room, soccer tournament. Request for seeds for one home one garden. Issue of road. Home Affairs and ID s, School Nutrition | Forwarded to VDA                                                                | None                                                      | The Cllr communicated direct to VDA                                                         | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA to resolve the challenges and report back to the community |
|      | 15.02.19        | Nil                                           | Nil                                              | 60                                    | Water, Crime, Hyperama lights security at schools, Tar road going into passages.                                                                                 | None                                                                            | None                                                      | Cllr attended the matter                                                                    | follow up with customer care                                                | Cllr to follow up with customer and reported back to the community                    |
|      | 16.10.18        | Nil                                           | Nil                                              | 50                                    | Regravelling access roads, VDA RDP houses, crime                                                                                                                 |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                       |
|      | 22.08.18        | Nil                                           | Nil                                              | 20                                    | crime, high master lighth, gravelling of Bekwa road                                                                                                              |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                       |
|      | 16.10.19        | Nil                                           | Nil                                              | 50                                    | upgrading of gravel road, VDA RDP houses, construction of access roads                                                                                           |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                       |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

| WARD | COMMUNITY MEETINGS |                                               |                                                  |                                       |                                                                                        |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                                                |
|------|--------------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
|      | Date of Meeting    | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                               | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                                  |
| 1    | 15.02.19           | Nil                                           | Nil                                              | 77                                    | Water ,Crime, Hyperama lights security at schools, Tar road going into passages.       | None                                                                            | None                                                      | The Cllr communicated direct to VDA and all other relevant units                            | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
| 2    | 08.07.18           | Nil                                           | Nil                                              | 183                                   | Water & electricity crisis, RDP houses, Poor state of Roads, unemployment              | None                                                                            | None                                                      | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community       |
|      | 22.07.18           | 1                                             | Nil                                              | 82                                    | Crime,, Electricity, water                                                             | None                                                                            | None                                                      | The Cllr communicated direct to VDA and all other relevant units                            | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 09.08.18           | 1                                             | Nil                                              | 29                                    | Water, electricity, crime                                                              | None                                                                            | None                                                      | The Cllr communicated direct to VDA and all other relevant units                            | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 19.08.18           | 1                                             |                                                  | 36                                    | KwaMgodi Road maintenance,electricity,crime                                            | None                                                                            | None                                                      | The Cllr communicated direct to VDA and all other relevant units                            | VDA will attend housing queries on continuous basis                         | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 16.09.18           |                                               |                                                  | 65                                    | Gcebeni road issue, Gcebeni hall maintenance, water & electricity crisis               | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 19.08.18           |                                               |                                                  | 33                                    | Electricity, Maintenance of KwaMgodi Road crime,                                       | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 24.10.18           |                                               |                                                  | 30                                    | crime,water supply at Zayeka area                                                      | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 18.11.18           |                                               |                                                  | 29                                    | Electricity, crime                                                                     | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 06.01.19           |                                               |                                                  |                                       | job opportunities, construction of Mbutshana roadcrime, water supply at Mbutshana area | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

| WARD | COMMUNITY MEETINGS |                                               |                                                  |                                       |                                                                                                               |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                                                |
|------|--------------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
|      | Date of Meeting    | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                      | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                                  |
| 2    | 24.02.19           |                                               |                                                  | 41                                    | Shortage of Nurses in the clinic. Construction of shelters, non availability of medication in the clinics     | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 10.03.19           |                                               |                                                  | 40                                    | Gcebeni road issue, maintenance of Gcebeni Hall, Water and electricity                                        | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 18.03.19           |                                               |                                                  | 33                                    | Crime in the area, electricity, water,                                                                        | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 19.05.19           |                                               |                                                  | 25                                    | Request for bridge at Mabane area,                                                                            | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
|      | 07.07.19           |                                               |                                                  |                                       | Challenges in the construction of Banda Road                                                                  | None                                                                            | None                                                      | The Cllr communicated direct with all other relevant units                                  | Cllr will attend housing queries on continuous basis                        | Cllr dealt direct with VDA and other relevant units to resolve the challenges and report back to the community |
| 3    | 26.06.19           | 1                                             | Nil                                              | 65                                    | Skhabeni Road needs to be revamped. Application for extended water pipes is still pending. Unemployment issue | None                                                                            | None                                                      | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community       |
|      | 27.04.19           | 1                                             | Nil                                              | 61                                    | Infrastructure, water, electricity, masterlights, access roads, housing issue, Toilets                        | None                                                                            | None                                                      | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community       |
|      | 24.03.19           | 1                                             | Nil                                              | 50                                    | Infrastructure, water, electricity, masterlights, access roads, housing issue                                 | None                                                                            | None                                                      | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community       |
|      | 02.03.19           | 1                                             | Nil                                              | 100                                   | Introduction of AI Electrical Company                                                                         | None                                                                            | None                                                      | None                                                                                        | None                                                                        | None                                                                                                           |
|      | 07.02.19           | 1                                             | Nil                                              | 26                                    | Water, electricity, Toilets, Housing progress report, Halls issue, Roads maintenance, taxi rank               | None                                                                            | None                                                      | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community       |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                    | COMMUNITY MEETINGS                                                              |                                                           |                                                          |                                                                                             | Measures taken to address Challenges / Complaints / Requests for Services received per ward             | Status of Challenges / Complaints / Requests for Services received per ward                             | Dates and manner of feedback given to Councillors to forward to the community |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                       |                                                                                             | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Challenges / Complaints / Requests for Services received | Measures taken to address Challenges / Complaints / Requests for Services received per ward |                                                                                                         |                                                                                                         |                                                                               |
| 3    | 02.02.19        | 1                                             | Nil                                              | 64                                    | Infrastructure, water, electricity, masterlights, access roads, housing issue               | None                                                                            | None                                                      | None                                                     | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units                                     | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      |                 |                                               |                                                  |                                       |                                                                                             |                                                                                 |                                                           |                                                          |                                                                                             |                                                                                                         |                                                                                                         | 06.09.18                                                                      |
|      | 20.01.19        |                                               |                                                  | 173                                   | Visit for MEC of Education at Mpande High School                                            | None                                                                            | None                                                      | Clr will involve relevant department                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                                                         |                                                                               |
|      |                 |                                               |                                                  |                                       |                                                                                             |                                                                                 |                                                           |                                                          |                                                                                             |                                                                                                         | 19.01.19                                                                                                |                                                                               |
|      | 08.11.18        |                                               |                                                  | 60                                    | Reports with regards to Home Affairs issue, NHI insurance as well as sectoral reports       | None                                                                            | None                                                      | Clr will involve relevant department                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                                                         |                                                                               |
|      |                 |                                               |                                                  |                                       |                                                                                             |                                                                                 |                                                           |                                                          |                                                                                             |                                                                                                         | 28.10.19                                                                                                |                                                                               |
|      | 22.09.18        |                                               |                                                  | 62                                    | Electricity, high master lights, access roads, housing issues, infrastructure, water issues | None                                                                            | None                                                      | Clr will involve relevant department                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                                                         |                                                                               |
|      |                 |                                               |                                                  |                                       |                                                                                             |                                                                                 |                                                           |                                                          |                                                                                             |                                                                                                         | 09.09.18                                                                                                |                                                                               |
|      | 26.08.19        |                                               |                                                  | 46                                    | Infrastructure, water, electricity, masterlights, access roads, housing issue               | None                                                                            | None                                                      | Clr will involve relevant department                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                                                         |                                                                               |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

### COMMUNITY MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                            |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 3    | 05.07.19        |                                               |                                                  | 38                                    | Electricity, VIP Toilets, Housing                                                                                       | None                                                                            | None                                                      | Cllr will involve relevant department                                                       | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
| 4    | 07.04.19        | 1                                             | Nil                                              | 50                                    | Crime, illegal dumping, water crisis, Electricity                                                                       | None                                                                            | None                                                      | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 10.02.19        | 1                                             | Nil                                              | 152                                   | Water, electricity, housing crime, roads                                                                                | None                                                                            | None                                                      | involving SAPS and other relevant departments                                               | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 20.01.19        | 1                                             | Nil                                              | 65                                    | Construction of Khanyile Road, Housing, Electricity, water, Toilet issues                                               | None                                                                            | None                                                      | Cllr will involve relevant department                                                       | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 25.11.18        | 1                                             | Nil                                              | 187                                   | Water, electricity, housing, road                                                                                       | None                                                                            | None                                                      | Cllr will involve relevant department                                                       | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 18.11.18        |                                               |                                                  | 39                                    | RDP houses, Construction of concrete road and employment of 10 people in that area, Amnesty of services by municipality | None                                                                            | None                                                      | Cllr will involve relevant department                                                       | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
| 5    | 05.05.19        | 1                                             | Nil                                              | 42                                    | Vulindlela Housing, electricity,                                                                                        | None                                                                            | None                                                      | Cllr will involve relevant department                                                       | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 24.04.19        | 1                                             | Nil                                              | 104                                   | Water, roads                                                                                                            | None                                                                            | None                                                      | Cllr will involve relevant department                                                       | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 21.04.19        | 1                                             | Nil                                              | 49                                    | Electricity project, 250 toilets to be built, water crisis Kwamnyandu, Housing project                                  | None                                                                            | None                                                      | Cllr will involve relevant department                                                       | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |
|      | 11.11.18        | 1                                             | Nil                                              | 71                                    | RDP housing, Electricity, water                                                                                         | None                                                                            | None                                                      | Cllr will involve relevant department                                                       | Cllr followed it up with customer care and also other relevant units        | Cllr followed it up with customer care and also other relevant units then reported back to the community |



OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                   | COMMUNITY MEETINGS                                                              |                                                           |                                                                   | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward                             | Dates and manner of feedback given to Councillors to forward to the community |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                       |                                                                                                            | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Challenges / Complaints / Requests for Services received per ward |                                                                                             |                                                                                                         |                                                                               |
| 5    | 28.10.18        | 1                                             | Nil                                              | 80                                    | Land issue, Renaming of creche                                                                             | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 27.10.18        | 1                                             | Nil                                              | 63                                    | Nomination of committee and subcommittee members                                                           | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 22.09.18        | 1                                             | Nil                                              | 51                                    | Crime, Extension of water pipes, RDP houses                                                                | None                                                                            | None                                                      | involving SAPS and other relevant departments                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 6    | 02.09.18        | 1                                             | 2                                                | 66                                    | Construction of D1126 Road, Mushroom project, project of cleaning of streams and Rivers, SMT bus increment | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 28.06.19        | 1                                             | Nil                                              | 39                                    | Housing, Electricity, Roads, Water shortage                                                                | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 19.05.19        | 1                                             | Nil                                              | 90                                    | RDP houses, Electricity, Roads, Water shortage, HIV & AIDS                                                 | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 7    | 24.03.19        | 1                                             | Nil                                              | 82                                    | Toilets, roads, electricity                                                                                | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 03.03.19        | 1                                             | 4                                                | 42                                    | Water crisis, Electricity, Housing, access road, crime, women and children abuse                           | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 03.02.19        | 1                                             | 8                                                | 18                                    | Problem of installation of electricity, RDP houses, Roads and water crises                                 | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 8    | 26.08.19        | 1                                             | Nil                                              | Nil                                   | water crisis, Roads, construction of sport facility, installation of electricity                           | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |



OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                              | COMMUNITY MEETINGS                                                              |                                                           |                                                                   | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward                             | Dates and manner of feedback given to Councillors to forward to the community |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                       |                                                                                                                                                       | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Challenges / Complaints / Requests for Services received per ward |                                                                                             |                                                                                                         |                                                                               |
| 12   | 20.09.18        | 1                                             | Nil                                              | 170                                   | Street lights, illegal connection of water at Khalanyoni, Crime and drug abuse, launching of CPF, Smero & Esigodini pedestrian bridge                 | None                                                                            | None                                                      | involving SAPS and other relevant departments                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 21.10.18        | 1                                             | Nil                                              | 127                                   | Renovation of Esigodini Hall, installation of globes, Roads, Electricity, Water pipes, Crime and cleaning of wards                                    | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 24.02.19        | 1                                             | Nil                                              | 105                                   | Water pipe installation, Master lights, Housing                                                                                                       | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 08.07.18        | 1                                             | Nil                                              | 128                                   | Election of a subcommittee member, Drug problem, street lights, burglary and theft, land invasion, master lights installation                         | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 13   | 09.09.18        | 1                                             | Nil                                              | 114                                   | Land invasion, rate, indigent applications, Process of application of Aloe Fidge flats, unemployment                                                  | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 18.01.19        | 1                                             | Nil                                              | 101                                   | handing over of title deeds, Housing issue, Amnesty and illegal dumping                                                                               | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 31.03.19        | 1                                             | Nil                                              |                                       | Housing,                                                                                                                                              | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 14   | 22.07.18        | 1                                             | Nil                                              | 98                                    | Water, Toilets, installation of Speed humps, construction of kids Sports facilities, construction of Hall, construction of youth centre, ABET revival | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 16.09.18        | 1                                             | Nil                                              | 44                                    | Lease of land by Horse racing group, Revival of the culture of sports in Willowfountain, Street lights, roads and water                               | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 07.03.19        | 1                                             | Nil                                              | 74                                    | Housing, electricity, crime                                                                                                                           | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

COMMUNITY MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                              | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                           |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| 14   | 21.10.18        | 1                                             | Nil                                              | 62                                    |                                                                                                                                                       | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
| 15   | 05.06.18        | 1                                             | Nil                                              | 81                                    | Sewer leaks, street lights                                                                                                                            | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 03.07.18        | 1                                             | Nil                                              | 100                                   | Illegal dumping, River cleaning campaign, water saving, Sewer leaks, Electricity                                                                      | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 07.09.18        | 1                                             | Nil                                              | 115                                   | Safety and security                                                                                                                                   | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 19.10.18        | 1                                             | Nil                                              |                                       | Illegal dumping, River cleaning campaign, water saving, Sewer leaks, street lights,                                                                   | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 19.02.19        | 1                                             | Nil                                              |                                       | Water, Toilets, installation of Speed humps, construction of kids Sports facilities, construction of Hall, construction of youth centre, ABET revival | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 26.03.19        | 1                                             | Nil                                              |                                       | Safety and security                                                                                                                                   | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 23.04.19        | 1                                             | Nil                                              |                                       | Water pipe installation, Master lights, Housing                                                                                                       | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 28.05.19        | 1                                             | Nil                                              | 90                                    | Electricity problem, water crises, Amnesty forms, Road Maintenance, Housing, sewage, crime in open spaces                                             | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
| 16   | 27.06.18        | 1                                             | Nil                                              | 67                                    | land invasion. Indigent policy, postbox issue, housing                                                                                                | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | COMMUNITY MEETINGS |                                               |                                                  |                                       |                                                                                                                                                                                                                   |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                                         |
|------|--------------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
|      | Date of Meeting    | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                          | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                           |
| 17   | 02.06.18           |                                               |                                                  |                                       |                                                                                                                                                                                                                   |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                                         |
|      | 11.07.18           | 1                                             | Nil                                              | 67                                    | Housing, ratepayers municipal services, distribution of kids toys from Moisepe foundation                                                                                                                         | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 11.11.18           | 1                                             | Nil                                              | 248                                   | Housing, ratepayers                                                                                                                                                                                               | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 20.01.19           | 1                                             | Nil                                              | no attendance register                | Distribution of sanitary towels for young girls, launch of youth desk responsible for crime, monitoring of illegal businesses operating in the ward, introduction of youth to agriculture sector, indigent policy | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 17.02.19           | 1                                             | Nil                                              | no attendance register                | water issue, rates issues land invasion                                                                                                                                                                           | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 26.05.19           | 1                                             | Nil                                              | 98                                    | Housing, Unit 13 sewer main pipe renovation, Unit BB Comm Hall                                                                                                                                                    | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
| 18   | 23.06.19           |                                               |                                                  |                                       | Incorrect billing of Rates and indigent forms, Housing, Potholes on the roads, Youth                                                                                                                              |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                                         |
|      | 23.07.18           | 1                                             | Nil                                              | 60                                    | water shortage. Electricity problem, profiling of the ward                                                                                                                                                        | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 04.08.18           | 1                                             | Nil                                              | 130                                   | Electrical card problems, drought problem, water tank                                                                                                                                                             | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 20.01.19           | 1                                             | Nil                                              | 106                                   | water issue, clinic maintenance, construction of hall, Placing complains , IEC                                                                                                                                    | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

COMMUNITY MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                   | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                           |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| 18   |                 | 1                                             | Nil                                              | 66                                    | Taxi/bus shelters, master lights, new schools building, toilets                                            | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      |                 | 1                                             | Nil                                              | 255                                   | land invasion , introduction of ntubayomuntu for hall construction, title deeds,                           | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      |                 | 1                                             | Nil                                              | 50                                    | light industrial hub project, introducing training centre for youth                                        | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      |                 | 1                                             | Nil                                              | 44                                    | Introduction of project                                                                                    | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      |                 | Nil                                           | Nil                                              | 34                                    | Rape crises in Ward 19, Imbali sage 2Police station is non functional since it does not have cars, Housing | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
| 20   |                 | Nil                                           | Nil                                              | 78                                    |                                                                                                            | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      |                 | 1                                             | Nil                                              | 54                                    | construction of shelters , toilets at Siyamu, construction of road at Magxabeni area                       | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      |                 | 1                                             | Nil                                              | 60                                    | bridge, road construction at Harewood                                                                      | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      |                 | 1                                             | Nil                                              | 72                                    | SALGA games, housing, applications for indigent                                                            | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      |                 | 1                                             | Nil                                              | 85                                    | IDP, roads, landowners                                                                                     | None                                                                            | None                                                      | Clr will involve relevant departments                                                       | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                       | COMMUNITY MEETINGS                                                              |                                                           |                                                                   | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward                             | Dates and manner of feedback given to Councillors to forward to the community |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                       |                                                                                                                | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Challenges / Complaints / Requests for Services received per ward |                                                                                             |                                                                                                         |                                                                               |
| 20   | 07.04.19        | 1                                             | Nil                                              | 119                                   | bridge, road construction at Harewood                                                                          | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 23.05.19        | 1                                             | Nil                                              | 110                                   | Water shortage. Tarring of smokeville road, toilet project at Dambula, smero and smokeville, treefelling issue | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 26.09.19        | 1                                             | Nil                                              | 91                                    | Crime, water shortage,                                                                                         | None                                                                            | None                                                      | involving SAPS and other relevant departments                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 22.05.19        | 1                                             | Nil                                              | 69                                    | Problem of electricity                                                                                         | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 25.05.19        | 1                                             | Nil                                              | 75                                    | Water crises in the whole of Dambuza                                                                           | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 22   | 26.09.18        | 1                                             | Nil                                              | 90                                    | Illegal connection of electricity                                                                              | None                                                                            | None                                                      | Clr will involve relevant departments                             | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 23.06.18        | 1                                             | Nil                                              | 56                                    | Potheses, VIP toilets, IDP Programme                                                                           | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 23   | 19.08.18        | 1                                             | Nil                                              |                                       | Illegal Dumping, water issue                                                                                   | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 02.09.18        | 1                                             | Nil                                              |                                       | IDP programmes, electricity problems, water                                                                    | None                                                                            | None                                                      | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

COMMUNITY MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                   | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                           |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| 23   | 21.10.18        | 1                                             | Nil                                              | No register                           | Problem of electricity, Land invasion, water issue, Fair filled housing issues/renovations | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 18.01.19        | 1                                             | Nil                                              |                                       | Lack of youth development programmes                                                       | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 14.02.19        | 1                                             | Nil                                              |                                       | Illegal Dumping, water issue                                                               | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 21.04.19        | 1                                             | Nil                                              |                                       | Potholes, VIP toilets, IDP Programme                                                       | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 02.05.19        | 1                                             | Nil                                              | 178                                   | Water crisis, Crime, Drugs, Male circumcision                                              | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
| 24   | 08.07.18        | 1                                             | Nil                                              | 26                                    | Grasscutting, illegal dumping, Library, Unauthorised illegal businesses, crime             | None                                                                            | None                                                      | involving SAPS and other relevant departments                                               | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 02.12.18        | 1                                             | Nil                                              | 35                                    | Toilets, Amnesty forms, Garbage dumping, Noise complaints, Masterlights                    | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 20.10.19        | 1                                             | Nil                                              | 46                                    | Drain system, illegal vendors, flats development,                                          | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
| 25   | 31.03.19        | 1                                             | Nil                                              | 40                                    | Land invasion, grasscutting, storm water drains, speedhumps                                | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 31.07.18        | 1                                             | Nil                                              | 111                                   | Housing, Project at Athlone circle                                                         | None                                                                            | None                                                      | Clr will involve relevant department                                                        | Clr followed it up with customer care and also other relevant units         | Clr followed it up with customer care and also other relevant units then reported back to the community |



OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019, Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                      | COMMUNITY MEETINGS                                                              |                                                           |                                                          |                                                                                             | Measures taken to address Challenges / Complaints / Requests for Services received per ward             | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                       |                                                                                                                                               | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Challenges / Complaints / Requests for Services received | Measures taken to address Challenges / Complaints / Requests for Services received per ward |                                                                                                         |                                                                             |                                                                               |
| 25   | 28.11.18        |                                               |                                                  |                                       | potholes, grasscutting and request for speed humps                                                                                            | None                                                                            | None                                                      | Clr will involve relevant department                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |
| 26   | 12.09.18        |                                               |                                                  |                                       |                                                                                                                                               |                                                                                 |                                                           |                                                          |                                                                                             |                                                                                                         |                                                                             |                                                                               |
|      | 16.10.18        | 1                                             | Nil                                              | 90                                    | Road project, housing project, signal hill flats to be built, vegetable gardens to be started, watertank to supply water at peacevalley       | None                                                                            | None                                                      | Clr will involve relevant department                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |
|      | 14.11.18        | 1                                             | Nil                                              | 22                                    | Waste removal, irregular maintenance of Peacevalley road, Electricity charges problem, flush toilets at Peacevalley                           | None                                                                            | None                                                      | Clr will involve relevant department                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |
|      | 06.06.19        | 1                                             | Nil                                              | 40                                    | Crime, safety, grass and verges cutting, resurfacing of Roy Campbell Road, Roads and employment of residents                                  | None                                                                            | None                                                      | involving SAPS and other relevant departments            | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |
| 27   | NIL             | 1                                             | Nil                                              | 54                                    | Unemployment, crime, cutting of verges                                                                                                        | None                                                                            | None                                                      | involving SAPS and other relevant departments            | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |
| 28   | 20.06.18        | 1                                             | Nil                                              | 38                                    | installation of prepaid, shortage of material for installation of electricity, housing, leaking of taps                                       | Nil                                                                             | Nil                                                       | None                                                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |
|      | 26.07.18        | 1                                             | Nil                                              | 23                                    | Illegal dumping, cleaning of railline, illegal squatters, grass cutting, Service delivery, burst pipes, SASSA, Crime, Roads and street lights | Nil                                                                             | Nil                                                       | None                                                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |
|      | 05.09.18        | 1                                             | Nil                                              | 36                                    | Illegal connection of electricity, installation of pre paid meters.                                                                           | Nil                                                                             | Nil                                                       | None                                                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |
|      | 14.09.18        | 1                                             | Nil                                              | 31                                    | Prepaid electricity project                                                                                                                   | Nil                                                                             | Nil                                                       | None                                                     | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                             |                                                                               |

## OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act 2018/2019 Financial Year

### COMMUNITY MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                 | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward                              | Dates and manner of feedback given to Councillors to forward to the community                            |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 28   | 27.11.18        | 1                                             | Nil                                              | 23                                    | grasscutting, cleaning of gutters, fencing of Wood Perker Road, Street names to be replaced at Swallow Road, Barnet road to be resurfaced, Increasing of Police vehicle in Mountain Rise police stations | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                                                     |                                                                                                          |
|      |                 |                                               |                                                  |                                       | Cutting of grass, Crime issue and introducing neighbourhood watch system, Street lights, Rates, Indigent, Pot holes, Power outage                                                                        | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      |                 |                                               |                                                  |                                       | Housing, electricity, tempering of electricity                                                                                                                                                           | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
| 29   |                 | 1                                             | Nil                                              | 325                                   | Housing, speedhumps, mobile clinic,                                                                                                                                                                      | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      |                 |                                               |                                                  |                                       | Visitation of Dhome Affairs, Drug problem, drugs, Birth certificates, scholl visitation                                                                                                                  | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      |                 |                                               |                                                  |                                       | Transport, Crime, Illegal Occupants                                                                                                                                                                      | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      |                 |                                               |                                                  |                                       | Electricity shortage, Transport                                                                                                                                                                          | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      |                 |                                               |                                                  |                                       | Housing                                                                                                                                                                                                  | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units                                     | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 09.12.18        | 1                                             | Nil                                              | 37                                    | Crime, water shortage, illegal operation of bussinesses, streetlights                                                                                                                                    | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units then reported back to the community |                                                                                                          |
|      | 10.02.19        | 1                                             | Nil                                              | 140                                   |                                                                                                                                                                                                          | Nil                                                                             | Nil                                                       |                                                                                             |                                                                                                          |                                                                                                          |
|      | 07.07.19        | 1                                             | Nil                                              | 69                                    |                                                                                                                                                                                                          | Nil                                                                             | Nil                                                       |                                                                                             |                                                                                                          |                                                                                                          |
|      |                 | 1                                             | Nil                                              | 114                                   |                                                                                                                                                                                                          | Nil                                                                             | Nil                                                       |                                                                                             |                                                                                                          |                                                                                                          |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

| WARD | COMMUNITY MEETINGS |                                               |                                                  |                                       |                                                                                                                                                                                                                     |                                                                                 |                                                           |                                                                                             |                                                                             |                                                                                                          |
|------|--------------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
|      | Date of Meeting    | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                            | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                            |
| 30   | 25.08.18           | 1                                             | Nil                                              | 44                                    | IDP related matters, indigent policy, professional development call centre, drug issue and crime, lack of traffic police, lights in sportfield, crime, Power outage, Canalisation of the river and service delivery | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 20.09.18           | 1                                             | Nil                                              | 10                                    | Washing of cars in public taps, illegal opening of tavern, connection of electricity, missing of manhole covers,                                                                                                    | Nil                                                                             | Nil                                                       | involving SAPS and other relevant departments                                               | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 10.12.18           | 1                                             | Nil                                              | 20                                    | Abliution facilities, purchasing of land by Municipality,                                                                                                                                                           | Nil                                                                             | Nil                                                       | Clir will involve relevant department                                                       | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 01.06.18           | 1                                             | Nil                                              | 74                                    | Introduction of ward committee, process of indigent application                                                                                                                                                     | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
| 31   | 08.08.18           | 1                                             | Nil                                              | 70                                    | Rates rebate, new demarcation swimming pool, water standpipe, illegal growth of housing in Nhlalakahle, cutting of trees from forests.Eskom project.Indigent applications, incorrect municipal bills, SASSA issues  | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 19.03.19           | 1                                             | Nil                                              | 30                                    | speedhumps, rates, street lights, illegal dumping, indigent application                                                                                                                                             | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 30.07.18           | 1                                             | Nil                                              | 57                                    | Introduction of Boom street school project                                                                                                                                                                          | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | None                                                                                                     |
| 32   | 20.08.18           | 1                                             | Nil                                              | 47                                    | Introduction of learnership                                                                                                                                                                                         | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 10.11.18           |                                               |                                                  |                                       | School projects in ward 32                                                                                                                                                                                          | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

COMMUNITY MEETINGS

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                                              | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward | Dates and manner of feedback given to Councillors to forward to the community                            |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 32   | 17.01.19        | 1                                             | Nil                                              | 12                                    | Illegal connections of electricity, Swimming club                                                                                                                                                                                     | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 06.02.19        |                                               |                                                  |                                       |                                                                                                                                                                                                                                       | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
| 33   | 30.09.18        | 1                                             | Nil                                              | 21                                    | Corruption                                                                                                                                                                                                                            | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 28.11.18        | 1                                             | Nil                                              | 41                                    | Willow Gardens flats, Manor neighbourhood watch, Housing, Electricity, rezoning of Boarding Houses, Street traders laws, Skip needs to be attended by Waste department, delivery trucks driving in residents area from Brookside Mall | Nil                                                                             | Nil                                                       | None                                                                                        | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
| 34   | 24.03.19        | 1                                             | Nil                                              | 34                                    | Jika Joe housing issue, Water leaks                                                                                                                                                                                                   | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 12.06.19        | 1                                             | Nil                                              |                                       |                                                                                                                                                                                                                                       | Nil                                                                             | Nil                                                       | None                                                                                        | None                                                                        | Clir followed it up with customer care and also other relevant units then reported back to the community |
| 34   | 26.06.18        | 1                                             | Nil                                              | 52                                    | Rehabilitation of Collapsing road, installation of new pipes in Tarentaal dumpsite in Eastwood, adoption of sport programme                                                                                                           | Nil                                                                             | Nil                                                       | Clir will involve relevant department                                                       | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 30.07.18        | 1                                             | Nil                                              | 60                                    | Electricity crisis at Cindarella, Indigent policy, wrong billing of electricity at Cindarella                                                                                                                                         | Nil                                                                             | Nil                                                       | Clir will involve relevant department                                                       | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 30.08.18        | 1                                             | Nil                                              | No register                           | Water crises, electricity, rates problems, Street lights, Senior citizen, Education, Crime, Noise complaints                                                                                                                          | Nil                                                                             | Nil                                                       | Clir will involve relevant department                                                       | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |
|      | 25.09.18        | 1                                             | Nil                                              | 59                                    | Incorrect tes and electricity bills                                                                                                                                                                                                   | Nil                                                                             | Nil                                                       | Clir will involve relevant department                                                       | Clir followed it up with customer care and also other relevant units        | Clir followed it up with customer care and also other relevant units then reported back to the community |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

| WARD | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                                                                    | COMMUNITY MEETINGS                                                              |                                                           |                                                                   | Measures taken to address Challenges / Complaints / Requests for Services received per ward | Status of Challenges / Complaints / Requests for Services received per ward                             | Dates and manner of feedback given to Councillors to forward to the community |
|------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
|      |                 |                                               |                                                  |                                       |                                                                                                                                                                                             | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Challenges / Complaints / Requests for Services received per ward |                                                                                             |                                                                                                         |                                                                               |
| 34   | 29.10.18        | 1                                             | Nil                                              |                                       | Housing issue, potholes, illegal connection of electricity                                                                                                                                  | Nil                                                                             | Nil                                                       | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 26.11.18        | 1                                             | Nil                                              | 67                                    | Review of indigent applications forms.                                                                                                                                                      | Nil                                                                             | Nil                                                       | None                                                              | None                                                                                        | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 35   | 15.07.18        | 1                                             | Nil                                              | 60                                    | Developing programmes for elderly persons, Poultry project, illegal dumping, review indigent applications, RDP housing.                                                                     | Nil                                                                             | Nil                                                       | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 02.08.18        | 1                                             | Nil                                              | 62                                    | electricity, Integrated development Plan, Refurbishment of Municipal Infrastructure, Housing development, Mountain Rise police station to fight against crime, 40% deduction of electricity | Nil                                                                             | Nil                                                       | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 36   | 22.10.18        | 2                                             | Nil                                              | 28                                    | Thuma mina walk, monitoring of bridge, bullying in schools(IPYG)                                                                                                                            | Nil                                                                             | Nil                                                       | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 11.10.18        | 1                                             | Nil                                              | 200                                   | Indigent applications, housing development, areas inherited from deceased people                                                                                                            | Nil                                                                             | Nil                                                       | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 36   | 26.09.18        | 1                                             | Nil                                              | 52                                    | Ward projects, IDP/Budget and proposed tariffs and charges, illegal boarding houses, safety and security                                                                                    | Nil                                                                             | Nil                                                       | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
|      | 07.08.18        | 1                                             | Nil                                              | No register                           | safety and security, incorrect billing of electricity and water, Grass cutting, pot holes, train issues                                                                                     | Nil                                                                             | Nil                                                       | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |
| 36   | 08.07.19        | 1                                             | Nil                                              | 49                                    | speedhumps, streetlights, water leaks                                                                                                                                                       | Nil                                                                             | Nil                                                       | Clr will involve relevant department                              | Clr followed it up with customer care and also other relevant units                         | Clr followed it up with customer care and also other relevant units then reported back to the community |                                                                               |

OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY  
Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act  
2018/2019 Financial Year

| WARD | COMMUNITY MEETINGS |                                               |                                                  |                                       |                                                                                                                                                                                                        |                                                                                 |                                                           |                                                                                |                                                                     |                                                                                                         |
|------|--------------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
|      | Date of Meeting    | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                                                                               | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Requests for Services received per ward | Status of Challenges / Services received per ward                   | Dates and manner of feedback given to Councillors to forward to the community                           |
| 37   | 26.09.18           | 1                                             | Nil                                              | 40                                    | Human settlement issue                                                                                                                                                                                 | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 12.06.19           | 5                                             | Nil                                              | 68                                    | potholes, security issue, crime, Increase in Municipal rates, Roads, Illegal occupation and businesses                                                                                                 | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 24.06.18           | 1                                             | Nil                                              | 94                                    | CPF launch, illegal dumping,                                                                                                                                                                           | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 23.08.18           | 1                                             | Nil                                              | 90                                    | Electricity, land invasion, Development at Tamboville, CPF launch, Introduction of implementing Agent, nominating of new committee members                                                             | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |
| 38   | 07.10.18           | 1                                             | Nil                                              | 95                                    | CPF election, Report back on housing, land invasion,                                                                                                                                                   | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 22.10.18           | 1                                             | Nil                                              | 30                                    | HIV AIDS, mobile clinic request, distribution of food parcels, Ward profiling                                                                                                                          | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 02.08.18           |                                               | Nil                                              | 76                                    | Unity in the ward, security at community hall at Songonzima, demarcation of land in the area, installation of electricity at Elandskop emandiyeni, crime issue, construction of the road at Songonzima | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |
|      | 02.09.18           | 1                                             | Nil                                              | 42                                    | Water, electricity, toilets, community hall, housing, transport for scholars, park home for clinic, access road to be regravelled                                                                      | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |
| 39   | 29.07.18           | 1                                             | Nil                                              | No register                           | RDP housing to be built, Road, Transport fee hikes, buss shelter, lights, agriculture, budget costs                                                                                                    | Nil                                                                             | Nil                                                       | Clr will involve relevant department                                           | Clr followed it up with customer care and also other relevant units | Clr followed it up with customer care and also other relevant units then reported back to the community |

| OFFICE OF THE SPEAKER - MSUNDUZI MUNICIPALITY<br>Record of Challenges / Complaints / Requests for Services per Ward as per Circular 63 - Municipal Finance Management Act<br>2018/2019 Financial Year |                 |                                               |                                                  |                                       |                                                                                                                                                                                                             |                                                                                 |                                                           |                                                                                             |                                      |                                                                                                         |                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| WARD                                                                                                                                                                                                  | Date of Meeting | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Challenges / Complaints / Requests for Services received                                                                                                                                                    | COMMUNITY MEETINGS                                                              |                                                           |                                                                                             |                                      | Status of Challenges / Complaints / Requests for Services received per ward                             | Dates and manner of feedback given to Councillors to forward to the community                           |
|                                                                                                                                                                                                       |                 |                                               |                                                  |                                       |                                                                                                                                                                                                             | Date information forwarded to Customer Care / Relevant Department for actioning | Date followed up with Customer Care / Relevant Department | Measures taken to address Challenges / Complaints / Requests for Services received per ward |                                      |                                                                                                         |                                                                                                         |
| 39                                                                                                                                                                                                    | 26.09.18        | 1                                             | Nil                                              | 74                                    | water project to included in RDP, Bus shelters to be built, Creche to be sponsored, water crisis, D63 road issue,                                                                                           | Nil                                                                             | Nil                                                       | Nil                                                                                         | Clr will involve relevant department | Clr followed it up with customer care and also other relevant units then reported back to the community | Clr followed it up with customer care and also other relevant units then reported back to the community |
|                                                                                                                                                                                                       | 27.10.18        | 1                                             | Nil                                              | 53                                    | Visitation of the crop farmers at songonzima, RDP houses, water connections, tractors and help with farming, youth & so=port committee to be established at songonzima area, programme for crime prevention | Nil                                                                             | Nil                                                       | Nil                                                                                         | Clr will involve relevant department | Clr followed it up with customer care and also other relevant units then reported back to the community | Clr followed it up with customer care and also other relevant units then reported back to the community |
|                                                                                                                                                                                                       | 13.11.18        | 1                                             | Nil                                              | 55                                    | Crime, water, electricity cut offs                                                                                                                                                                          | Nil                                                                             | Nil                                                       | Nil                                                                                         | Nil                                  | Clr will involve relevant department                                                                    | Clr followed it up with customer care and also other relevant units                                     |
|                                                                                                                                                                                                       | 11.01.19        | 1                                             | Nil                                              | 68                                    | stock theft, water crisis                                                                                                                                                                                   | Nil                                                                             | Nil                                                       | Nil                                                                                         | Nil                                  | Clr will involve relevant department                                                                    | Clr followed it up with customer care and also other relevant units then reported back to the community |
|                                                                                                                                                                                                       | 28.02.19        |                                               |                                                  | 79                                    | RDP housing to be built, Road upgrade, water issue,                                                                                                                                                         | Nil                                                                             | Nil                                                       | Nil                                                                                         | Clr will involve relevant department | Clr followed it up with customer care and also other relevant units                                     | Clr followed it up with customer care and also other relevant units then reported back to the community |
|                                                                                                                                                                                                       | 31.03.19        | 1                                             | Nil                                              | No register                           | Unemployment, water shortage, livestock on road, water tanks, transportation problem,D63 road issue,                                                                                                        | Nil                                                                             | Nil                                                       | Nil                                                                                         | Clr will involve relevant department | Clr followed it up with customer care and also other relevant units                                     | Clr followed it up with customer care and also other relevant units then reported back to the community |
|                                                                                                                                                                                                       | 21.04.19        |                                               |                                                  | 60                                    | problem of vodacom and MTN network                                                                                                                                                                          | Nil                                                                             | Nil                                                       | Nil                                                                                         | Clr will involve relevant department | Clr followed it up with customer care and also other relevant units                                     | Clr followed it up with customer care and also other relevant units then reported back to the community |

**COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:**

The Municipality and Communities alike benefited from the meetings mentioned above as through the consultative processes, brainstorming occurred and ward committees imparted their advice to the Councillor who in turn did so to council. Council then took these recommendations forward by using certain aspects in terms of the Municipal Turnaround Strategy. Requests are being dealt with in a systematic manner with council having taken a decision to open a fully-fledged call centre to take calls from community members where there are issues of service delivery.

## IDP PARTICIPATION AND ALIGNMENT

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



## COMPONENT D: CORPORATE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

Corporate Governance at Msunduzi Municipality entails Risk Management, Anti-Corruption and Fraud and Supply Chain Management which is unpacked below.

### 2.6 RISK MANAGEMENT

#### RISK MANAGEMENT

##### LEGISLATIVE PROVISIONS

In terms of Section 62 (1) (c) of the Municipal Finance Management Act, Act No. 56 of 2003 (MFMA) the Accounting Officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent systems of financial and risk management and internal control.

Section 95 of the MFMA reaffirms the responsibilities of the Accounting Officer in so far as maintenance of effective, efficient and transparent systems of risk financial, risk management and internal control.

Section 78 of the MFMA outlines the general responsibilities of Senior Management and other officials of the Municipality. The responsibilities of these officials have a direct bearing in financial and risk management, governance and systems of internal controls.

Section 165 of the MFMA requires the internal audit unit to advise the Accounting Officer and to report to the Audit Committee on matters relating to among other things, risk and risk management.

The MFMA has established the legal framework for risk management in the local government sphere that enforces risk management practice. Risk Management is about managing a potential inability by the municipality to fulfil the requirements of the Constitution. It is for this reason that the Constitution of the Republic of South Africa is the fundamental foundation for risk management.

##### BACKGROUND

Organisations operate in environments where factors such as technology, regulations, restructuring, changing service delivery requirements and political influence create uncertainty.

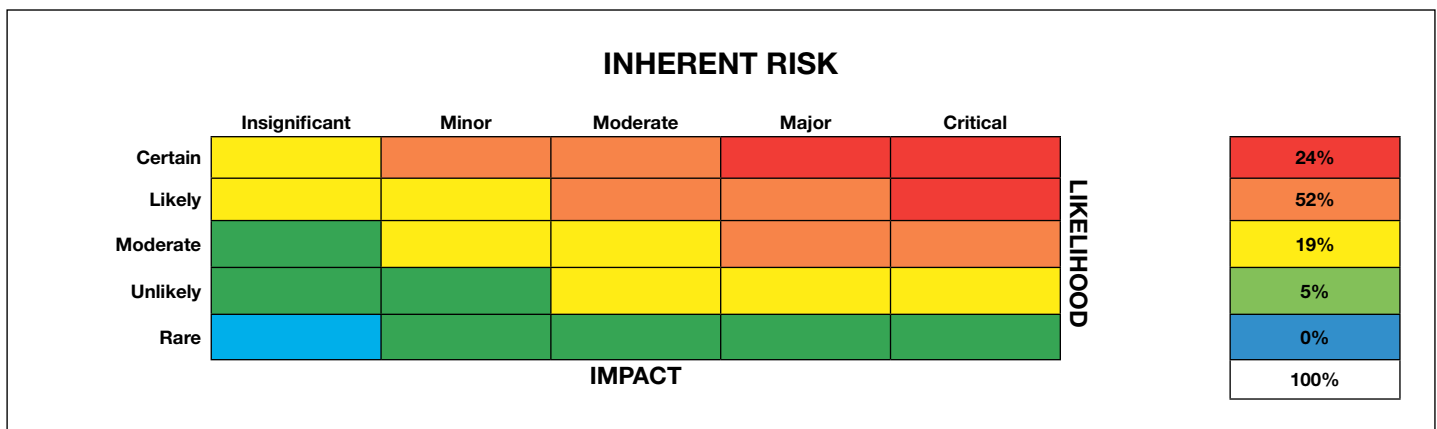
Uncertainty arises from an inability to precisely determine the likelihood that potential events will occur and the associated impact.

Risk management forms a critical part of an organisation’s strategic management.

It is the process by which an organisation addresses the risks intertwined in the activities with an objective of achieving sustained benefit within each activity and across the range of its activities.

The Accounting Officer has appointed General Managers and the Senior Manager: Office of the City Manager as members of the Risk Management Committee. The Risk Management Committee is governed by a Risk Management Committee Charter. The RMC is a sub-committee of the Audit Committee.

##### THE RISK MATRIX OF THE MUNICIPALITY



Of the population of the risks identified inherent to the municipality, 24% has been rated to be “Critical” followed by 52% that has been rated to be “Major”. This means 76% of the municipal risk exposures require management effort and oversight to ensure that controls in place are effective and constantly monitored to reduce the risks to the risk appetite level adopted by the municipality. 24% is rated moderate to minor and requires minimal management effort, however these shall be constantly monitored to ensure they remain at assessed levels.

##### STRATEGIC RISKS

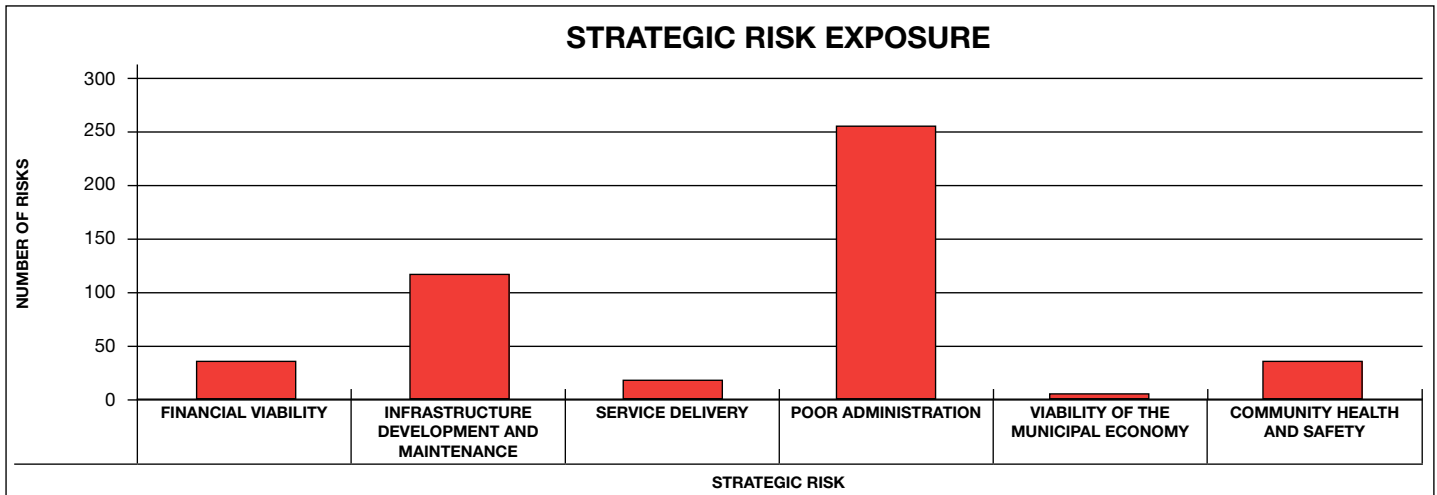
During the Risk Profiling Exercise, Internal Audit Unit proposed SIX (6) Strategic Risks that Senior Management and Council should regularly get appraisal on to ensure success and sustainability of the municipality. These were identified upon studying the strategic objectives of the municipality and the scrutiny of the risks that were identified across the business units of the City.

Measures and tolerances along each of the strategic risks, which should be constantly monitored to ensure that the risks are managed, were also proposed and presented to the Strategic Management Committee and the Audit Committee.

The following table provides brief definitions for the identified strategic risks:

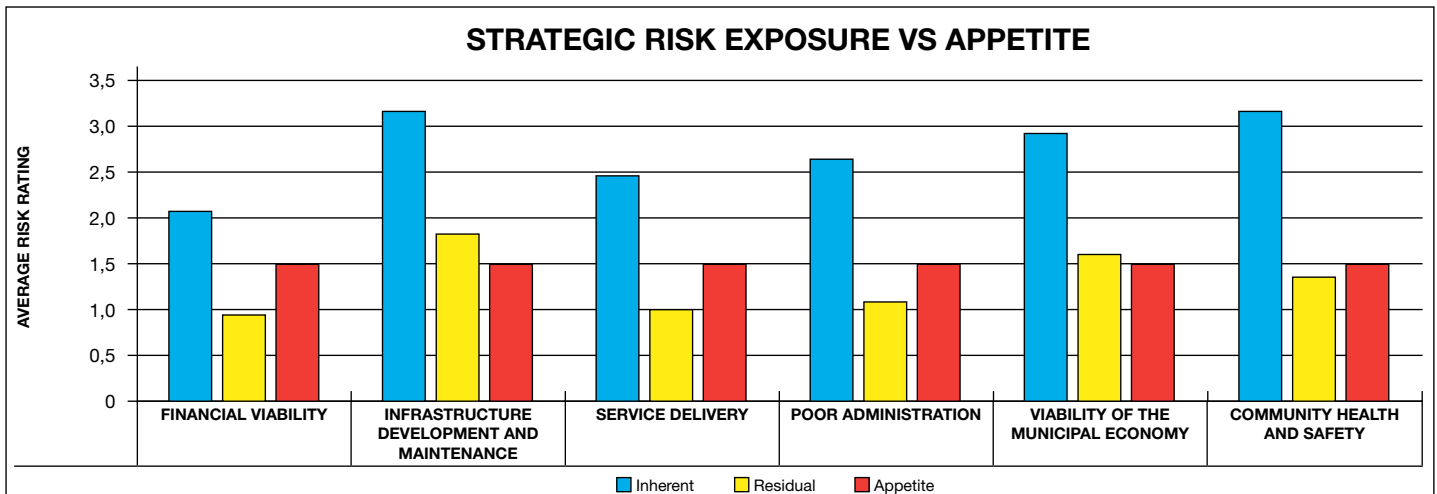
| Strategic Risk                             | Risk Definition                                                                                                                                                                                                                                                                       |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial Viability                        | The risk that the Municipality will not be financially viable and sustainable and may lead to bankruptcy. This may be as a result of poor liquidity of the municipality with depleted cash reserves from improper debt collection mechanisms and non-creation of third stream income. |
| Infrastructure Development and Maintenance | This risk will emanate from the incapacity of the Municipality to implement its CAPEX program to clear the infrastructure backlog, coupled with dilapidated infrastructure because of inadequate maintenance.                                                                         |
| Service Delivery                           | This risk will result in service delivery unrests by the communities serviced because of poor service delivery by the Municipality.                                                                                                                                                   |
| Poor Administration                        | This risk will emanate from inadequate systems, inadequate personnel, inadequate exercise of managerial / supervisory responsibility in the Municipality and ineffective policies, systems and procedures to drive the administration.                                                |
| Viability of The Municipal Economy         | This risk will emanate from the incapacity of the Municipality to stimulate the economy of the city thus creating jobs and eradicating poverty and inequality.                                                                                                                        |
| Community Health and Safety                | This risk relates to the inability of the Municipality to create a safe city where communities are not exposed to health hazards and unsafe environments.                                                                                                                             |

The diagram below depicts the prevalence of these strategic risks to the operations of the municipality (i.e. alignment of the strategic risks to the operational risks identified):



The highest risk prevalence is towards the strategic risk of “Poor Administration” with 53% of the operational risk universe of the municipality ascribed to it. Following at 24% of prevalence is the strategic risk of “Infrastructure Development and Maintenance”. The “Financial Viability” and “Community Health and Safety” have a prevalence of 8% respectively. The remaining prevalence is ascribed to “Service Delivery” and “Viability of the Economy” risks at 5% and 2% respectively”.

The diagram below depicts an assessment of these risks after the effect of internal controls put in place by management across all operations (i.e. the residual risk) against the adopted risk appetite of the municipality:



On assessment of existing controls in place by management, the risk exposure of the municipality appears to be a fairly managed, evidenced by the residual risks across the strategic risks identified being within the risk appetite, save for Infrastructure Development and Viability of the Municipal Economy risks. Focused identification, management and monitoring of the strategies to bring these risks at par with the risk appetite is paramount.

## 2.7. ANTI-CORRUPTION AND FRAUD

The Municipal Council has a policy framework on anti-fraud & corruption and which compose of Whistle Blowing Policy, Anti-Fraud and Corruption Policy and Anti-Fraud and Corruption strategy that was adopted in 2013. The policy framework on anti-fraud & corruption was reviewed and revised and changes made in order to ensure that it is aligned to any changes in the structure and titles of critical management in the municipality and taking into account the prevailing circumstances. In 2018 the framework was sent to Council for adoption.

The community has continued to play a pivotal role in reporting unethical behaviour, vehicle abuse, Supply Chain Management irregularities, electricity and water theft through illegal connections, cable theft, fraud, corruption and other gross maladministration allegedly taking place within the municipality. We appreciate their contribution because as a municipality we cannot identify all these immoral behaviours alone. Without the activism of the citizens of Msunduzi to protect their rates and tax monies which they work very hard for, the municipality will be a lone voice against the scourge of fraud, corruption, theft and other gross irregularities which has become an impediment against service delivery.

Allegations that are reported through whistle blowing hotline and other means are prioritized by conducting preliminary investigation to test the veracity of the allegations & conduct full scale investigations on each case where deemed necessary.

Thirty-eight (38) cases of alleged fraud, corruption, theft and other gross maladministration were reported during the year under review. In addition to the thirty-eight (38) cases, ten (10) which were carried over from previous financial years which were not completed for various reasons including the fact that the Chief Audit Executive was suspended in April 2016 and no one had institutional knowledge of these matters. Eleven (11) forensic investigations were finalized and seven (7) were at reporting stage as at the end of the financial year under review. The 38 cases which were under investigation during the period under review implicate thirty-two (32) employees.

We have also briefed the Brigadier responsible for Anti-Corruption Task Team on alleged corruption involving Electrical Technicians and the potential amount involved is R60 million.

Investigation into fraud on Supply and Services Contract for Mechanical Maintenance and Refurbishment new installations, modification, painting and cleaning is at reporting stage. The case has been discussed with the Anti-Corruption Task Team and is waiting for an allocation an Investigating Officer and the State Advocate that will be responsible for prosecution of these case. The amount involved in this case alone is R35 834 166.94 and the contract was awarded at different intervals during 2011, 2013, 2014 and 2016.

Our forensic investigation also uncovered diesel theft and fraud in that quantities of 450 litres on daily basis, filled up in containers and filled in municipal vehicles and decant into drums sold off by municipal employees. Our investigation identified 599 transactions of where 450 litres of diesel were dispensed into a container before being driven away on a Municipal vehicle. The value of these transactions is R4 090 606.40 and these transactions occurred between 1 January 2017 and 31 December 2018.

The overtime fraud investigations were completed in previous financial years with the total amount of R239 169.53 which is an actual loss to Msunduzi Municipality and eleven (11) employees are implicated. We are awaiting to be allocated an Investigating Officer and the State Advocate that will be responsible for prosecution of these cases.

There one criminal case relating to fraud on overtime by an Electricity employee is pending in Durban Specialized Commercial Crime Court which was uncovered by our forensic investigations in 2016/17 financial year. The amount involved in the case is R76 434.37.

Mr. Xaba defrauded the municipality R756 883.13 was sentenced to six (6) years imprisonment which was suspended for five (5) years and further ordered to pay the Msunduzi Municipality R500 000.00 on monthly instalments of R10 000.00 starting from 31 July 2018 defaulted in July 2018 and was arrested and appeared in the Durban Specialized Commercial Crimes Court. He promised that he will abide by the order and asked to be given another chance, however he defaulted again and was sentenced to Four (4) year imprisonment.

## 2.8. SUPPLY CHAIN MANAGEMENT

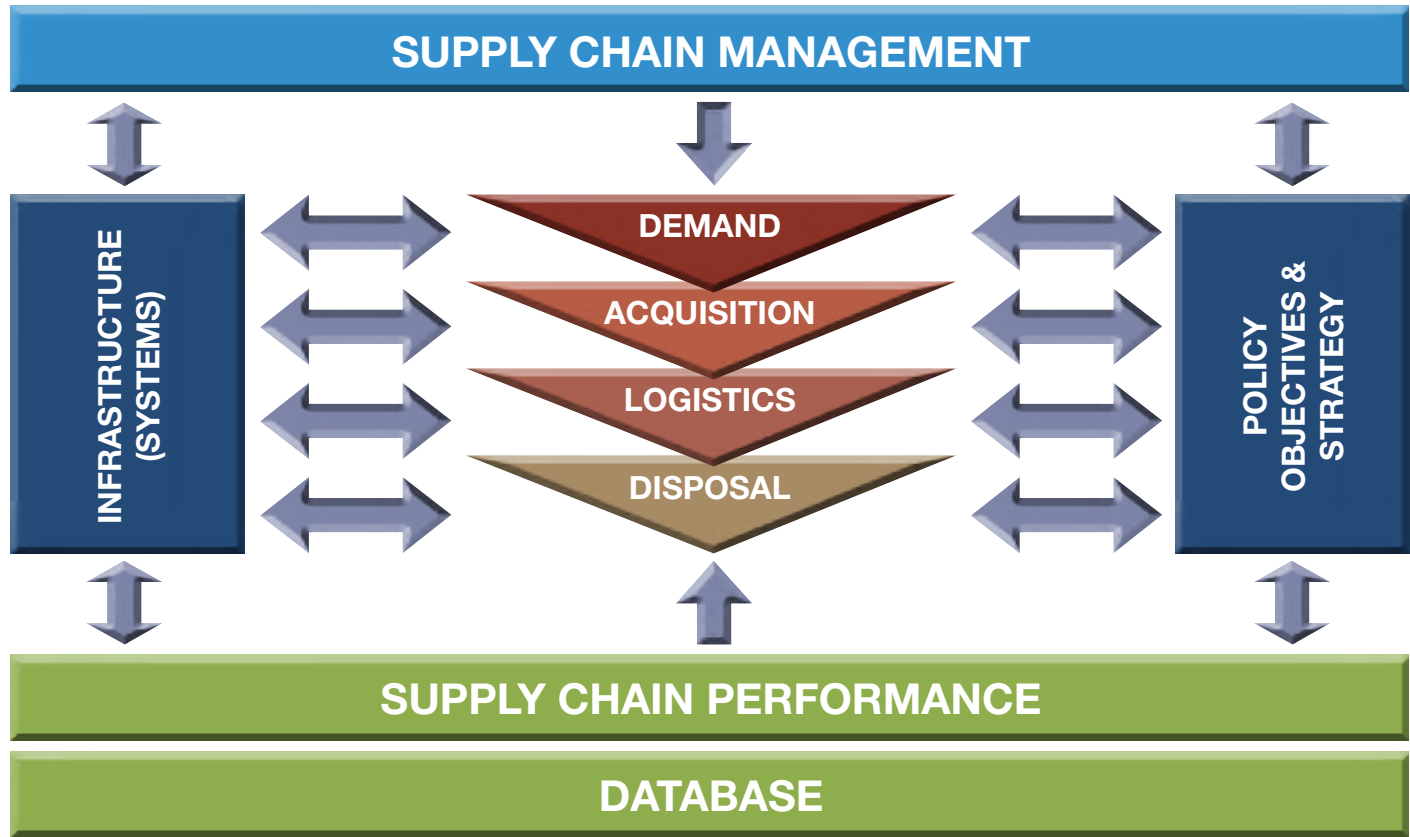
### OVERVIEW OF SUPPLY CHAIN MANAGEMENT (SCM)

The Msunduzi Municipality's Supply Chain Management unit is a support function for all business units within the council to ensure provision of efficient, transparent, fair, equitable and cost effective, procurement services hence assisting the business units to implement their service delivery priorities.

The supply chain management policy for the year 2018/2019 was adopted by Council on 30 May 2019 in terms of SCM Regulation 3 (1) (a) and implemented immediately thereafter. Since the initial adoption of the policy, it is reviewed yearly to align it with legislative provision, circulars, instruction notes and demand of the municipality that are in line with the constitution of SA.

An SCM implementation plan was development and implemented throughout the year and quarterly reports on implementation were submitted to Council.

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 Procurement Plan defines the Supply Chain Management needs of the organisation, aligned to the municipality’s IDP, Budget and Departmental SDBIP. The plan is for a minimum of one year but aligned to the IDP three-year period. This is especially critical in the case of capital projects requiring the issuing of bids for multi-year projects, as well as in order to obtain cost savings through longer term goods and service contracts (limited to a three-year period in terms of the MFMA)

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.

The preferential policy objectives were identified at a global level hence during the 2015/2016 financial year a procurement plan was established and implemented.

**ACQUISITION MANAGEMENT**

Bid committee structures were established and implemented in accordance with section 27, 28 and 29 of the Supply Chain Management regulations, Details of SCM committees during 2018/2019 financial year:

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                          |
|--------------------------------------------------|-------------------|--------------------|-----------------------------------|
| Dudu Gambu                                       | Chairperson       | Finance            | Acting CFO                        |
| Boniwe Zulu                                      | Member            | Community Services | GM : Community Services           |
| Brenden Sivpersad                                | Member            | ISF                | Acting : GM ISF                   |
| Sikelela Ndzalela                                | Member            | SCM                | Acting SM : SCM                   |
| Ursula Ntsubane - replaced during financial year | Member            | Sustainable Dev    | Acting GM sustainable Development |
| Ngangenkosi Mpisi                                | Member            | ISF (Electricity)  | SM Electricity                    |
| Felix Nxumalo                                    | Member            | Sustainable Dev    | GM : Sustainable Development      |
| Nyakane Koali - replaced during financial year   | Member            | Sustainable Dev    | Acting GM :SD                     |
| 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 Maintained |
| Thabani Madlala                        | Member            | ISF: Electricity           | Manager: Electricity                     |
| Mxolisi Dladla                         | Member            | SCM                        | Contract officer                         |
| Thamsanqa Makhanya                     | Member            | ISF WnS                    | 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                            |

| BID EVALUATION COMMITTEE - GOODS AND SERVICES (7) | 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 Dev   |
| Sthembiso Thabethe                        | Member            | ISF: Electricity              | Engineer Planning Customer Services |
| Sibonelo Zulu                             | Member            | Sustainable Dev               | Manager Economic Development        |
| Xolie Ndzingi                             | Ex Officio Member | Corporate Services: Legal     | Legal Advisor                       |

| BID SPECIFICATION COMMITTEE - GOODS AND SERVICES (7) | MEMBERSHIP STATUS | BUSINESS UNIT                   | POSITION                                           |
|------------------------------------------------------|-------------------|---------------------------------|----------------------------------------------------|
| Sipho Dubazana                                       | Chairperson       | Corporate Services: Secretariat | Senior Manager: Secretariat and Auxiliary Services |
| Vinay Monhalal                                       | Member            | Finance: SCM                    | Contract Officer                                   |
| Mandla Zuma                                          | Member            | Community Services              | Senior Manager: Recreation and Facilities          |
| 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

An effective system of logistics management has been established. The continuous interrogation of inventories and improvements on systems and processes have yielded positive results in that there is a progressive reduction of stock holdings. Part of logistics management is to establish and implement appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased; regular checking of stock; and monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services. 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. Disposal Committee was also established during the 2011/2012 financial year, this function falls within asset management unit, of which they are a separate unit according to the Msunduzi organisational Structure.

## RISK MANAGEMENT

A SCM policy and procedures have developed to ensure compliance and the monitoring of compliance with the SCM regulations. The unit manages 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 stakeholder.

## PERFORMANCE MANAGEMENT (MONITORING AND CONTRACT ADMINISTRATION)

In terms of section 116 (2) of the MFMA the accounting officer of a municipality must - "Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced; monitor on a monthly basis the performance of the contractor under the contract or agreement; establish capacity in the administration of the municipality to assist the accounting officer in carrying out the duties and to oversee the day-to-day management of the contractor under the contract or agreement;"

Therefore a Contract management Office (monitoring) within the Supply Chain Management unit was established in order to adhere to the above act. The Contract Management Monitoring Section within the SCM Unit has been identified as a critical vehicle to benchmark between Project Management and Delivery against all awarded contracts.

Contract Management is a foundational pillar towards a pro-actively managed and service centric supply chain management organisation. Properly managed contracts can ensure that services are delivered within specification and at the agreed cost.

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 optimize the value for money in agreed deliverables throughout the project execution.

### CHALLENGES

- The unit is not fully recognized as a functional office and often misunderstood by the rest of the organisations 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.

### TRAINING OF SCM PRACTITIONERS AND BID COMMITTEES

SCM Management, SCM practitioners and Bid Committee members were trained during 2018/2019 as per SCM Regulation 8 in accordance with Treasury guidelines on supply chain training to meet the competency level required for supply chain practitioners.

## 2.9 BY-LAWS

### A BRIEF OVERVIEW OF THE DEVELOPMENT OF BY-LAWS DURING THE 2018/2019 FINANCIAL YEAR:

Legal Services identified 4 By-laws for review namely Debt collection and credit control, Street trading, Public Health (Keeping of Dogs) and SPLUMA. Debt collection and credit control and Public Health (keeping of dog) were submitted to Strategic Management Committee.

| BY-LAWS INTRODUCED DURING 2018/19 |                                                  |                                                                                                                                                    |                               |                          |                     |
|-----------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------------|---------------------|
| 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 |
|                                   | Spatial planning and land use management By-laws | No                                                                                                                                                 | N/A                           | N/A                      | N/A                 |
|                                   | Public health By-law (keeping of dogs).          | No, but approved for such participation.                                                                                                           | To follow                     | N/A                      | N/A                 |
|                                   | Street trading By-law                            | The licensing department is in the process of reviewing the policy. The By-law is to be reviewed once the review of the policy has been completed. | N/A                           | N/A                      | N/A                 |
|                                   | Debt collection and credit control By-law        | No, but approved for such participation.                                                                                                           | To follow                     | N/A                      | N/A                 |

### COMMENT ON BY-LAWS:

Legal Services identified 4 By-laws for review.

#### Public Participation:

The intended adoption of amendments to By-laws is always preceded by permitting the public to comment thereon.

#### Enforcement:

Legal Services act as Prosecutors in the enforcement of By-laws. The different business units are responsible, through their Peace Officers, for the enforcement of By-laws by issuing compliance notices and summonses. Legal Services was instrumental in facilitating progress in the establishment of a single law enforcement unit within the Municipality by submitting a comprehensive research report on the issue to a Council Workshop. A Task Team was established to perform further work on such establishment.

## 2.10 WEBSITES

### INTRODUCTION TO THE MUNICIPAL WEBSITE

For Legislative Compliance, various Business Units are expected to furnish relevant information for publishing on the Msunduzi Website however some of the information is provided before deadlines. Information is updated almost daily and is accessible within a few hours depending on the content. Internet bandwidth on the LAN is not very reliable therefore uploads onto the Msunduzi Website is very slow. Although 3G Data Connectivity is available the speed is not consistent and also affects uploads and test downloads. However, Msunduzi always strives and publishes the necessary information on the Msunduzi Website.

| MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL 2018/2019                                                                                              |        |                 |                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------------|------------------------------------------------------------------------------------------------|
| Documents published on the Municipality's / Entity's Website                                                                                               | Yes/No | Publishing Date | Description                                                                                    |
| All current budget-related policies                                                                                                                        | No     |                 | Still awaiting for all departments to submit their policies                                    |
| The previous annual report (2017/18)                                                                                                                       | Yes    | 31-01-2019      |                                                                                                |
| The Annual Report (2018/19) published                                                                                                                      | Yes    | 03-02-2020      |                                                                                                |
| All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2018/19) and resulting scorecards                   | Yes    | 19-10-2018      | It will be published in February 2020 once it has been tabled at a meeting of the Full Council |
| All service delivery agreements (2018/19)                                                                                                                  | No     |                 | None on the website                                                                            |
| All long-term borrowing contracts (2018/19)                                                                                                                | No     |                 | There were no new long-term contracts entered into during the year.                            |
| All supply chain management contracts above a prescribed value (give value) for (2018/19)                                                                  | No     |                 | Not applicable                                                                                 |
| 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 (2018/19) | No     |                 | Not Applicable                                                                                 |
| Contracts agreed in (2018/19) to which subsection (1) of section 33 apply, subject to subsection (3) of that section                                       | No     |                 | Not applicable                                                                                 |
| Public-private partnership agreements referred to in section 120 made in (2018/19)                                                                         | No     |                 | Not applicable                                                                                 |

### COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

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 and/or short descriptions are indicated below the information or file download. The Public can access information on [www.msunduzi.gov.za](http://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. Sometimes updated documentation is received and requests are made to supersede previous submissions. This obviously delays publishing if the document requires some adjustments for presentation. Most information provided is uploaded and available within a few hours.

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No Public Satisfaction on Municipal Services surveys conducted in 2018/2019 financial year.

## CHAPTER 3 – ANNUAL PERFORMANCE REPORT – SERVICE DELIVERY INDICATORS

### INTRODUCTION:

The Annual Performance Report (APR) is a legislative requirement which prescribes that the report must be submitted to the Auditor General by the 31<sup>st</sup> August annually. The Annual Performance Report, amongst other documents, will form part of the consolidated Annual Report of the Municipality which must be submitted to Council by the end of January on an annual basis.

The Annual Performance Report 2018 / 2019 of the Msunduzi Municipality is divided into two (2) broad categories as follows:

#### **SECTION ONE: FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT.**

#### **SECTION TWO: ANNUAL REPORT OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2018 / 2019 & ANNUAL REPORT OF THE OPERATIONAL PLAN 2018/2019**

During the 2018 / 2019 financial year, Msunduzi Municipality continued to implement a process for reporting on the SDBIP & OP; a process for reporting against pre-determined objectives and Key Performance Indicators (KPI's) that are contained in the approved Service Delivery and Budget Implementation Plan (SDBIP). The process is based on a colour-coded dashboard that serves as an early-warning indicator of under / zero performance. Monthly and Quarterly reports, based on the colour-coded dashboard were submitted to Council with applicable recommendations that were adopted. These reports and Council resolutions are available for inspection on request.

During the 2018 / 2019 financial year, Msunduzi Municipality had 2 vacancies for S57 employees being the General Manager: Sustainable Development & City Enterprises as well as the General Manager: Infrastructure Services. The post of General Manager: Sustainable Development & City Enterprises was filled with an acting incumbent for most of the financial year; however, towards the latter part of the financial year the post was filled. All S57 managers except the General Manager: Corporate Services signed performance agreements for the financial year. The Individual Performance Management System (IPMS) was cascaded to Level 3 employees (S58 – Senior Managers as well as Managers in Strategic Positions reporting directly to the City Manager i.e. Chief Audit Executive, Senior Manager: Office of the City Manager, Senior Manager: Political Support, Senior Manager: Strategic Planning and the Head: Integrated Rapid Public Transport Network. All Senior Managers and Managers in Strategic Positions reporting directly to the City Manager signed performance agreements as well. During the 2018 / 2019 financial year individual Annual assessments for 2017/2018 FY were conducted for 3 General Managers and the Chief Financial Officer.

In the 2018 / 2019 financial year institutional arrangements have been put in place in order to ensure the implementation of an Organisational Performance Management System (OPMS) as per legislative requirements and also to enable meaningful and informed monitoring and evaluation. It is hoped that as OPMS becomes institutionalized within the municipality and part of our everyday business, that Managers, Councillors and the Community alike will use it as tool to monitor the services that are being delivered by the municipality thereby increasing the accountability and transparent role of local government.

During the Strategic Planning Process for the 2018/2019 financial year a management decision was taken to differentiate between service delivery indicators that have a direct impact on the community and those that are operational, support and auxiliary services. In this regard for the 2018/2019 financial year the Service Delivery & Budget Implementation Plan (SDBIP) has been developed to focus on the service delivery indicators and the Operational Plan (OP) 2018/2019 has been developed to focus on operational, support and auxiliary services.

The SDBIP 2018/2019 contains Public Participation Units (Office of the Speaker, Office of the Mayor, Office of the MPAC Chairperson & Office of the Municipal Manager), Community Services Units (Area Based Management, Waste Management, Recreation & Facilities as well as Public Safety Enforcement and Disaster Management), Infrastructure Units (Water and Sanitation, Roads and Stormwater, Electricity & Mechanical Workshops) and Sustainable Development & City Enterprises Units (Development Services, Town Planning and Environmental Management, City Entities & Human Settlements). Also included are the Legislated Performance Indicators as regulated by the National and Provincial Departments of Cooperative Governance and Traditional Affairs (CoGTA). As prescribed by legislation, the Municipality must set and monitor key performance indicators of all municipal entities. To fulfil this, SAFE CITY the only registered municipal entity; key performance indicators were also developed and inserted in the SDBIP 2018/2019.

All other units provide operational, support and auxiliary services to the Municipality and have been placed on the Operational Plan 2018/2019. The Operational Plan 2018/2019 contains the Corporate Business Units (Internal Audit, Communications & IGR, Integrated Development Plan and Organisational Compliance, Performance & Knowledge Management), Budget & Treasury Units (Budget, Revenue Management, Expenditure Management, Supply Chain Management, SAP, Financial Governance & Performance Management & Assets & Liabilities), Infrastructure Units (Project Management Office), Corporate Services Units (Legal Services, Information Communication Technology, Secretariat & Auxiliary Services and Human Resources) and Sustainable Development & City Enterprises (Development Services, Town Planning and Environmental Management & Human Settlements).



## HIGH LEVEL SUMMARY OF PERFORMANCE COMPARISON FOR THE 2017/2018 & 2018/2019 FINANCIAL YEARS (SDBIP & OP)

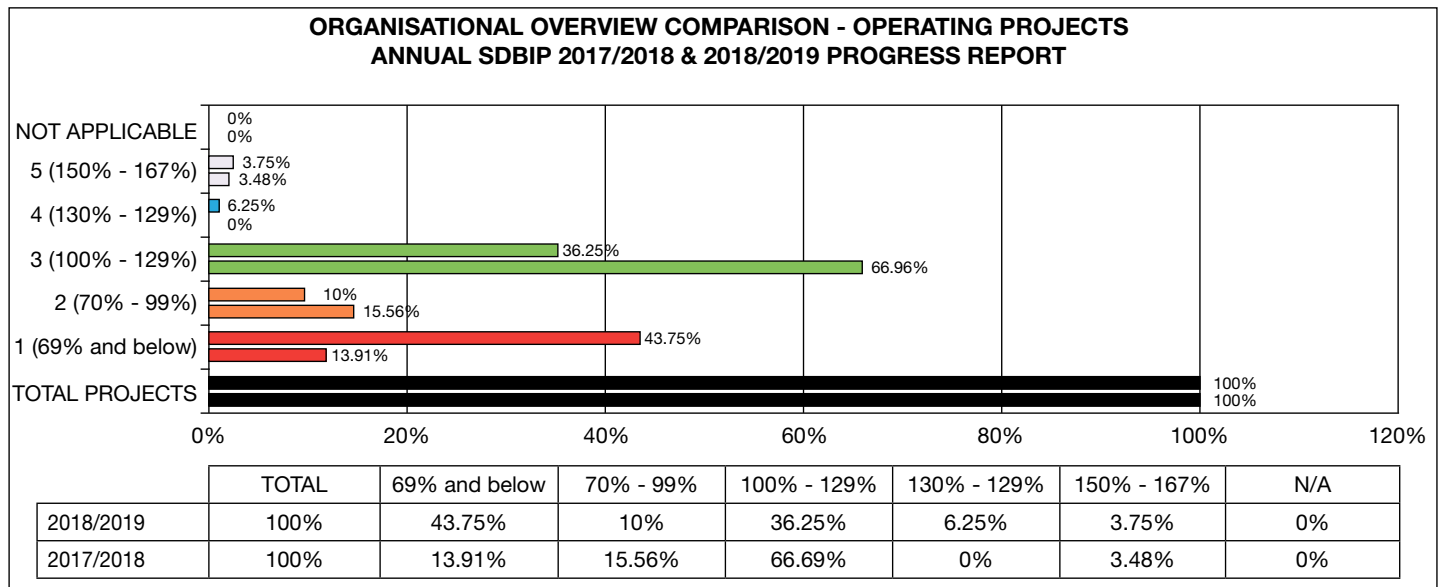
The graphical representations below illustrate the summary of high level performance of the municipality for the 2017/2018 and the 2018/2019 financial years, as per the colour-coded dashboard.

| 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           |     |

There were a total of 123 Key performance indicators on the SDBIP 2018/2019, 80 being operating projects and 43 being capital projects. There were a total of 195 Key performance indicators on the OP 2018/2019, 193 being operating projects and 2 being capital projects.

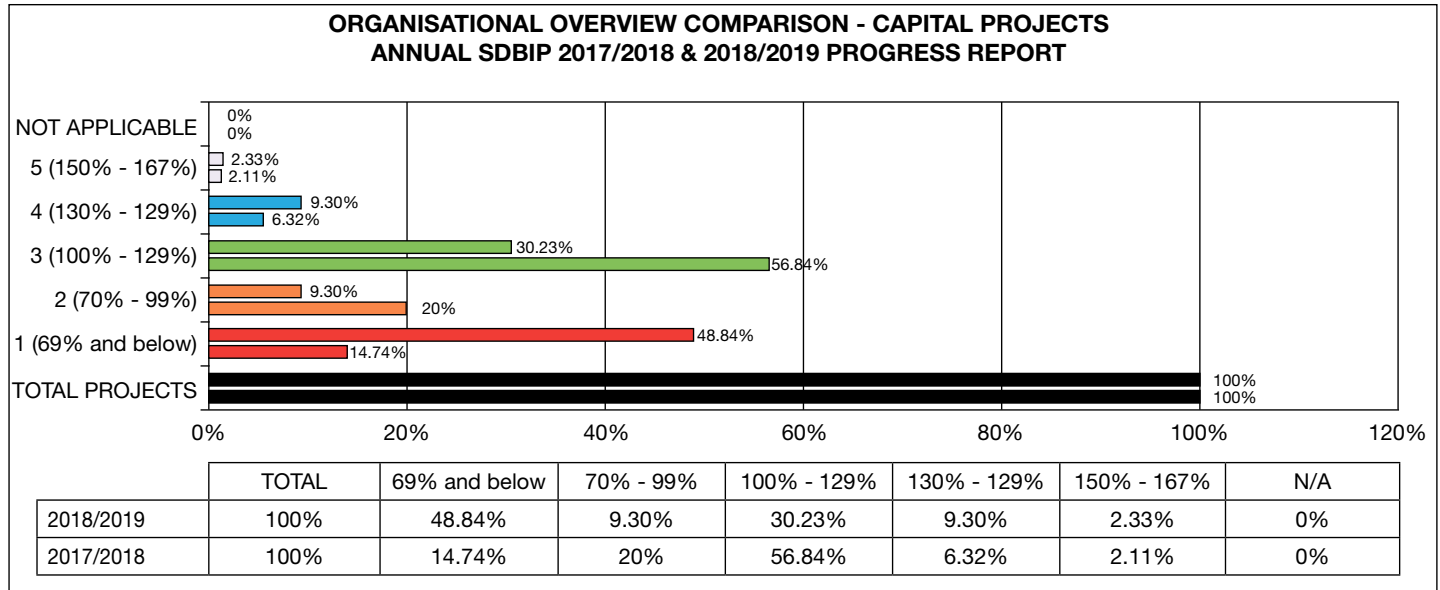
## SDBIP COMPARISON BETWEEN OPERATING AND CAPITAL PROJECTS FOR THE 2017/2018 AND 2018/2019 FINANCIAL YEARS

### GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



1. A total of 80 Operating Projects were reported on the SDBIP for the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 115 in 2017/2018 FY
2. 43.75% of the projects were reported as having achieved a 1 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 13.91% in 2017/2018 FY
3. 10% of the projects were reported as having achieved a 2 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 15.56% in 2017/2018 FY
4. 36.25% of the projects were reported as having achieved a 3 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 66.96% in 2017/2018 FY
5. 6.25% of the projects were reported as having achieved a 4 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 0% in 2017/2018 FY
6. 3.75% of the projects were reported as having achieved a 5 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 3.48% in 2017/2018 FY
7. 0% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 0% in 2017/2018 FY

**GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



1. A total of 43 Capital Projects were reported on the SDBIP for the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 95 in 2017/2018 FY
2. 48.84% of the projects were reported as having achieved a 1 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 14.74% in 2017/2018 FY
3. 9.30% of the projects were reported as having achieved a 2 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 20% in 2017/2018 FY
4. 30.23% of the projects were reported as having achieved a 3 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 56.84% in 2017/2018 FY
5. 9.30% of the projects were reported as having achieved a 4 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 6.32% in 2017/2018 FY
6. 2.33% of the projects were reported as having achieved a 5 on the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 2.11% in 2017/2018 FY
7. 0% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2018/2019 FY ANNUAL PROGRESS REPORT whereas 0% in 2017/2018 FY

## SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR - ORGANISATIONAL OVERVIEW NARRATIVE

| NO | BUSINESS UNIT                                 | SUB UNIT                                                                             | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS MET OR PARTIALLY MET | SDBIP REFERENCE | PROJECT                                                          | ANNUAL TARGET                                                                                                                                                                                                | ANNUAL ACTUAL                                                                                                                                                                           | ACTUAL (1-23,4-5, Not Applicable) | REASON FOR DEVIATION                                                                                                                 | CORRECTIVE MEASURE                                                                                                                                                          |
|----|-----------------------------------------------|--------------------------------------------------------------------------------------|--------------------------|------------------------|----------------------|-------------------------------------|-----------------|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | OFFICE OF THE CITY MANAGER                    | OFFICE OF THE SPEAKER                                                                | 6                        | 0                      | 6                    | 6                                   | OTS 01          | Annual Schedule of meetings                                      | Annual schedule of meetings submitted to community meetings by the 30th of June 2019                                                                                                                         | 8 Councilors have submitted their Annual schedule of meetings for the 2019/2020 FY                                                                                                      | 1 (69% & below)                   | Not all Councilors have submitted their Annual schedule of meetings                                                                  | Meeting to be held with Councilors in order for them to provide this information. It will then be submitted to CoGTA                                                        |
|    |                                               |                                                                                      |                          |                        |                      |                                     | OTS 02          | Reports                                                          | 488 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019                        | 144 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019   | 1 (69% & below)                   | Due to late submission by Councilors                                                                                                 | Meeting to be held with Councilors regarding the timely submission of reports in the next financial year                                                                    |
|    |                                               |                                                                                      |                          |                        |                      |                                     | OTS 03          | Reports                                                          | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                                        | 235x Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019              | 2 (70% - 99%)                     | Not all ward assistance submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY.     | The speaker to issue councilors with a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period  |
|    |                                               |                                                                                      |                          |                        |                      |                                     | OTS 04          | Reports                                                          | Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                                             | 383 x Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                  | 2 (70% - 99%)                     | Not all ward assistance submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY.     | The speaker to issue councilors with a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period  |
|    |                                               |                                                                                      |                          |                        |                      |                                     | OTS 06          | Reports                                                          | 12 x monthly reports on functioning of the Speaker's Office submitted to the Operational Management Committee by the 30 of June 2019                                                                         | 9 x monthly reports on functioning of the Speaker's Office submitted to the Operational Management Committee by the 30 of June 2019                                                     | 2 (70% - 99%)                     | Vacancy exists in the Office of the Speaker re-manager in the Office of the Speaker hence reports are not forthcoming                | Prioritise the fulfilling of the post                                                                                                                                       |
|    |                                               |                                                                                      |                          |                        |                      |                                     | OTS 08          | Reporting                                                        | 12 x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2019                                                                                      | 11 x Monthly Reports on the Back to Basics for the Speaker prepared and submitted to Council by the 30th of June 2019                                                                   | 2 (70% - 99%)                     | Vacancy exists in the Office of the Speaker re-manager in the Office of the Speaker hence reports are not forthcoming                | Prioritise the fulfilling of the post                                                                                                                                       |
|    | OFFICE OF THE MAYOR                           |                                                                                      | 4                        | 0                      | 4                    | 2                                   | MSP 02          | Implementation of annual calendar of events                      | 100% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019                     | 50% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019 | 1 (69% & below)                   | Allocation of sufficient budget                                                                                                      |                                                                                                                                                                             |
|    |                                               |                                                                                      |                          |                        |                      |                                     | MSP 03          | Reports                                                          | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                                                  | 11x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                              | 2 (70% - 99%)                     | Vacancies existed in the unit and the one report was not completed                                                                   | To ensure that vacancies are prioritised and all reports be completed according to approved targets                                                                         |
|    | IRPTN                                         |                                                                                      | 0                        | 3                      | 3                    | 2                                   | IRPTN 01        | Infrastructure Implementation                                    | 7% of the project completed. Commences with earthworks and layer works of road widening in Moses Mabhida Road between km 5.5 to km 6.5 (Work Package 2) by the 30th of June 2019                             | 0% of the project completed. Did not Commence with earthworks and layer works of road widening in Moses Mabhida Road between km 5.5 to km 6.5 (Work Package 2) by the 30th of June 2019 | 1 (69% & below)                   | The appeal outcome is that the tender should be re-advertised. The preferred contractor has requested review of the appeal decision. | Awaiting the outcome of the review process by the preferred contractor                                                                                                      |
|    |                                               |                                                                                      |                          |                        |                      |                                     | IRPTN 02        | Infrastructure Implementation                                    | 45% of the project completed. Proceed with construction of retaining wall, earthworks and layer works of road widening in Moses Mabhida Road between km 7.5 to km 8.8; (Work Package 3) by 30th of June 2019 | 40% of the project completed which is proceeding with construction of retaining wall, earthworks and layer works by 30 June 2019.                                                       | 2 (70% - 99%)                     | Slow production on site due to dispute on rates between the main contractor and subcontractors.                                      | The contractor has submitted a recovery plan                                                                                                                                |
| 2  | COMMUNITY SERVICES                            | PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER) | 10                       | 3                      | 13                   | 10                                  | PS, ES & E 03   | Fire Arm Training for all municipal firearm holders              | 2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019                                                                                        | 1 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019                                                                   | 1 (69% & below)                   | Awaiting service level agreement for shooting range to be signed by (A)Municipal Manager as from: 1 November 2018                    | service level agreement for shooting range to be signed by (A)Municipal Manager as from: 1 November 2018                                                                    |
|    |                                               |                                                                                      |                          |                        |                      |                                     | PS, ES & E 05   | Implementation of the Approved Disaster management plan/strategy | 24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019                                                               | 45 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019                                          | 2 (70% - 99%)                     | During the month of February 2019, the unit was unable to meet the 24 Hours turnaround time to respond to disaster related incident  | The unit needs to consider such incidents so as to revise the 24 hour turnaround time in outer financial years as well as such amendments being made to the approved policy |
|    |                                               |                                                                                      |                          |                        |                      |                                     | PS, ES & E 08   | Major Hazards Premises Visitations by PSDM                       | 46 Major Hazards Visitations conducted by the 30th of June 2019                                                                                                                                              | 45 Major Hazard Visitations conducted by the 30th of June 2019                                                                                                                          | 2 (70% - 99%)                     | Staff shortages/response to incidents-grass fire season                                                                              | Nil                                                                                                                                                                         |
|    |                                               |                                                                                      |                          |                        |                      |                                     | PS, ES & E 10   | Acquisition of 4x4 Airport fire engine                           | 1 x AIRPORT fire engine purchased in accordance to SACAA standard by the 31st of May 2019                                                                                                                    | 0 x AIRPORT fire engine purchased in accordance to SACAA standard by the 31st of May 2019                                                                                               | 1 (69% & below)                   | NO BUDGET ALLOCATED DURING MID YEAR REVIEW PROCESS                                                                                   | REQUEST BUDGET IN NEW FINANCIAL YEAR                                                                                                                                        |
|    | AREA BASED MANAGEMENT (ABM, HIV/AIDS & HALLS) |                                                                                      | 9                        | 0                      | 9                    | 0                                   | N/A             | N/A                                                              | N/A                                                                                                                                                                                                          | N/A                                                                                                                                                                                     | NOT APPLICABLE                    | N/A                                                                                                                                  | N/A                                                                                                                                                                         |

| NO | BUSINESS UNIT                                                           | SUB UNIT                                                                                                     | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBIP REFERENCE | PROJECT                                                                        | ANNUAL TARGET                                                                                                                                                                                                                        | ANNUAL ACTUAL                                                                                                                                                                     | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                      | CORRECTIVE MEASURE                                                                                                                             |
|----|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|-----------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| 2  | COMMUNITY SERVICES                                                      | RECREATION & FACILITIES (SPORTS, PARKS, SERVICES, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) | 4                         | 4                       | 8                     | 6                                                 | R & F 01        | Grass cutting on verges, open spaces and parks                                 | Grass cut once per month in 29 wards a season as per grass cutting schedule (September 2018 - May 2019) with a tractor utilising a slasher-mower for open spaces, sports-grounds and any verge over 2 meters by the 31st of May 2019 | Grass cut in 29 Wards utilising a slasher-mower with minor challenges                                                                                                             | 1 (69% & below)                    | Challenges with slasher-mower and constant break-downs of tractors                                                                        | Repair slasher-mower and tractors, budget for the purchase of 9 slasher-mowers in 2109/2020 financial year to be implemented in September 2019 |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | R & F 02        | Grass cutting and landscaping of islands, municipal gardens and main entrances | 10 islands and 10 main entrances into CBD maintained monthly by the 30th of June 2019                                                                                                                                                | 5 islands and 5 main entrances into CBD maintained                                                                                                                                | 1 (69% & below)                    | Late delivery of brush-cutters                                                                                                            | New delivery of 50 Brushcutters to be implemented in new financial year 2019/2020                                                              |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | R & F 03        | Grass cutting at municipal libraries                                           | Grass cut at 11 libraries every month as per the grass cutting schedule by the 30th of June 2019                                                                                                                                     | Grass cut at 3 libraries every month as per the grass cutting schedule by the 30th of June 2019                                                                                   | 1 (69% & below)                    | Late delivery of brush-cutters                                                                                                            | New delivery of 50 Brushcutters to be implemented in new financial year 2019/2020                                                              |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | R & F 05        | Purchase of modified containers/ (change rooms/toilet facilities)              | 2 x modified containers/park homes purchased and received by the 30th of June 2019                                                                                                                                                   | 1 Modified Container delivered.                                                                                                                                                   | 1 (69% & below)                    | Shortage of funding                                                                                                                       | Mid-term budget                                                                                                                                |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | R & F 06        | Purchase new Machinery and Equipment                                           | Purchase new Machinery and Equipment (100 Brushcutters, 10 CHAINSAWS, 3 POLE PRUNERS) by the 30th of June 2019                                                                                                                       | Purchase new Machinery and Equipment (100 Brushcutters delivered) by the 30th of June 2019                                                                                        | 1 (69% & below)                    | N/A                                                                                                                                       | N/A                                                                                                                                            |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | R & F 09        | Upgrading Buchaman Swimming Pool                                               | Full Upgrade of Buchaman Swimming Pool completed by the 30th of June 2019                                                                                                                                                            | Upgrade of Buchaman Swimming Pool not completed                                                                                                                                   | 1 (69% & below)                    | Report submitted late for approval SS 72 of 2015 not approved by BAC                                                                      | Mid-term review for 2019/2020                                                                                                                  |
|    | WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) |                                                                                                              | 2                         | 0                       | 2                     | 2                                                 | WM 01           | SWME'S Petuse Collection - Vulindlela                                          | Refuse collection in all 5 zones of the Msunduzi Municipality by the 30th of June 2019                                                                                                                                               | Refuse collection in all 5 zones of the Msunduzi Municipality not completed by the 30th of June 2019                                                                              | 1 (69% & below)                    | Funds re-allocated due to time constraints                                                                                                | Re-start the process in the 2019/2020 financial year                                                                                           |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | WM 02           | Repairs completed on skip bins                                                 | 24 skip bins repaired (various sizes) and/or replaced by the 30th of June 2019                                                                                                                                                       | 0 skip bins repaired (various sizes) and/or replaced by the 30th of June 2019                                                                                                     | 1 (69% & below)                    | Funds re-allocated due to time constraints                                                                                                | Re-start the process in the 2019/2020 financial year                                                                                           |
|    | TOTAL                                                                   |                                                                                                              | 25                        | 5                       | 30                    | 12                                                |                 |                                                                                |                                                                                                                                                                                                                                      |                                                                                                                                                                                   |                                    |                                                                                                                                           |                                                                                                                                                |
| 3  | INFRASTRUCTURE SERVICES                                                 | WATER & SANITATION                                                                                           | 0                         | 21                      | 21                    | 13                                                | W & S 02        | MIG - SEWER PIPES UNIT H                                                       | Site Establishment and 0.2 km of sewer pipe installed by the 30 June 2019                                                                                                                                                            | Site Establishment and 0 km of sewer pipe installed by the 30 June 2019.                                                                                                          | 1 (69% & below)                    | Charges to scope of works, therefore a delay in submission to BSC. Tender needed to be cancelled once settlement agreement was signed.    | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter.                                                                            |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | W & S 03        | MIG - SEWER PIPES AZALEA - PHASE 3                                             | 0.5 km of new water pipeline installed by the 30 June 2019                                                                                                                                                                           | 0 km of new water pipeline installed by the 30 June 2019.                                                                                                                         | 1 (69% & below)                    | Charges to scope of works, therefore a delay in submission to BSC. Phase 1 could not be completed due to a dispute with contractor.       | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter.                                                                            |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | W & S 04        | MIG - ELIMINATION OF CONSERVANCY TANKS - (SEWER)                               | 1km of new sewer pipeline installed by 31 December 2018. Provisional appointment of service provider by 30 June 2019                                                                                                                 | 1 km of new sewer pipeline installed by 31 December 2018. 1.4 km of sewer pipe installed by 30th June 2019. Provisional appointment of service provider not done by 30 June 2019. | 2 (70% - 99%)                      | Not approved initially at Bid Spec. Bid Spec did not sit for 4 weeks thereafter after original submission. Awaiting Bid Spec sitting.     | Awaiting Bid Spec sitting                                                                                                                      |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | W & S 05        | MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)        | 0.2 km sewer pipeline constructed by 30 June 2019                                                                                                                                                                                    | 0 km sewer pipeline not constructed by 30 June 2019.                                                                                                                              | 1 (69% & below)                    | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                       | Awaiting BEC sitting.                                                                                                                          |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | W & S 06        | MIG - SHENSTONE AMBLETON SANITATION SYSTEM                                     | Construction: 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Adjudication Report completed and submitted and provisional acceptance by 30 June 2019.                                                             | 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Adjudication Report completed and submitted and provisional acceptance by 30 June 2019.                        | 2 (70% - 99%)                      | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                       | Awaiting Bid Spec sitting                                                                                                                      |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | W & S 07        | MIG-REDUCTION OF NON REVENUE WATER                                             | Reduced Total Water Leases to 28.3% in Wards 1 to 38 (in total) by the 30th of June 2019                                                                                                                                             | Reduced Total Water Leases to 28.8% in Wards 1 to 38 (in total) by the 30th of June 2019                                                                                          | 2 (70% - 99%)                      | Drop in domestic sales and increase in bulk water purchases                                                                               | Non-revenue water implementation plan running for the next 5 years. Consultant has been appointed                                              |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | W & S 09        | MIG - SERVICE ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER)                 | 0.5 km of new water pipeline installed by 30 June 2019                                                                                                                                                                               | 0 km of new water pipeline installed by 30 June 2019.                                                                                                                             | 1 (69% & below)                    | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                       | Awaiting BEC sitting.                                                                                                                          |
|    |                                                                         |                                                                                                              |                           |                         |                       |                                                   | W & S 10        | MIG - COPEVILLE RESERVOIR                                                      | 100% of Bulk earthworks completed by 30 June 2019                                                                                                                                                                                    | 0% of Bulk earthworks completed by 30 June 2019.                                                                                                                                  | 1 (69% & below)                    | There were delays in transferring the land from Human Settlements to Msunduzi Municipality and therefore the tender could not be awarded. | FastTrack tender evaluation.                                                                                                                   |



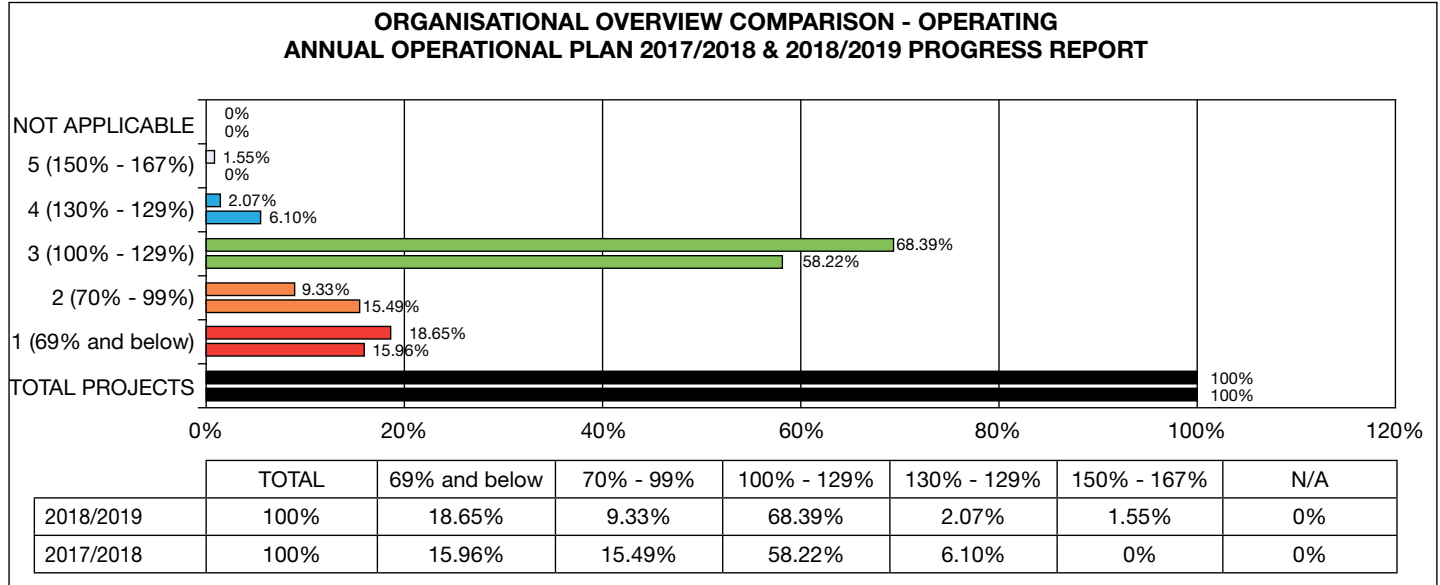
| NO | BUSINESS UNIT                           | SUB UNIT          | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBIP REFERENCE | PROJECT                                    | ANNUAL TARGET                                                                                                                            | ANNUAL ACTUAL                                                                                                                                                                                                                                                                                                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                                 | CORRECTIVE MEASURE                                                                                                                                                                                                                                                                                                                    |
|----|-----------------------------------------|-------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|-----------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4  | SUSTAINABLE DEVELOPMENT & CITY ENTITIES | HUMAN SETTLEMENTS |                           |                         |                       |                                                   | HS 02           | Human Settlements Sector Plan              | Final Housing Sector Plan submitted to Full Council for approval by the 30th of June 2019                                                | Draft Housing Sector Plan was presented at a Technical Workshop held on the 22 May 2019. Comments and inputs received will be taken into account in the Final Housing Sector Plan. The Public participation engagements commenced and the Draft HSP was presented to Ward Councilors for Ederdale area on the 21 June 2019                                 | 1 (69% & below)                    | Target not achieved due to the delay in meeting the various departments due to the availability of individuals. The Technical Workshop attendance was poor.                                                                                                                          | Individual Departmental meeting to be conducted. Public Participation and engagements with Ward Councilors meeting is scheduled for 5 July 2019.                                                                                                                                                                                      |
|    |                                         |                   |                           |                         |                       |                                                   | HS 04           | Signal Hill Housing Project                | Approved Town Planning Application by 30 June 2019                                                                                       | The SPLUMA application has been submitted to the Town Planning Unit for approval.                                                                                                                                                                                                                                                                          | 1 (69% & below)                    | The application is still on the assessment stage and will be approved once assessment and advertisement has been concluded.                                                                                                                                                          | To follow up with the Planning Unit on the assessment progress.                                                                                                                                                                                                                                                                       |
|    |                                         |                   |                           |                         |                       |                                                   | HS 09           | Verification of Occupancy of Council Flats | 100% of Council rental stock verified to have occupancy by the 30th of June 2019                                                         | 7% of Council rental stock verified to have occupancy by the 30th of June 2019                                                                                                                                                                                                                                                                             | 1 (69% & below)                    | Not all council rental stock verified to have correct occupancy due to the unavailability of tenants                                                                                                                                                                                 | To ensure ALL council rental stock is verified as per approved verification schedule                                                                                                                                                                                                                                                  |
|    |                                         |                   |                           |                         |                       |                                                   | HS 20           | Khalanyoni                                 | Final Environmental Assessment for Khalanyoni submitted to EDTEA by 30 June 2019                                                         | Final Environmental Assessment for Khalanyoni not submitted to EDTEA by 30 June 2019.                                                                                                                                                                                                                                                                      | 1 (69% & below)                    | The Basic Assessment Report for Khalanyoni was submitted to various commenting Departments for comments. To date there are still comments outstanding from Departments to finalize the Report.                                                                                       | To follow up with the JAP on progress of the Environmental Application and progress with comments.                                                                                                                                                                                                                                    |
|    |                                         |                   |                           |                         |                       |                                                   | HS 21           | Kwa30                                      | Final Environmental Assessment for Kwa30 submitted to EDTEA by 30 June 2019                                                              | Final Environmental Assessment for Kwa30 not submitted to EDTEA by 30 June 2019                                                                                                                                                                                                                                                                            | 1 (69% & below)                    | The Basic Assessment Report for Kwa30 was submitted to various commenting Departments for comments. To date there are still comments outstanding from Departments to finalize the Report.                                                                                            | To follow up with the JAP on progress of the Environmental Application and progress with comments.                                                                                                                                                                                                                                    |
|    |                                         |                   |                           |                         |                       |                                                   | HS 25           | Signal Hill                                | SPLUMA application for Signal Hill submitted to the Municipality for assessment and approval by the 30th of June 2019                    | SPLUMA application for Signal Hill not submitted to the Municipality for assessment and approval by the 30th of June 2019                                                                                                                                                                                                                                  | 1 (69% & below)                    | Phase 2 of the Signal Hill Project is affected by the WULA process that needs to be undertaken prior to submission to the Municipality for assessment and approval.                                                                                                                  | To ensure the IA undertakes the WULA process in order for Phase 2 of the project can commence                                                                                                                                                                                                                                         |
|    |                                         |                   |                           |                         |                       |                                                   | HS 26           | Harewood                                   | Signing of Tripartite agreement contract for Harewood by the HOD, City Manager and Implementing Agent completed by the 30th of June 2019 | Signing of Tripartite agreement contract for Harewood by the HOD, City Manager and Implementing Agent not completed by the 30th of June 2019. According to DoHS project monitor, the contract is still being drafted by contracts division, and the Municipality will be advised once has been finalised.                                                  | 1 (69% & below)                    | Target not achieved due to delays at DoHS contracts section. A request was forwarded to the municipality that there be an agreement drafted and signed by both parties (municipality & IA) and submitted to DoHS as part of required documents for drafting of Tripartite agreement. | DoHS to FastTrack drafting of contract.                                                                                                                                                                                                                                                                                               |
|    |                                         |                   |                           |                         |                       |                                                   | HS 27           | Bhobhonono/Masomini                        | Obtain MEC funding approval for Bhobhonono/Masomini Stage 1 by the 30th of June 2019                                                     | MEC funding approval for Bhobhonono/Masomini Stage 1 not obtained by the 30th of June 2019                                                                                                                                                                                                                                                                 | 1 (69% & below)                    | Further information has been requested by DoHS, however the information was received months later after the submission was made to DoHS for Stage 1 approval. Which has resulted in delays in the approval of Stage 1 funding application.                                           | A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality to advise on progress of the application. Further monthly engagements have been proposed to eliminate delays. |
|    |                                         |                   |                           |                         |                       |                                                   | HS 28           | Caluza/Smero                               | Obtain MEC funding approval for Caluza/Smero Stage 1 by the 30th of June 2019                                                            | MEC funding approval for Caluza/Smero Stage 1 not obtained by the 30th of June 2019                                                                                                                                                                                                                                                                        | 1 (69% & below)                    | Further information has been requested by DoHS, however the information was received months later after the submission was made to DoHS for Stage 1 approval. Which has resulted in delays in the approval of Stage 1 funding application.                                           | A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality to advise on progress of the application. Further monthly engagements have been proposed to eliminate delays. |
|    |                                         |                   |                           |                         |                       |                                                   | HS 29           | Snathing Phase 1                           | Request for TEC recommendation in order to prepare monthly progress report to OMC by the 30th of June 2019                               | Request for TEC recommendation in order to prepare monthly progress report to OMC was not achieved. A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality for clarity on the submission. | 1 (69% & below)                    | The DoHS had requested further clarity and more documentation with regards to the submission.                                                                                                                                                                                        | DoHS to FastTrack submission for stage 1 funding application and include the item in the next Technical Evaluation Committee Agenda.                                                                                                                                                                                                  |
|    |                                         |                   |                           |                         |                       |                                                   | HS 33           | Willowfountain EE Phase 1                  | 10 x Housing Units for Willowfountain EE Phase 1 completed by the 30 June 2019                                                           | 0 x Housing Units for Willowfountain EE Phase 1 completed.                                                                                                                                                                                                                                                                                                 | 1 (69% & below)                    | Municipality awaiting the contract from the provincial DoHS                                                                                                                                                                                                                          | To follow up with DoHS with regards to contract                                                                                                                                                                                                                                                                                       |

# Msunduzi Annual Report 2018/2019

| NO | BUSINESS UNIT                           | SUB UNIT                                                                                              | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBIP REFERENCE | PROJECT                                                      | ANNUAL TARGET                                                                                            | ANNUAL ACTUAL                                                                                                                                                                                                    | ACTUAL (1-2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                              | CORRECTIVE MEASURE                                                                                                                                                                                                                                            |
|----|-----------------------------------------|-------------------------------------------------------------------------------------------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|-----------------|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4  | SUSTAINABLE DEVELOPMENT & CITY ENTITIES | HUMAN SETTLEMENTS                                                                                     |                           |                         |                       |                                                   | HS 34           | Wirewall Rectification Project                               | 140 x Houses completed for Wirewall Rectification Project by the 30th of June 2019                       | 20 units have been completed and 18 units are at practical completion.                                                                                                                                           | 1 (69% & below)                    | Turnaround time to sign and process invoices. Locate missing beneficiaries. Amendement of annexure D. Cross Boundaries. Renovations and demolition approvals and contract amendments                                                                              | Improve turnaround time for invoice signatories, for missing beneficiaries. Condonation may assist. Relaxation of town planning scheme                                                                                                                        |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 36           | Lot 182                                                      | 106 x new housing units completed for Lot 182 by the 30th of June 2019                                   | 42 x new housing units completed for Lot 182 by the 30th of June 2019                                                                                                                                            | 1 (69% & below)                    | Contract expired and the contractor stopped working sites. It took almost eight (8) months for contract to be finalized. The site does not have enough space therefore existing structures has to be demolished. Beneficiaries have applied and waiting approval. | The contract has been signed the contract and the anticipated date for completion is 05 June 2020. The IA is preparing HDA and drawing, this is ongoing and HDA are finalising the transfer of land. PSC is handling this issue                               |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 37           | Eldendale Unit S Phase 8 Ext.                                | 120 x new housing units constructed in ward 10 (Eldendale Unit S Phase 8 Ext.) by the 30th of June 2019  | 11 x new housing units constructed in ward 10 (Eldendale Unit S Phase 8 Ext.) by the 30th of June 2019                                                                                                           | 1 (69% & below)                    | Slow Performance from the IA since beginning of the year IA requested a written confirmation by the Dobs regarding the 5.4 % escalation. Dobs sent the IA a written confirmation dated 11/6/2019 for the escalation.                                              | IA to produce a revised work programme as per the Monday weekly meeting by the department with set targets as per the MEC intervention. Weekly Monday meetings, a resolution was that the IA must return to site as we have no outstanding request from them. |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 38           | Happy Valley Housing project                                 | 20 X New Houses for Happy Valley Housing project to be completed by the 30th of June 2019                | 0 X New Houses for Happy Valley Housing project completed by the 30th of June 2019                                                                                                                               | 1 (69% & below)                    | The implementing agent proposed some changes in the contract. Awaiting the Implementing Agent to sign the Contract. Awaiting the letter from the legal department to advise on the matter of contract amendment.                                                  | The Municipality to arrange a meeting with the IA to discuss the matter.                                                                                                                                                                                      |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 39           | Site 11 Housing project                                      | 20 X New Houses for Site 11 Housing project to be completed by the 30th of June 2019                     | 0 X New Houses for Site 11 Housing project completed. Site clearance has been done on the sites with no complications. NHBCR Enrolment has been approved.                                                        | 1 (69% & below)                    | There was a delay in the approval of NHBCR Enrolment and house plan approval.                                                                                                                                                                                     | Follow up with NHBCR approval. Resubmit the amended house plan for approval.                                                                                                                                                                                  |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 40           | Thamboville Housing project                                  | 20 X New Houses for Thamboville Housing project to be completed by the 30th of June 2019                 | 0 X New Houses for Thamboville Housing project Housing project completed. Site clearance has been done on the sites with no complications. NHBCR Enrolment has been approved.                                    | 1 (69% & below)                    | There was a delay in the approval of NHBCR Enrolment and house plan approval.                                                                                                                                                                                     | Follow up with NHBCR approval. Resubmit the amended house plan for approval.                                                                                                                                                                                  |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 41           | Glenwood Q-Section Housing project                           | 20 X New Houses for Glenwood Q-Section Housing project to be completed by the 30th of June 2019          | 0 X New Houses for Glenwood Q-Section Housing project completed by the 30th of June 2019                                                                                                                         | 1 (69% & below)                    | The implementing agent proposed some changes in the contract. Awaiting the Implementing Agent to sign the Contract. Awaiting the letter from the legal department to advise on the matter of contract amendment.                                                  | The Municipality to arrange a meeting with the IA to discuss the matter.                                                                                                                                                                                      |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 42           | Thembalille Housing project                                  | 20 X Houses for Thembalille Housing project completed by the 30th of June 2019                           | 0 X Houses for Thembalille Housing project completed. Contract has been signed and site establishment is in the process.                                                                                         | 1 (69% & below)                    | There is the delay in the NHBCR enrolment application process.                                                                                                                                                                                                    | Follow up on the whereabouts of the application process                                                                                                                                                                                                       |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 43           | Jika Joe Community Residential Units                         | 100 x Houses units for Jika Joe CRU Housing Project completed by the 30th of June 2019                   | 0 x Houses units for Jika Joe CRU Housing Project completed by the 30th of June 2019                                                                                                                             | 1 (69% & below)                    | The contractor closed the site from end of March due to delay in payment certificate number 8 and 9, they have not recovered the lost time on their programme                                                                                                     | To revise the programme taking to account that the end date won't change, secondly speed up the payment due to service provider                                                                                                                               |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | HS 44           | Implementation of the National Housing Needs Register (NHNR) | Capturing of 3000 housing needs on the NHNR completed by the 30th of June 2019                           | Not achieved: Awaiting HR authorization to commence with the new shortlisting of candidates and the date for the shortlisting exercise. The HR is not responding timely and not advising on a clear way forward. | 1 (69% & below)                    | The recruitment process of data capturers was disrupted by the HR Department as such the project could not start as there were no data capturers to advise on the housing needs into the NHNR system.                                                             | A memorandum was prepared to the GM- Corporate Services detailing the process followed and seeking advice on the way forward. Various email correspondence has been back and forth to resolve the matter.                                                     |
|    |                                         |                                                                                                       |                           |                         |                       |                                                   | T3              | Marketing the city                                           | 100% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar by the 30th of June 2019 | 91% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar by the 30th of June 2019.                                                                                                         | 2 (70% - 99%)                      | Tourism Budget was cut and could not participate in one event (PMIB marathon)                                                                                                                                                                                     | A new calendar of events has been developed for 2019/2020                                                                                                                                                                                                     |
|    |                                         |                                                                                                       | 7                         | 1                       | 8                     | 1                                                 |                 |                                                              |                                                                                                          |                                                                                                                                                                                                                  |                                    |                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                               |
|    |                                         | CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) |                           |                         |                       |                                                   |                 |                                                              |                                                                                                          |                                                                                                                                                                                                                  |                                    |                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                               |
|    |                                         | <b>TOTAL</b>                                                                                          | <b>43</b>                 | <b>6</b>                | <b>49</b>             | <b>26</b>                                         |                 |                                                              |                                                                                                          |                                                                                                                                                                                                                  |                                    |                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                               |

## OPERATIONAL PLAN COMPARISON BETWEEN OPERATING AND CAPITAL PROJECTS FOR THE 2018/2019 AND 2017/2018 FINANCIAL YEARS

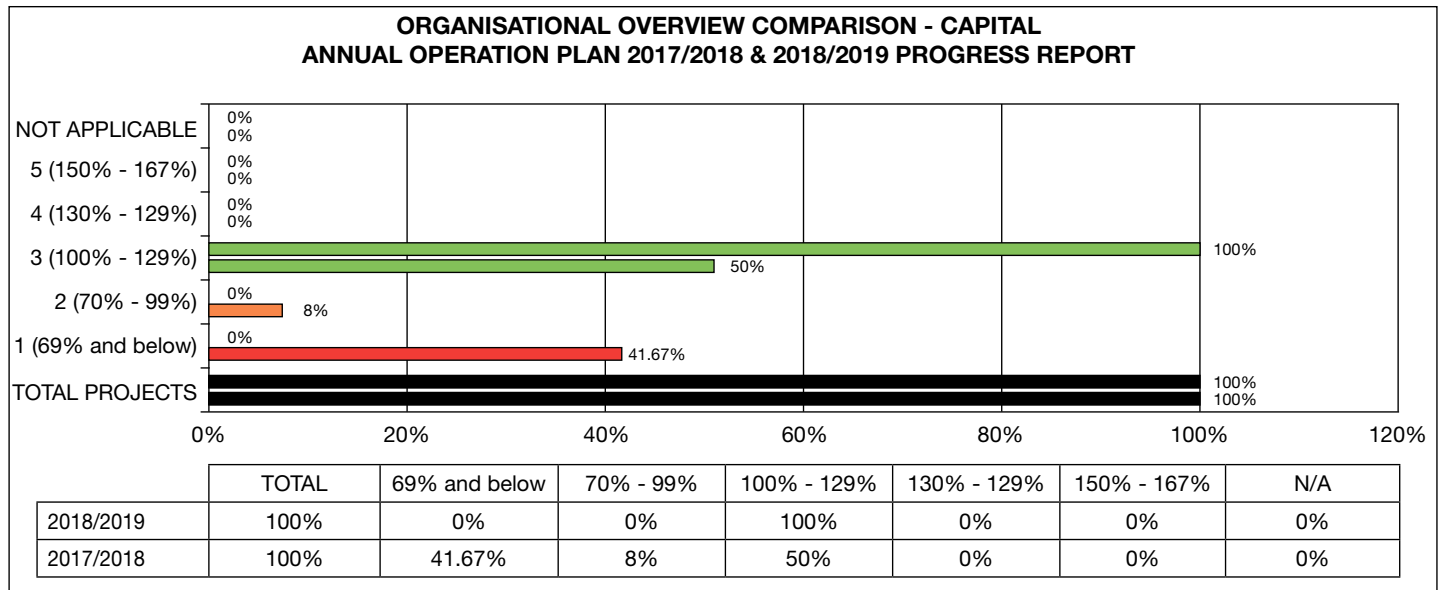
### GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



1. A total of 193 Operating Projects were reported on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 213 in 2017/2018 FY
2. 18.65% of the projects were reported as having achieved a 1 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 15.96% in 2017/2018 FY
3. 9.33% of the projects were reported as having achieved a 2 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 15.49% in 2017/2018 FY
4. 68.39% of the projects were reported as having achieved a 3 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 58.22% in 2017/2018 FY
5. 2.07% of the projects were reported as having achieved a 4 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 6.10% in 2017/2018 FY
6. 1.55% of the projects were reported as having achieved a 5 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 0% in 2017/2018 FY
7. 0% of the projects were reported as not applicable due to not having any targets on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 0% in 2017/2018 FY



GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



1. A total of 2 Capital Projects were reported on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 7 in 2017/2018 FY
2. 0 % of the projects were reported as having achieved a 1 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 41.67% in 2017/2018 FY
3. 0% of the projects were reported as having achieved a 2 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 8% in 2017/2018 FY
4. 100% of the projects were reported as having achieved a 3 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 50% in 2017/2018 FY
5. 0% of the projects were reported as having achieved a 4 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 0% in 2017/2018 FY
6. 0% of the projects were reported as having achieved a 5 on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 0% in 2017/2018 FY
7. 0% of the projects were reported as not applicable due to not having any targets on the Operational Plan for 2018/2019 FY ANNUAL PROGRESS REPORT whereas 0% in 2017/2018 FY

| NO | BUSINESS UNIT                                                   | SUB UNIT       | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | PROJECT                                           | ANNUAL TARGET                                                                                                                                                                                          | ANNUAL ACTUAL                                                                                                                                                                                             | ACTUAL (1.2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                     | CORRECTIVE MEASURE                                                                                                                  |
|----|-----------------------------------------------------------------|----------------|--------------------------|------------------------|----------------------|--------------------------------------------------|--------------|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| 1  | OFFICE OF THE CITY MANAGER                                      | INTERNAL AUDIT | 8                        | 0                      | 8                    | 4                                                | IA02         | Implementation of the Annual Audit Plan each year | 100% Completion of internal audit assignments as per approved Annual Audit Plan, 2018/19 by the 30th of June 2019                                                                                      | 74.07% Completion of internal audit assignments as per approved Annual Audit Plan, 2018/19 by the 30th of June 2019. 20 out of 27 Audits were completed during 2018/2019 FY.                              | 2 (70% - 99%)                      | Adjustment of the approved audit plan took place after Mid-Year 18/19 FY, and could not be amended thereafter                                                                                                                                                            | Any subsequent amendment to the approved annual audit plan after mid-year is to be communicated to the Audit Committee for approval |
|    |                                                                 |                |                          |                        |                      |                                                  | IA10         | Training and development of Internal/Audit staff  | Training plan for Internal Audit Staff developed and submitted to HRD by the 30 June 2019                                                                                                              | 2 x quarterly reports on cases of reported through the whistle blowing hotline prepared and submitted to the Audit Committee within 30 working days after the end of the quarter by the 30th of June 2019 | 1 (69% & below)                    | HR did not send a request for training needs of Business Units                                                                                                                                                                                                           | Whilst Cost containment is an impediment the plan will be done and submitted to HR by 31 July 2019                                  |
|    |                                                                 |                |                          |                        |                      |                                                  | IA11         | Whistle-Blowing Hotline                           | 4 x quarterly reports on cases reported through the whistle blowing hotline prepared and submitted to the Audit Committee within 30 working days after the end of the quarter by the 30th of June 2019 | 2 x quarterly reports on cases of reported through the whistle blowing hotline were prepared and submitted                                                                                                | 1 (69% & below)                    | Upon the return of the CAE from suspension in September, he had to catch up on almost 2 and a half years of being Forensics is vacant, activities are currently being conducted by the CAE resulting in conflicting priorities.                                          | 1. Reports have changed from quarterly to monthly<br>2. Filing of the vacant post of Manager Forensic                               |
|    |                                                                 |                |                          |                        |                      |                                                  | IA12         | Forensic Investigations                           | 4 x quarterly reports on the status of forensic investigations prepared and submitted to SMC within 30 working days after the end of the quarter by the 30th of June 2019                              | 3 quarterly reports on the status of forensic investigations were prepared and submitted                                                                                                                  | 2 (70% - 99%)                      | Work overload                                                                                                                                                                                                                                                            | In 2019/20 reports will be submitted as per the operation plan                                                                      |
|    | RISK MANAGEMENT                                                 |                | 6                        | 0                      | 6                    | 6                                                | RM04         | Risk Management Plan                              | Annual Risk Management Plan produced & submitted to the RMC/SMC/ Audit Committee by the 30th June 2019                                                                                                 | Annual Risk Management Plan produced not submitted to the RMC/SMC/ Audit Committee by the 30th June 2019                                                                                                  | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|    |                                                                 |                |                          |                        |                      |                                                  | RM05         | Risk Management Policy                            | Risk Management Policy reviewed and submitted to SMC by the 30th of April 2019                                                                                                                         | Risk Management Policy was not reviewed and submitted to SMC by the 30th of April 2019                                                                                                                    | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|    |                                                                 |                |                          |                        |                      |                                                  | IA06         | Comprehensive Risk Register of the municipality   | Updated risk register submitted to the RMC & SMC by the 30th of June 2019                                                                                                                              | Updated risk register not submitted to the RMC & SMC by the 30th of June 2019                                                                                                                             | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|    |                                                                 |                |                          |                        |                      |                                                  | IA07         | Effective Risk Management Strategy                | 1 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC/SMC or to the Audit Committee by the 30th of June 2019                                                        | 0 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC/SMC or to the Audit Committee by the 30th of June 2019                                                           | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|    |                                                                 |                |                          |                        |                      |                                                  | IA08         | Effective Risk Management                         | 4 x Risk Management reports produced and submitted to RMC & SMC / Audit Committee within 1 month after the end of each quarter by the 30th of April 2019                                               | 0 x Risk Management reports produced and submitted to RMC & SMC / Audit Committee within 1 month after the end of each quarter by the 30th of April 2019                                                  | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|    |                                                                 |                |                          |                        |                      |                                                  | IA09         | Risk Management Plan                              | 4 x quarterly reports on Projects Risk/Assurance produced & submitted to the RMC & SMC by the 30th June 2019                                                                                           | 0 x quarterly reports on Projects Risk/Assurance produced & submitted to the RMC & SMC by the 30th June 2019                                                                                              | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|    | STRATEGIC PLANNING (INTEGRATED DEVELOPMENT PLAN)                |                | 9                        | 0                      | 9                    | 2                                                | IDP04        | IDP representatives forum                         | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                                                                             | 1 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                                                                                | 1 (69% & below)                    | Meeting postponed chairperson not available                                                                                                                                                                                                                              | Chairperson to nominate Rep and ACM to sign invites to the GM's Through his Office                                                  |
|    |                                                                 |                |                          |                        |                      |                                                  | IDP07        | IDP/Mayoral Roadshows                             | 6 x IDP/Mayoral Roadshows facilitated by the 30th April 2019                                                                                                                                           | 5 x IDP/Mayoral Roadshows facilitated by the 30th April 2019                                                                                                                                              | 2 (70% - 99%)                      | One Meeting was postponed due to non availability of committee members                                                                                                                                                                                                   | Meeting postponed/members transported to the Zonal Limbazo                                                                          |
|    | COMMUNICATIONS & IGR                                            |                | 11                       | 0                      | 11                   | 2                                                | MKT 04       | External newsletter                               | 12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                                                                         | 8 x monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                                                                             | 1 (69% & below)                    | Due to payment delays of the service provider and discrepancies on the appointment letter                                                                                                                                                                                | The corrective measure is not applicable due to the external newsletter being a monthly publication                                 |
|    |                                                                 |                |                          |                        |                      |                                                  | MKT 09       | Implementation of Bairo Pele Principles           | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval by the 31st of August 2018                                                                                      | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval by the 3rd of October 2018                                                                                         | 2 (70% - 99%)                      | Poor planning in respect of setting of targets                                                                                                                                                                                                                           | Business unit to plan targets based on the available resources                                                                      |
|    | ORGANISATIONAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT |                | 13                       | 0                      | 13                   | 2                                                | PMS 10       | Level 3 Performance Agreements                    | All Performance agreements for Managers up to level 3 signed by the 31st of July 2018                                                                                                                  | 23 out of 27 Performance agreements for Managers up to level 3 signed by the 31st of July 2018                                                                                                            | 2 (70% - 99%)                      | GM Corporate Services raised a query in respect of the signing of the performance agreement as at the beginning of the FY, units were not reporting to her and therefore she could not be accountable. She requested a meeting takes place with the CM to finalise same. | To ensure that the CM has this discussion and prevents same from happening in the 19/20 FY                                          |
|    |                                                                 |                |                          |                        |                      |                                                  | PMS 11       | SS7 performance agreements                        | 6 x signed performance agreements for SS6/57 Managers by the 6th of July 2018                                                                                                                          | 5 x signed performance agreements for SS6/57 Managers by the 6th of July 2018                                                                                                                             | 2 (70% - 99%)                      | GM Corporate Services raised a query in respect of the signing of the performance agreement as at the beginning of the FY, units were not reporting to her and therefore she could not be accountable. She requested a meeting takes place with the CM to finalise same. | To ensure that the CM has this discussion and prevents same from happening in the 19/20 FY                                          |

# Msunduzi Annual Report 2018/2019

| NO | BUSINESS UNIT              | SUB UNIT                                                                                           | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | OF REFERENCE | PROJECT                                                                                | ANNUAL TARGET                                                                                                                                                                   | ANNUAL ACTUAL                                                                                                                                                      | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                     | CORRECTIVE MEASURE                                                                                                            |
|----|----------------------------|----------------------------------------------------------------------------------------------------|--------------------------|------------------------|----------------------|--------------------------------------------------|--------------|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| 1  | OFFICE OF THE CITY MANAGER | POLITICAL SUPPORT (MPAC OFFICE)                                                                    | 5                        | 0                      | 5                    | 1                                                | MPAC 04      | Oversight Report                                                                       | 6 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                                                                        | 3 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                                                           | 1 (69% & below)                    | 1. April: No meeting set to effect a report being produced.<br>2. May: No meeting set because there were no agenda items were provided to enable a meeting to sit and a report developed for council.                                    | Requesting a continuous flow of reports to committee and on time from other council committees and business units through ACM |
| 2  | BUDGET & TREASURY UNIT     | TOTAL                                                                                              | 52                       | 0                      | 52                   | 17                                               | N/A          | N/A                                                                                    | N/A                                                                                                                                                                             | N/A                                                                                                                                                                | N/A                                | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                           |
|    |                            | BUDGET PLANNING, IMPLEMENTATION & MONITORING                                                       | 11                       | 0                      | 11                   | 0                                                | N/A          | N/A                                                                                    | N/A                                                                                                                                                                             | N/A                                                                                                                                                                | N/A                                | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                           |
|    |                            | EXPENDITURE MANAGEMENT                                                                             | 3                        | 0                      | 3                    | 1                                                | EXP 03       | Annual Review of Procedures Manual.                                                    | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 31st of March 2019                                                                        | Procedure manuals reviewed however not submitted timely                                                                                                            | 2 (70% - 99%)                      | Reviewed manuals were submitted late                                                                                                                                                                                                     | To obtain SMC resolution                                                                                                      |
|    |                            | REVENUE MANAGEMENT                                                                                 | 9                        | 0                      | 9                    | 4                                                | REV 03       | Debt collection                                                                        | 90% Monthly collection rate of current debt by the 30th of June 2019                                                                                                            | 87% Monthly collection rate of current debt by the 30th of June 2019                                                                                               | 2 (70% - 99%)                      | The collection rate should be higher than 59% for the Month of June which would have resulted in an overall collection rate of 90% at year end. This is being investigated.                                                              | Water restriction must be fully implemented and replace all Municipal Flats with prepaid electricity meters                   |
|    |                            |                                                                                                    |                          |                        |                      |                                                  | REV 04       | Debt collection                                                                        | 10% Monthly collection rate of current debt by the 30th of June 2019                                                                                                            | 0% Monthly collection rate of current debt by the 30th of June 2019                                                                                                | 1 (69% & below)                    | Customers are not paying as expected and also the unbilled accounts which amounts to R40M also contribute to the low collection rate. None restriction of water in Imbali area and unpaid accounts for Vullindlela.                      | Water restriction must be fully implemented and replace all Municipal Flats with prepaid electricity meters.                  |
|    |                            |                                                                                                    |                          |                        |                      |                                                  | REV 05       | Accurate Billing                                                                       | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2019                                                                                        | 70% of all electricity and water meters read on a monthly basis by the 30th of June 2019                                                                           | 2 (70% - 99%)                      | Changing of readings and system implementation on captured meters also causes the estimation of meters to increase. Slow pace of replacing of faulty meters. Validation staff estimating meters without the code(reasons for estimating) | SAP requires some further developments Faulty meters must also be replaced.                                                   |
|    |                            | SUPPLY CHAIN MANAGEMENT                                                                            | 6                        | 0                      | 6                    | 1                                                | SCM 02       | Procurement plan submission                                                            | 12 x monthly rental stock reports submitted to SMC by the 30th of June 2019<br>2019/2020 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2019 | 0 x monthly rental stock reports submitted to SMC by the 30th of June 2019<br>Procurement plan circulated to Business unit, there are delays in terms of response  | 1 (69% & below)                    | Poor planning conducted by the unit                                                                                                                                                                                                      | The unit considers all resources within the unit prior to setting targets                                                     |
|    |                            | ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE ASSETS, LOSS CONTROL & INSURANCE) | 13                       | 0                      | 13                   | 1                                                | A & LM12     | Branding of Council vehicles and plant                                                 | 100 x Council vehicles and plant to be branded by the end of June 2019                                                                                                          | 27 x Council vehicles and plant branded by the end of June 2019                                                                                                    | 1 (69% & below)                    | Contract for Branding expired                                                                                                                                                                                                            | New tender processes in place; in the interim quotes will be requested                                                        |
|    |                            | SAP                                                                                                | 1                        | 0                      | 1                    | 0                                                | N/A          | N/A                                                                                    | N/A                                                                                                                                                                             | N/A                                                                                                                                                                | N/A                                | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                           |
|    |                            | FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT                                                        | 2                        | 0                      | 2                    | 0                                                | N/A          | N/A                                                                                    | N/A                                                                                                                                                                             | N/A                                                                                                                                                                | N/A                                | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                           |
| 3  | INFRASTRUCTURE SERVICES    | TOTAL                                                                                              | 45                       | 0                      | 45                   | 7                                                |              |                                                                                        |                                                                                                                                                                                 |                                                                                                                                                                    |                                    |                                                                                                                                                                                                                                          |                                                                                                                               |
|    |                            | PROJECT MANAGEMENT OFFICE                                                                          | 6                        | 0                      | 6                    | 4                                                | PMO 01       | Monthly programme / project monitoring reports for MIG/OGF/CNL Budget                  | 12 X Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to General Manager, Infrastructure Services by the 30th of June 2019              | 11 X Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to General Manager, Infrastructure Services by the 30th of June 2019 | 2 (70% - 99%)                      | Poor planning, unrealistic target                                                                                                                                                                                                        | Business unit to ensure that all reports are compiled and submitted as per the approved target                                |
|    |                            |                                                                                                    |                          |                        |                      |                                                  | PMO 03       | Administration of payment process and ongoing monitoring                               | 100% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO by the 30th of June 2019                                        | 31.17% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO by the 30th of June 2019                         | 1 (69% & below)                    | Poor planning, unrealistic target                                                                                                                                                                                                        | Business unit to ensure that all reports are compiled and submitted as per the approved target                                |
|    |                            |                                                                                                    |                          |                        |                      |                                                  | PMO 04       | Administration Support and reporting to MIG (Provincial) and reporting to OGF/CNL/EPWP | 12 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 10th of every month by the 30th of June 2019                            | 9 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 10th of every month by the 30th of June 2019                | 2 (70% - 99%)                      | Poor planning, unrealistic target                                                                                                                                                                                                        | Business unit to ensure that all reports are compiled and submitted as per the approved target                                |
|    |                            |                                                                                                    |                          |                        |                      |                                                  | PMO 06       | Monthly programme / project monitoring reports for COGTA                               | 12 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 10th of every month to COGTA by the 30th of June 2019                                                | 7 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 10th of every month to COGTA by the 30th of June 2019                                    | 1 (69% & below)                    | Poor planning, unrealistic target                                                                                                                                                                                                        | Business unit to ensure that all reports are compiled and submitted as per the approved target                                |
|    |                            | TOTAL                                                                                              | 6                        | 0                      | 6                    | 4                                                |              |                                                                                        |                                                                                                                                                                                 |                                                                                                                                                                    |                                    |                                                                                                                                                                                                                                          |                                                                                                                               |

| NO | BUSINESS UNIT                         | SUB UNIT                                                                          | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFER-ENCE | PROJECT       | ANNUAL TARGET                                                                                                                                                                                                                                                 | ANNUAL ACTUAL                                                                                                                                                                                                                                                                                                                            | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                                                                                                                                                              | CORRECTIVE MEASURE                                                                                                                                                                                |
|----|---------------------------------------|-----------------------------------------------------------------------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|---------------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4  | CORPORATE SERVICES                    | LEGAL SERVICES                                                                    | 7                         | 0                       | 7                     | 3                                                 | LGL01         | BYLAWS REVIEW | 4X SPECIFIED BYLAWS SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Street Trading and Spatial Planning and Land Use Management Bylaws) by the 30th of June 2019                      | Not all 4X SPECIFIED BYLAWS WERE SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Street Trading and Spatial Planning and Land Use Management Bylaws) by the 30th of June 2019. Control: Bylaw report has been considered and approved by SMC for public comment. | 1 (69% & below)                    | Street Trading: These bylaws will have to be based on any relevant changes to the Informal Trading Policy, user department still to do policy (target not met) Committee. Spuma: Consultation has taken place with Town Planning, still requires more attention. (Target not met).                                                                                                                                | Upon the approval of the approved policy Legal to develop bylaws                                                                                                                                  |
|    |                                       | LEGAL REPRESENTATION                                                              |                           |                         |                       |                                                   | LGL03         |               | 100% legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019 | 100% legal briefs not dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019.                                                                       | 2 (70% - 99%)                      | 1. Staffing constraints due to vacancies in unit. 2. All briefs could not be attended to in time due to other urgent priorities. 3. Legal services is not at an optimal level.                                                                                                                                                                                                                                    | Dependency, Staff Constraints                                                                                                                                                                     |
|    |                                       | LEGAL REPRESENTATION                                                              |                           |                         |                       |                                                   | LGL04         |               | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019                                                  | 100% of all Contracts requiring Legal drafting and/or inputs not dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019                                                                                                                         | 2 (70% - 99%)                      | 1. Staffing constraints due to vacancies in unit. 2. All briefs could not be attended to in time due to other urgent priorities. 3. Legal services is not at an optimal level.                                                                                                                                                                                                                                    | Dependency, Staff Constraints                                                                                                                                                                     |
|    | SOUND GOVERNANCE & AUXILIARY SERVICES | Making public Council and Council Committee                                       | 4                         | 0                       | 4                     | 2                                                 | SAS 02        |               | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2019                                                                                                                 | 43 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2019                                                                                                                                                                                            | 2 (70% - 99%)                      | The Manager, Secretariat was off sick and there was no acting appointment during this time, the schedules where not completed and published                                                                                                                                                                                                                                                                       | In the event the Manager, Secretariat is off sick, council must take all reasonable steps to ensure someone is appointed to ensure the schedules are completed and published                      |
|    |                                       | Making public Council and Council Committee                                       |                           |                         |                       |                                                   | SAS 03        |               | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2019                                                                                                | 11 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2019                                                                                                                                                                           | 2 (70% - 99%)                      | The Manager, Secretariat was off sick and there was no acting appointment during this time, the schedules where not completed and published                                                                                                                                                                                                                                                                       | In the event the Manager, Secretariat is off sick, council must take all reasonable steps to ensure someone is appointed to ensure the schedules are completed and published                      |
|    | INFORMATION COMMUNICATION TECHNOLOGY  | Multi-Function Printer Deployment                                                 | 4                         | 0                       | 4                     | 2                                                 | ICT04         |               | 150 x Multi-functional Printers (MFP's) deployed and operational by the 30th of June 2019                                                                                                                                                                     | 114 x Multi-functional Printers (MFP's) deployed and operational by the 30th of June 2019                                                                                                                                                                                                                                                | 2 (70% - 99%)                      | Service Provider not having funding approved to procure the remaining printers. Secondly the Business Unit(s) did not provide the MFP funding available on time. The rolled out of the MFP's done except for the outstanding colour printers due to the Service Provider not having funding approved to procure the printers as yet and secondly due to internal BU's not made the MFP funding available on time. | To engage the Samsung to Fast track the funding application with Ithala. Msunduzi to sign off the ceeding letter to Ithala Bank Corp the soonest.                                                 |
|    |                                       | Misunduzi Website Improvement & Development                                       |                           |                         |                       |                                                   | ICT08         |               | Misunduzi Website updated (Online Payment system) and Fully functional by the 30 June 2019                                                                                                                                                                    | The Misunduzi Website not updated with Online Payment system                                                                                                                                                                                                                                                                             | 1 (69% & below)                    | The Misunduzi Website was not updated with Online Payment system due to funding not available and also due to not having SAP consultants to undertake this project as the EOH contract has been terminated.                                                                                                                                                                                                       | Fast track the development of the Online Payment system                                                                                                                                           |
|    | HUMAN RESOURCES                       | Coordination of Drafting & Approval of Organisational Workplace Skills Plan 19/20 | 9                         | 0                       | 9                     | 4                                                 | HR 01         |               | 1 x Report on the Workplace Skills Plan 18/19, prepared and submitted to SMC by the 30th of April 2019.                                                                                                                                                       | A report dated 12 July 2019 has been drafted and submitted to the SMC.                                                                                                                                                                                                                                                                   | 1 (69% & below)                    | The SD Unit was busy with the development of the 2019/2020 WSP for submission to the LGSETA.                                                                                                                                                                                                                                                                                                                      | Draft and submit report to SMC                                                                                                                                                                    |
|    |                                       | Implementation of Workplace Skills Plan 18/19 - Employees per BU                  |                           |                         |                       |                                                   | HR 02         |               | 848 employees trained according to the approved 18/19 FY Workplace Skills Plan by the 30th of June 2019                                                                                                                                                       | 361 employees were trained according to the approved 18/19 FY Workplace Skills Plan                                                                                                                                                                                                                                                      | 1 (69% & below)                    | Delay in appointing training providers due to the funding issues related to cost containment.                                                                                                                                                                                                                                                                                                                     | Not in SD Units control                                                                                                                                                                           |
|    |                                       | Awarding of external bursaries                                                    |                           |                         |                       |                                                   | HR 04         |               | 12 x External bursaries awarded by the 30th of June 2019                                                                                                                                                                                                      | 0 external Bursaries Awarded.                                                                                                                                                                                                                                                                                                            | 1 (69% & below)                    | Students did not meet the criteria for the bursaries and some students did not meet the educational institutions requirements.                                                                                                                                                                                                                                                                                    | Review the bursary advert to ensure that students accepted at Educational Institutions apply as some applicants did not even know about the discipline that they applied for. Follow up with DUT. |
|    |                                       | Implementation of RPL Programme                                                   |                           |                         |                       |                                                   | HR 07         |               | 25 x Recognition of Prior Learning Assessments implemented by the 30th of June 2019                                                                                                                                                                           | 0 x Recognition of Prior Learning Assessments implemented by the 30th of June 2019                                                                                                                                                                                                                                                       | 1 (69% & below)                    | Delays in terms of finalising the MoU and obtaining assessment results due to DUT prolonged approval processes. Awaiting DUT's RPL assessments outcomes.                                                                                                                                                                                                                                                          |                                                                                                                                                                                                   |
|    | <b>TOTAL</b>                          |                                                                                   | <b>24</b>                 | <b>0</b>                | <b>24</b>             | <b>11</b>                                         |               |               |                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                          |                                    |                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                   |

| NO | BUSINESS UNIT                                                 | SUB UNIT                                                                      | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OF REFERENCE                                                                              | PROJECT                                                                                                                                    | ANNUAL TARGET                                                                                                                                                                 | ANNUAL ACTUAL                                                                                                                                                                 | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                             | REASON FOR DEVIATION                                                                                                                                                               | CORRECTIVE MEASURE                                                                             |                                                                                                    |                                                                                              |
|----|---------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------|------------------------|----------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 5  | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) | 20                       | 0                      | 20                   | 8                                                 | DS 9                                                                                      | Development Facilitation Meetings                                                                                                          | 4 x Quarterly Development Facilitation meetings conducted by the 30th of June 2019                                                                                            | 2 x Development Facilitation Committee (DFC) Meeting<br>14, June 2019. SMC report dated 21, June 2019 on DFC meetings facilitated during 2018/2019                            | 1 (69% & below)                                                                                                                                                                | Poor planning in respect of setting of targets                                                                                                                                     | Business unit to ensure that all meetings are accounted for as per the approved target         |                                                                                                    |                                                                                              |
|    |                                                               |                                                                               |                          |                        |                      |                                                   | DS 18                                                                                     | Edeendale Town Centre: Technical Assistance on SPLUMA Planning                                                                             | 1 x Report prepared and submitted to SMC on the Process made in support of the SPLUMA and Land Development Application for the Edeendale Town Centre by the 30th of June 2019 | 1 x Report prepared and submitted to SMC on the Process made in support of the SPLUMA and Land Development Application for the Edeendale Town Centre by the 30th of June 2019 | 1 (69% & below)                                                                                                                                                                | Poor planning in respect of setting of targets                                                                                                                                     | Business unit to ensure that all reports are compiled and submitted as per the approved target |                                                                                                    |                                                                                              |
|    |                                                               |                                                                               |                          |                        |                      |                                                   | DS 19                                                                                     | Edeendale Town Centre: Precinct Management Plan                                                                                            | The Edeendale Town Centre Basic Assessment Report prepared and submitted to the Department of Environmental Affairs by the 30th of June 2019                                  | Report is currently being finalised and will be submitted once the SPLUMA layout and land acquisition process has been finalised.                                             | 1 (69% & below)                                                                                                                                                                | Addressing DOT comments and expropriation process being undertaken.                                                                                                                | To finalise SPLUMA layout and expropriation process.                                           |                                                                                                    |                                                                                              |
|    |                                                               |                                                                               |                          |                        |                      | DS 20                                             | Edeendale Town Centre: Technical Assistance on Environmental Compliance (WULA submission) | Water User Licence Application prepared & submitted to the relevant Water Authority for the Edeendale Town Centre by the 30th of June 2019 | Report is currently being finalised and will be submitted once the SPLUMA layout and land acquisition has been finalised.                                                     | 1 (69% & below)                                                                                                                                                               | Addressing DOT comments and expropriation process being undertaken.                                                                                                            | To finalise SPLUMA layout and expropriation process.                                                                                                                               |                                                                                                |                                                                                                    |                                                                                              |
|    |                                                               |                                                                               |                          |                        |                      | DS 25                                             | Edeendale Town Centre: Civic Zone                                                         | Submission of Civic Zone ToRs to SCM for the appointment of Engineering Consultants by 30th June 2019                                      | Civic zone ToRs prepared for the appointment of Engineering Consultants but not submitted to SCM.                                                                             | 1 (69% & below)                                                                                                                                                               | National Treasury through a letter received in Feb 2019 requested that detailed feasibility studies be undertaken first.                                                       | ToRs for the appointment of Consultant to do feasibility studies have been submitted to SCM. Engineering work will only commence once the feasibility studies have been concluded. |                                                                                                |                                                                                                    |                                                                                              |
|    |                                                               |                                                                               |                          |                        |                      | DS 27                                             | Informal Economy Policy                                                                   | Final Draft situational Analysis prepared and submitted to SMC for Approval 30th of June 2019                                              | Final Draft situational Analysis for the Informal Economy Policy was not submitted to SMC for Approval.                                                                       | 1 (69% & below)                                                                                                                                                               | The procurement process took longer. The appointment was only finalised in June 2019.                                                                                          | The procurement process took longer. The appointment was only finalised in June 2019.                                                                                              |                                                                                                |                                                                                                    |                                                                                              |
|    |                                                               |                                                                               |                          |                        |                      | DS 30                                             | Business licence applications received and processed                                      | Average of 11 days taken to process Business Licence applications after date of receipt by the 30th of June 2019                           | Average of 11 days taken to process Business Licence Applications after date of receipt by the 30th June 2019 not met                                                         | 2 (70% - 99%)                                                                                                                                                                 | Business unit not able to confirm date received vs date approved                                                                                                               | Business unit not able to confirm date received vs date approved                                                                                                                   |                                                                                                |                                                                                                    |                                                                                              |
|    |                                                               |                                                                               |                          |                        |                      | DS 31                                             | Enforcement of Business Regulations                                                       | 520 formal Businesses to be inspected for valid Business Licences by 30th of June 2019                                                     | 347 Formal Businesses were inspected for valid Business Licences by 30th of June 2019                                                                                         | 1 (69% & below)                                                                                                                                                               | Business unit not able to inspect                                                                                                                                              | Business unit not able to inspect                                                                                                                                                  |                                                                                                |                                                                                                    |                                                                                              |
|    |                                                               |                                                                               |                          |                        | 9                    | 0                                                 | 9                                                                                         | 1                                                                                                                                          | TP & EM 10                                                                                                                                                                    | Review of the adopted Msunduzi Environmental Management Framework (EMF) and migration to ARC 10                                                                               | All spatial layers complete for the biodiversity layer. BAC approved contract extension for 6 months                                                                           | 2 (70% - 99%)                                                                                                                                                                      | Awaiting biodiversity layer from the provincial authority who is undertaking this pro bono     | Contact provincial conservation authority                                                          |                                                                                              |
|    |                                                               |                                                                               |                          |                        | 6                    | 0                                                 | 6                                                                                         | 2                                                                                                                                          | BC & LIC 04                                                                                                                                                                   | Improve processes for Signage Applications for all Billboard or Ground Sign Applications on Council owned property.                                                           | 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2019 | 0% of applications processed by 30th June 2019                                                                                                                                     | 1 (69% & below)                                                                                | The original report for the appointment of a Management company for Billboards was rejected by BAC | BAC requested the report to be amended for an Audit of all Billboards by a service provider. |
|    |                                                               |                                                                               |                          |                        |                      |                                                   |                                                                                           |                                                                                                                                            | BC & LIC 10                                                                                                                                                                   | Regulate problem buildings in terms of the Problem Buildings By-laws and other applicable legislation                                                                         | 2 x Bi-annual reports on the problem buildings in the CBD submitted to SMC by the 30th of June 2019                                                                            | 1 x Bi-annual reports on the problem buildings in the CBD submitted to SMC by the 30th of June 2019                                                                                | 1 (69% & below)                                                                                | Relevant department comments were not provided in the report. Waiting comments from departments    | A report is being prepared on progress made on the Problem Buildings to be submitted to SMC. |
|    |                                                               |                                                                               |                          |                        | 17                   | 2                                                 | 19                                                                                        | 0                                                                                                                                          | N/A                                                                                                                                                                           | N/A                                                                                                                                                                           | N/A                                                                                                                                                                            | N/A                                                                                                                                                                                | NOT APPLICABLE                                                                                 | N/A                                                                                                | N/A                                                                                          |

| NO | BUSINESS UNIT                                                 | SUB UNIT                                                          | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | PROJECT                                                                       | ANNUAL TARGET                                                                                                         | ANNUAL ACTUAL                                                                                    | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                           | CORRECTIVE MEASURE                                                                                                                                     |
|----|---------------------------------------------------------------|-------------------------------------------------------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|--------------|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5  | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (LAND MANAGEMENT OFFICE) | 6                         | 0                       | 6                     | 4                                                 | TP & EM 18   | Strategic (Commercial/ Industrial) Land Release                               | 100% disposal of 3 Strategic Sites for investment/economic value by 30th of June 2019                                 | We have not 100% disposed off the Strategic sites for investment by 30 June 2019                 | 1 (69% & below)                    | BSC report was first submitted 11 June 2018 and have made numerous amendments as per all BSC resolutions, however, there is still no BSC decision                                              | LMO has met with internal legal and external legal firm. The Specification are yet to be confirmed and the target BSC Meeting is on the 30th July 2019 |
|    |                                                               |                                                                   |                           |                         |                       |                                                   | TP & EM 19   | Release of Residential Vacant Land                                            | 80% disposal process of 50 Residential Sites for Human Settlements completed by the 30th of June 2019                 | The MADCO has finally approved the report by 30th May 2019. We have advertised by 30th June 2019 | 1 (69% & below)                    | A report for request for the disposal of the Residential sites was first submitted 05 December 2018 due to MADCO not meeting quorum, pending legal comments and changes enquire on the report. | The report is still required to go to SMC, Portfolio Committee, EXCO, and Full Council. BSC, BEC and BAC                                               |
|    |                                                               |                                                                   |                           |                         |                       |                                                   | TP & EM 20   | Immovable Land Disposal and Acquisition Policy Review and Development         | 100% Immovable Land Disposal and Acquisition Policy Review and Development completed by the 30th of June 2019         | 100% Draft reviewed Immovable Land Disposal Policy by 30th June 2019                             | 1 (69% & below)                    | Lack of Human Resource (No staff at all). The 6 Contracts staff's contract was terminated in February 2019                                                                                     | The Draft Policy must be advertised for public comments, amending and report to Council to adopt                                                       |
|    |                                                               |                                                                   |                           |                         |                       |                                                   | TP & EM 21   | Land Invasion Policy Review and Implementation of Anti-land Invasion Strategy | 100% Land Invasion Policy review and Implementation of Anti-land Invasion Strategy completed by the 30th of June 2019 | 100% Draft reviewed Anti-land Invasion Policy by 30th June 2019                                  | 1 (69% & below)                    | Lack of Human Resource (No staff at all). The 6 Contracts staff's contract was terminated in February 2019                                                                                     | The Draft Policy must be advertised for public comments, amending and report to Council to adopt                                                       |
|    |                                                               | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (LAND SURVEY)            | 4                         | 0                       | 4                     | 0                                                 | N/A          | N/A                                                                           | N/A                                                                                                                   | N/A                                                                                              | NOT APPLICABLE                     | N/A                                                                                                                                                                                            | N/A                                                                                                                                                    |
|    |                                                               | HUMAN SETTLEMENTS                                                 | 4                         | 0                       | 4                     | 0                                                 | N/A          | N/A                                                                           | N/A                                                                                                                   | N/A                                                                                              | NOT APPLICABLE                     | N/A                                                                                                                                                                                            | N/A                                                                                                                                                    |
|    |                                                               | <b>TOTAL</b>                                                      | <b>66</b>                 | <b>2</b>                | <b>68</b>             | <b>15</b>                                         |              |                                                                               |                                                                                                                       |                                                                                                  |                                    |                                                                                                                                                                                                |                                                                                                                                                        |

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

In terms of the Operating projects on the SDBIP, in the 2018/2019 FY Msunduzi Municipality achieved 36.25% in terms of the targets that were met, whereas in the 2017/2018 FY 66.96% of the targets were met. This indicates a regression of 30.71% decrease in targets met.

In terms of the Capital projects on the SDBIP, in the 2018/2019 FY Msunduzi Municipality achieved 30.23% in terms of the targets that were met, whereas in the 2017/2018 FY 56.84% of the targets were met. This indicates a regression of 26.61% decrease in targets met.

In terms of the Operating projects on the OP, in the 2018/2019 FY Msunduzi Municipality achieved 68.39% in terms of the targets that were met, whereas in the 2017/2018 FY 58.22% of the targets were met. This indicates an improvement of 10.17% increase in targets met.

In terms of the Capital projects on the OP, in the 2018/2019 FY Msunduzi Municipality achieved 100% in terms of the targets that were met, whereas in the 2017/2018 FY 50% of the targets were met. This indicates an improvement of 50% increase in targets met.

## MEASURES UNDERTAKEN AS PER S46 OF THE MUNICIPAL SYSTEMS ACT TO IMPROVE PERFORMANCE

During the 2018/2019 financial year a number of measures were undertaken as per S46 of the Municipal Systems Act to improve the overall performance of the Municipality in order to ensure that Msunduzi Municipality turned around the poor audit opinions on Performance Management and Information and made strides towards obtaining a clean audit. The measures undertaken where as a result of the Auditor Generals findings of previous financial years in respect of SMARTNESS of indicators, linkage of indicators between the Integrated Development Plan (IDP) and the Service Delivery & Budget Implementation Plan (SDBIP), poor quality Portfolios of Evidence & inaccurate reporting against quarterly and annual targets set at the beginning of the financial year.

### THE FOLLOWING TABLE AIMS TO DESCRIBE THE MEASURES UNDERTAKEN TO IMPROVE PERFORMANCE:

| MEASURES UNDERTAKEN TO IMPROVE PERFORMANCE IN THE 2018/2019 FINANCIAL YEAR |                            |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |               |                                                                                                                                                        |                                                                                               |
|----------------------------------------------------------------------------|----------------------------|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| NUMBER                                                                     | DEPARTMENT RESPONSIBLE     | PERSON RESPONSIBLE            | ACTION TAKEN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | STATUS        | REASON FOR DEVIATION                                                                                                                                   | CORRECTIVE MEASURE                                                                            |
| 1                                                                          | Office of the City Manager | Mrs. N M Ngcobo (CM - Acting) | Management took a decision to separate the functions of the Organisation whereby only Service Delivery & Public Participation functions & projects that were budgeted for would be placed on the SDBIP, all other auxiliary functions and projects would be placed on an Operational Plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Completed     | N/A                                                                                                                                                    | N/A                                                                                           |
| 2                                                                          | Internal Audit             | Mr. P J Mahlaba               | At the approval of the SDBIP 2018/19 by the Mayor, the Office of the Municipal Manager forwarded both the SDBIP & OP 18/19 to the Internal Audit unit for an audit on SMARTNESS and Alignment to the IDP. Internal Audit conducted an Audit and presented the findings.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Completed     | N/A                                                                                                                                                    | N/A                                                                                           |
| 3                                                                          | Office of the City Manager | Ms. Madeleine Jackson         | Upon completion of the Audit on the SDBIP & OP by Internal Audit, the Office of the CM then conducted a review of the SDBIP in order to rectify the findings presented. A report on the completed review was prepared and submitted to the Strategic Management Committee (SMC) for approval and finally to the FULL COUNCIL for approval and noting during the mid-year review 18/19 FY.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Completed     | N/A                                                                                                                                                    | N/A                                                                                           |
| 4                                                                          | Office of the City Manager | Mrs. N M Ngcobo (CM - Acting) | Upon the Auditor General releasing their report on the Audit Opinion for the Municipality, the City Manager set up the Controls Transformation Steering Committee which meets bi-weekly to deal with the Auditors Queries. In preparation for the meetings and Action Plan is initially created and reviewed as progress is made in order to fully resolve all queries. The Audit Action Plan contains queries for both financial and non-financial activities including performance management queries.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Completed     | N/A                                                                                                                                                    | N/A                                                                                           |
| 5                                                                          | Office of the City Manager | Mrs. N M Ngcobo (CM - Acting) | The Municipal Systems Act makes provision that the municipality must on a quarterly basis prepare a quarterly report on the SDBIP performance. Management took a decision to go a step further and have monthly meetings to discuss the progress made towards achieving targets on the SDBIP & OP. Meetings are held once a month. Reports on the SDBIP & OP are presented to the Operational Management Committee which is constituted of the City Manager, General Managers, Senior Managers and all Senior Managers reporting directly to the City Manager. At the meetings monthly or quarterly reports are discussed in-depth and interrogated before onwards transmission to the relevant portfolio committees.                                                                                                                                                                                                                                                                                             | Completed     | N/A                                                                                                                                                    | N/A                                                                                           |
| 6                                                                          | Office of the City Manager | Ms. Madeleine Jackson         | Reports discussed at the OMC monthly meetings are presented by the Office of the City Manager at Portfolio Committees, Executive Committee, Full Council, the Municipal Public Accounts Committee and the Audit Committee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Completed     | N/A                                                                                                                                                    | N/A                                                                                           |
| 7                                                                          | Office of the City Manager | Ms. Madeleine Jackson         | Review of the Organisational Performance Management Framework and the Individual Performance Management Policy was conducted and submitted to the Strategic Management Committee for approval and was subsequently approved and thereafter approved by Full Council. Business units therefore had the task of implementing both the policies as approved.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | In Progress   | Business units deviated from the approved policies                                                                                                     | City Manager to implement consequence management                                              |
| 8                                                                          | Office of the City Manager | Ms. Madeleine Jackson         | As per the approved IPMS policy; Individual Performance Management was cascaded to level 3 employees until such time the organisation was ready to go to the next levels and finally all employees. The City Manager, General Managers, Senior Managers and all Senior Managers reporting directly to the City Manager x 28 signed Performance Agreements which included, personal development plans, the code of conduct, financial declarations of private interests as well as work plans. The Systems Act says that all section 56/57 Managers Performance agreements must be made public within 14 days after the approval of the SDBIP by the Mayor. This was completed through the Publishing of the CM & GMs performance agreements on the municipal website. Copies of the signed performance agreements were also forwarded to CoGTA as per circular 7 of 2015. Only the GM: Corporate Services & the 4 Senior Managers reporting directly to her did not sign performance agreements for the 18/19 FY. | Partially Met | Only the GM: Corporate Services & the 4 Senior Managers reporting directly to her did not sign performance agreements for the 18/19 FY. (Confidential) | The City Manager (A) is dealing with the matter and can be contacted for further information. |
| 9                                                                          | Internal Audit             | Mr. P J Mahlaba               | After the SDBIP & OP quarterly reports are completed, they are forwarded to the Internal Audit Unit. The Internal Audit unit then Performs an audit on the results presented in the respective documents. Reports on the IA findings are produced and submitted to Management for comments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Completed     | N/A                                                                                                                                                    | N/A                                                                                           |

## MEASURES UNDERTAKEN TO IMPROVE PERFORMANCE IN THE 2018/2019 FINANCIAL YEAR

| NUMBER | DEPARTMENT RESPONSIBLE     | PERSON RESPONSIBLE            | ACTION TAKEN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | STATUS        | REASON FOR DEVIATION                                                                                                     | CORRECTIVE MEASURE                               |
|--------|----------------------------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| 10     | Office of the City Manager | Mrs. N M Ngcobo (CM - Acting) | During the OMC, the City Manager noted there was a slow pace on municipal expenditure on MIG funding & Grants. As a result, it was resolved compulsory weekly meetings with all General Managers, Senior Managers and Project Champions will take place. The meetings looked at possible ways of fast-tracking expenditure on MIG funding & Grants.                                                                                                                                                                                    | Completed     | N/A                                                                                                                      | N/A                                              |
| 11     | Office of the City Manager | Mrs. N M Ngcobo (CM - Acting) | Msunduzi Municipality continues to implement a dashboard for performance management. In the reporting templates of the SDBIP & OP a graphical summary is included and on each sub-unit's reporting templates there are drop down menus which are colour coded and linked to the graphical summaries. This further enhances oversight by the CM in respect of early warnings signals of Indicators coded as either red or brown in colour as these indicate targets are not being met and there are problems in those respective areas. | Completed     | N/A                                                                                                                      | N/A                                              |
| 11     | Office of the City Manager | Ms. Madeleine Jackson         | The SDBIP & OP 18/19 FY was reported on both monthly and quarterly. Both the monthly and quarterly reports included a narrative of performance at the beginning of each section focusing on the Targets that were not met and partially met. This served to further act as an early warning tool for all the councillors and management with the ease of reference of not having to go through the entire sections of the report to locate poor performance.                                                                           | Completed     | N/A                                                                                                                      | N/A                                              |
| 12     | Office of the City Manager | Ms. Madeleine Jackson         | Msunduzi Municipality continues to implementing a new format of the SDBIP & OP templates on which new columns have been included. These columns are for indicator level reporting (low level), whereby there are columns headed reason for deviation, corrective measures and timeframe to implement corrective measures. Where targets are not met or are partially met, the respective manager is required to populate these columns with responses which are interrogated at the Monthly OMC meetings by the CM.                    | Completed     | N/A                                                                                                                      | N/A                                              |
| 13     | Office of the City Manager | Ms. Madeleine Jackson         | The Office of the City Manager, having consulted with the AG, has developed and implemented a Standard Operating Procedure (SOP) for compilation and storage of performance information (portfolios of evidence) on the SDBIP & OP by strategic business units. The template requires sign off by both the incumbent & supervisor having satisfied themselves that the contents thereof is an accurate and true reflection of the recorded actual.                                                                                     | Partially met | Some Business units are still not using the POE top sheet requiring sign of between the Senior Manager & General Manager | City Manager to implement consequence management |
| 14     | Office of the City Manager | Ms. Madeleine Jackson         | In line with an Internal Audit report recommending the OC, P & KM unit conduct training with all Managers for the compilation of POE's, the OC, P & KM unit conducted training at a meeting of the Operational Management Committee on the following:<br>Presentation on the OPMS Policy & the SOP 2015/2016,<br>Presentation on IPMS Policy & the SOP 2015/2016,<br>How to complete the SDBIP & OP on a monthly & quarterly basis;<br>How to use the POE cover sheet; and<br>How to prepare the POE?                                  | Completed     | N/A                                                                                                                      | N/A                                              |



# SECTION 1: FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT

## COMPONENT A: INFRASTRUCTURE SERVICES

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

### 1.1 WATER SERVICES

Please find below basic terminology used commonly in Water & Sanitation content input.

#### BASIC TERMINOLOGY

Some of the standard definitions for international use used in this report have been included below for ease of reference and understanding:

- System Input Volume is the volume of water input to a distribution system.
- Authorized Consumption is the volume of metered and/or unmetered water taken by registered consumers, the water supplier or others who are authorized to do so, for domestic, commercial and industrial purposes (authorized consumption includes items such as firefighting and training, flushing of mains and sewers, street cleaning, watering of municipal gardens, public fountains and building water. These may be billed or unbilled, metered or unmetered according to local practice).

Water Losses of a system are calculated as:

- $\text{Water Losses} = \text{System Input Volume} - \text{Authorized Consumption}$  as per MFMA circular 71 of 2014 which is inclusive of Actual and Apparent losses.
- Water losses can be considered as a total volume for the whole system, or for partial systems such as bulk or reticulation. In each case the components of the calculation would be adjusted accordingly. Water Losses consist of Real and Apparent losses, and are collectively referred to as "Unaccounted-for Water".
- Real Losses are physical water losses from the distribution system, up to the point of consumer metering. The volume lost through all types of leaks, bursts and overflow is dependant on frequencies, flow rates and average durations of individual leaks.
- Apparent Losses (or Commercial Losses) consist of unauthorized consumption (theft or illegal use) and all types of inaccuracies associated with bulk and consumer metering. For example, under-registration of bulk meters and over-registration of consumer meters leads to under-estimation of losses. Conversely, over-registration of bulk meters and under-registration of consumer meters leads to over-estimation of real losses. Apparent losses to be included into total water losses as per MFMA circular 71 of 2014.
- Unauthorized Consumption is generally associated with the misuse of fire hydrants and fire service connections, and illegal connections.
- Non-Revenue Water (NRW) is the difference between the System Input Volume and Billed Authorized Consumption. The Equitable share payment is factored in the category of Authorized Consumption and therefore is eliminated in the calculation of the Non-Revenue Water as a monetary component.

#### INTRODUCTION TO WATER SERVICES

Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005

The Water Services Act No 108 of 1997 was created manage, monitor, control and decide on the provision of basic water services to all citizens. The National government is the ultimate custodian of the national water resources. The Municipality is closest to the people and are therefore responsible for the provision of potable water.

Water is a finite resource and therefore the conservation concept should be considered. Water conservation involves many aspects but the primary intention is to use it sparingly and diligently. Treated water is provided by water boards. Bulk water agreements are compiled, and bulk tariffs determined, albeit with the guidance and legislation of National Government.

Msunduzi was appointed as water services authority (WSA) in 2013 to oversee this conservation effort, serve as an auditor within the water services and make the necessary amendments. The key to supply and sustainable water lies in Revenue enhancement.

Consumer tariffs are set by using the Block tariff method, each "block" determined by consumption used. It is also important to note that Government must ensure water supply services are subsidised through the Equitable Share, but must also be affordable to ensure sustainable economic activity and attracts economic investment. Primarily water is provided through piped water and standpipes and water tankers.

Water is fast becoming a scarce resource, and coupled with global change; it is of utmost importance that global participation becomes involved in expanding the longevity of this precious resource.

Another aspect is the quality of drinking water. During the first round of the blue drop status; the Municipality scored and overall score of 92% of potable drinking water (quality)

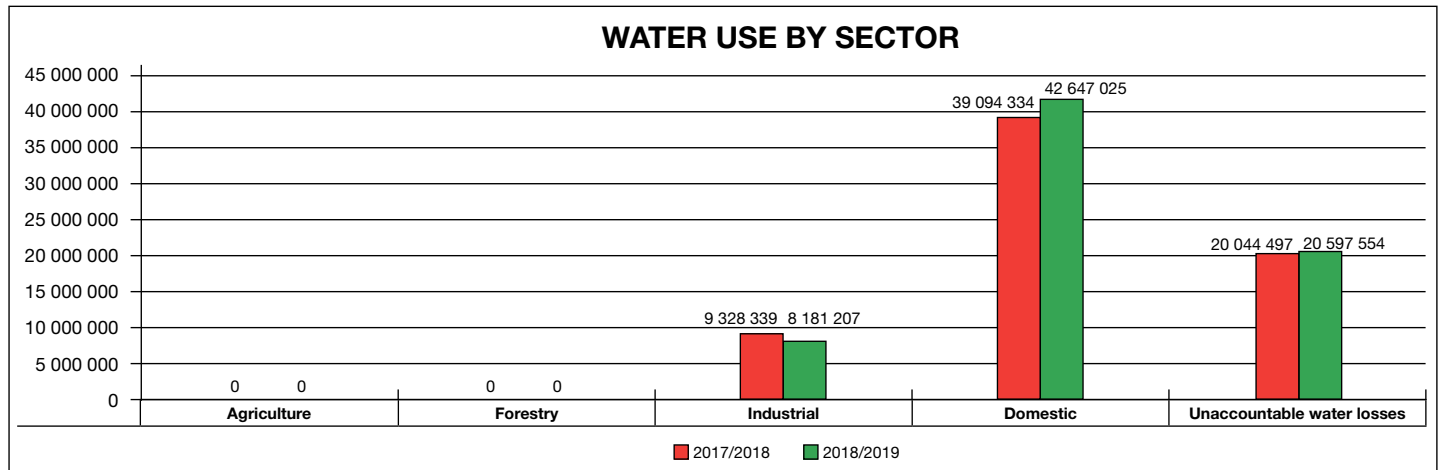
NOTE: MOST INFORMATION IS BASED ON THE 2011 Census which had a mediocre confidence level. Statistics are constantly being updated and verified. The next census will be conducted in 2021 and hopefully the will be a higher level of accuracy and reliability.

The dynamics of water dictate that there is very limited control on water losses and water wastage.

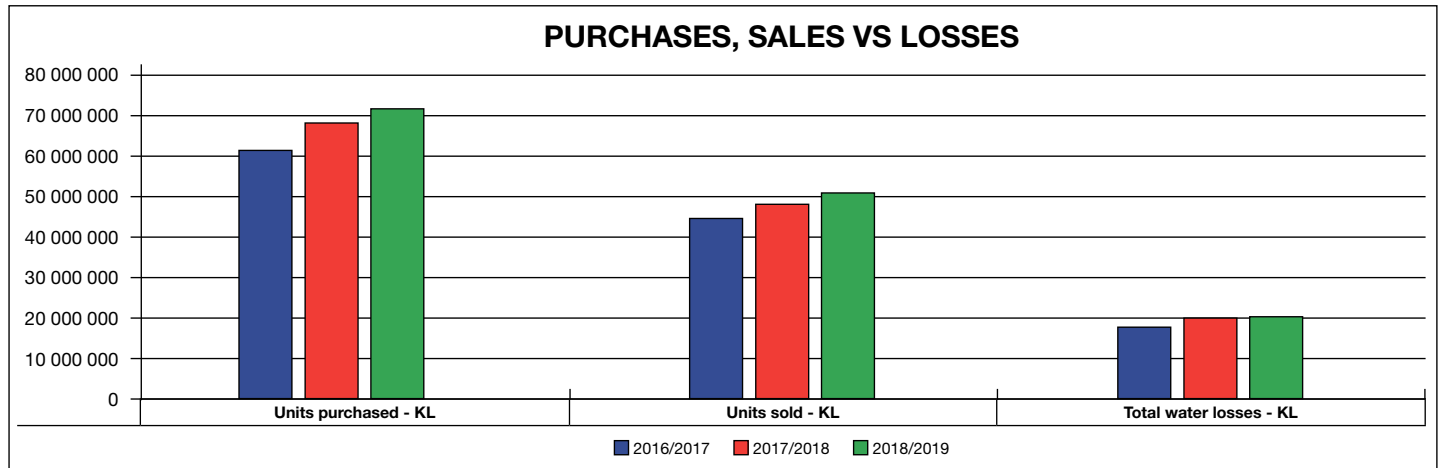
## INITIATIVES UNDERTAKEN DURING 2018/2019 FINANCIAL YEAR

1. The hydraulic model for the entire Vulindlela system was completed.
2. Two (2) Contracts for Water mains replacement was advertised in the 2018/2019 financial year.
3. Reactively responded to and repaired 1781 mainline burst pipes in 2018/2019.
4. The review of the Non-Revenue Master plan commenced in the 2018/2019 financial year.
5. A total of 96 water connections was installed in the 2018/2019 financial year.
6. The total Water losses for the 2018/2019 financial year was 28.8% which is within the acceptable limits as contained in MFMA circular 71 Uniform Financial Ratios and Norms.

| TOTAL USE OF WATER BY SECTOR (CUBIC METER) |             |          |            |          |                            |
|--------------------------------------------|-------------|----------|------------|----------|----------------------------|
|                                            | Agriculture | Forestry | Industrial | Domestic | Unaccountable water losses |
| 2017/2018                                  | N/A         | N/A      | 9328339    | 39094334 | 20044497                   |
| 2018/2019                                  | N/A         | N/A      | 8181201    | 63244579 | 20597554                   |



## COMMENT ON WATER USE BY SECTOR



As indicated in the trend graph above; the units purchased have steadily increased which correlates to unit sales over the last 3 financial years. There is however an indication that the volume associated with water losses has slightly increased although in respect to percentage this has remained below 30%. This can be attributed to the initiatives initiated in the Non-Revenue Water Reduction program. The continuation of this program including asset replacement will further add credibility to Water Conservation Mandates.

The Msunduzi Municipality has maintained below 30% for the last three financial years which conforms to MFMA Circular 71 Uniform Financial Ratios and Norms.

| WATER SERVICE DELIVERY LEVELS<br>Households   |               |               |               |               |
|-----------------------------------------------|---------------|---------------|---------------|---------------|
| Description                                   | 2015/2016     | 2016/2017     | 2017/2018     | 2018/2019     |
|                                               | Actual Number | Actual Number | Actual Number | Actual Number |
| <b>Water: (above min level)</b>               |               |               |               |               |
| Piped water inside dwelling                   | 81 128        | 81 490        | 81 736        | 81 780        |
| Piped water inside yard (but not in dwelling) | 63 899        | 63 899        | 63 899        | 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           |
| Minimum Service Level and Above sub-total     |               | 154 857       | 155 103       | 155 155       |
| Minimum Service Level and Above Percentage    |               | 94.2%         | 94.4%         | 94.6%         |

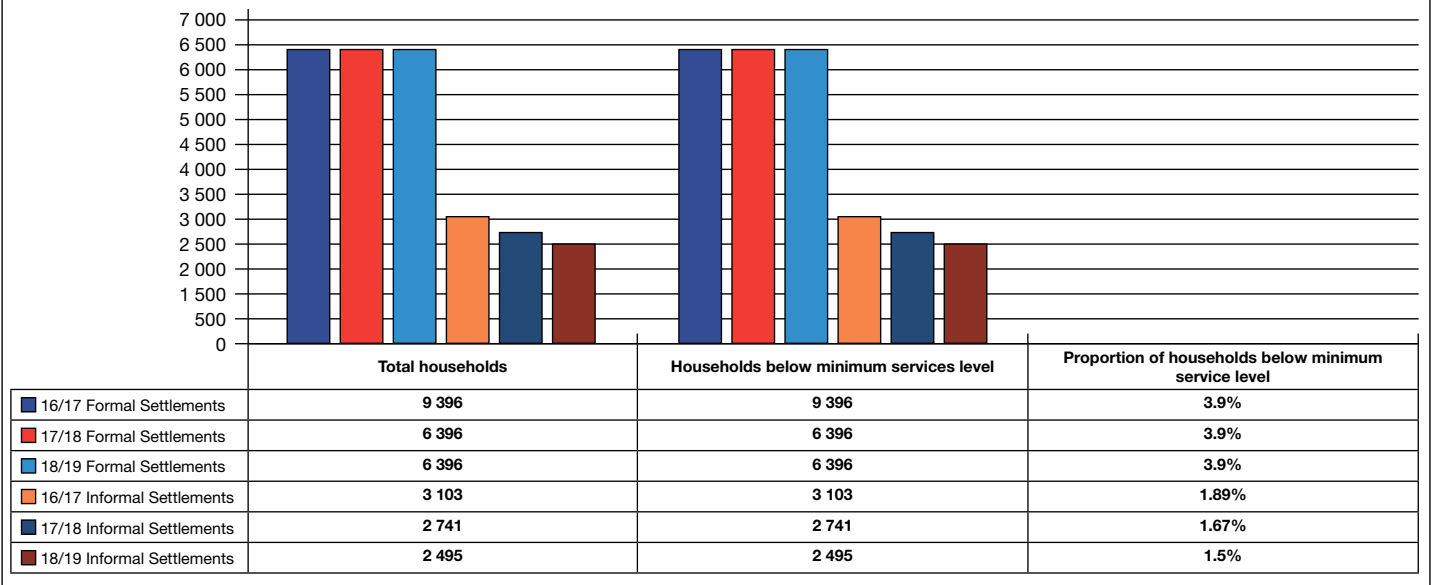
## WATER SERVICE DELIVERY LEVELS Households

| Description                                                                 | 2015/2016      | 2016/2017      | 2017/2018      | 2018/2019      |
|-----------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                             | Actual Number  | Actual Number  | Actual Number  | Actual Number  |
| <b>Water: (below min level)</b>                                             |                |                |                |                |
| Using public tap (more than 200m from dwelling)                             | 6 396          | 6 396          | 6 396          | 6 396          |
| Other water supply (more than 200m from dwelling)                           | 3 103          | 2 791          | 2 495          | 2 445          |
| No water supply ( No Water source) cannot be classified as below min supply | 9 499          | 9 137          | 8 891          | 8 891          |
| Below Minimum Service Level sub-total                                       |                |                |                | 17 678         |
| Below Minimum Service Level Percentage                                      | 5.8%           | 5.6%           | 5.4%           | 10,78%         |
| <b>Total number of households</b>                                           | <b>163 994</b> | <b>163 994</b> | <b>163 994</b> | <b>163 994</b> |

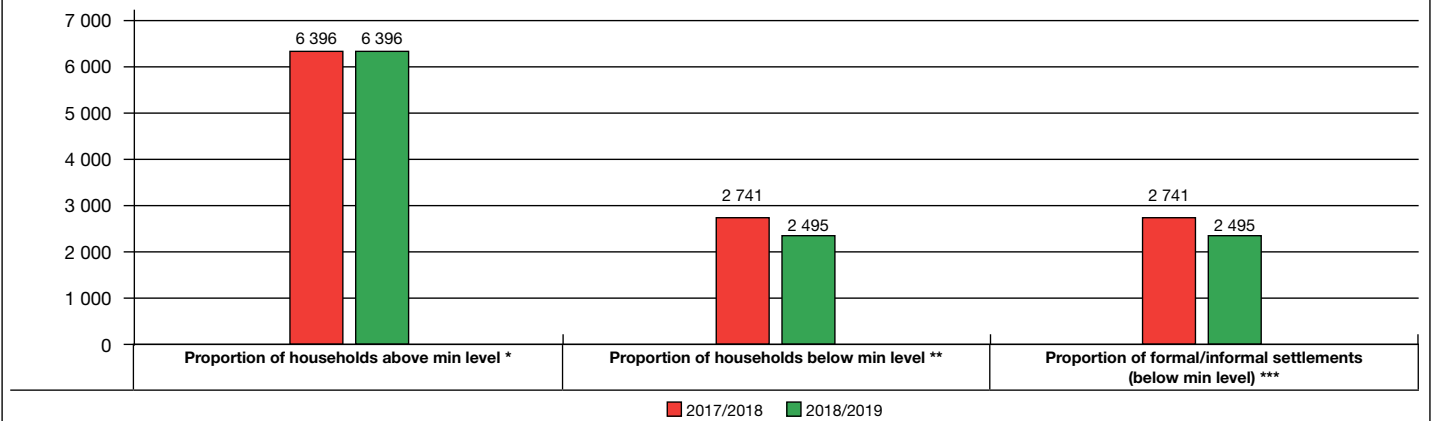
## HOUSEHOLDS - WATER SERVICE DELIVERY LEVELS BELOW MINIMUM Households

| Description                                          | 2016/2017     | 2017/2018     | 2018/2019           |                     |               |
|------------------------------------------------------|---------------|---------------|---------------------|---------------------|---------------|
|                                                      | Actual Number | Actual Number | Original Budget No. | Adjusted Budget No. | Actual Number |
| <b>Formal Settlements</b>                            |               |               |                     |                     |               |
| Total Households                                     | 6 396         | 6 396         | 6 396               | 6 396               | 6 396         |
| Households below minimum service level               | 6 396         | 6 396         | 6 396               | 6 396               | 6 396         |
| Proportion of households below minimum service level | 3,9%          | 3,9%          | 3,9%                | 3,9%                | 3,9%          |
| <b>Informal Settlements</b>                          |               |               |                     |                     |               |
| Total Households                                     | 3 103         | 2 741         | 2 495               | 2 495               | 2 495         |
| Households below minimum service level               | 3 103         | 2 741         | 2 495               | 2 495               | 2 495         |
| Proportion of households below minimum service level | 1,89%         | 1,67%         | 1,5%                | 1,5%                | 1,5%          |

## PURCHASES, SALES VS LOSSES



## ACCESS TO WATER



(\*) Includes Piped water inside dwelling, piped water inside yard (but not in dwelling), Using public tap (within 200m from dwelling)  
 (\*\*) Includes using public tap (more than 200m from dwelling, other water supply (more than 200m from dwelling, No water supply  
 (\*\*\*) Includes Formal and Informal supply

| WATER SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                                                  |                                                                                                                                                                                                 |                                    |                                     |                                                                                          |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                | 2017/2018                                                                                                                                                                        |                                                                                                                                                                                                 |                                    | 2018/2019                           |                                                                                          |                                                                                          | 2019/2020            |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
|                                                     | ANNUAL TARGET                                                                                                                                                                    | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                        | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET                       | ANNUAL PROGRESS - ACTUAL                                                                 | ACTUAL (1,2,3,4,5, Not Applicable)                                                       | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                                                                  | TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES                                                       | SOURCE DOCUMENT | SDBIP / OP REFERENCE                                            | ANNUAL TARGET |                                                                                                                                           |
| W & S 01                                            | 2 km of water pipe replaced by the 30th of June 2018                                                                                                                             | 1,7 km of water piped replaced by the 30th of June 2018                                                                                                                                         | 2 (70% - 99%)                      | W & S 03                            | 0,5 km of new water pipeline installed by the 30 June 2019                               | 0 km of new water pipeline installed by the 30 June 2019.                                | 1 (69% & below)      | Changes to scope of works, therefore a delay in submission to BSC. Phase 1 could not be completed due to a dispute with contractor. | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter.                               | 2 months        | Bid Spec Report, Contractors Correspondence, Consultants Report | W&S 8         | 4,5 km of water pipe installed by the 30th of June 2020                                                                                   |
| W & S 11                                            | Reduced Total Water Losses by 1,5% from last 31 5% to 30% by the 30th of June 2018 within the Water Services Area 2018 within the Water Services of Jurisdiction (Wards 1 to 39) | Water Losses reduced to 29,3 percent for the 2017/2018 financial year up to the 30th of June 2018 within the Water Services Area 2018 within the Water Services of Jurisdiction (Wards 1 to 39) | 3 (100% - 129%)                    | W & S 07                            | Reduced Total Water Losses to 28,3% in Wards 1 to 38 (in total) by the 30th of June 2019 | Reduced Total Water Losses to 28,8% in Wards 1 to 38 (in total) by the 30th of June 2019 | 2 (70% - 99%)        | Drop in domestic sales and increase in bulk water purchases                                                                         | Non-revenue water implementation plan running for the next 5 years. Consultant has been appointed | 2 months        | IWA Water Balance                                               | 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 |
| W & S 04                                            | 2,21 km of new sewer pipe installed by the 31 December 2017 and approval of BCO and Bid Document by the 30th of June 2018                                                        | 2,21 km of new sewer pipe installed by the 31 December 2017 and approval of BCO and Bid Document by the 30th of June 2018                                                                       | 3 (100% - 129%)                    | W & S 08                            | 0,3 km of new water pipeline installed by 30 September 2018                              | 0,3 km of new water pipeline installed by 30 September 2018                              | 3 (100% - 129%)      | N/A                                                                                                                                 | N/A                                                                                               | N/A             | Progress Report                                                 | N/A           | N/A                                                                                                                                       |
| W & S 05                                            | 6 km of new sewer pipe installed by the 30th of June 2018                                                                                                                        | 6 km of new sewer pipe installed by the 30th of April 2018                                                                                                                                      | 3 (100% - 129%)                    | W & S 09                            | 0,5 km of new water pipeline installed by 30 June 2019                                   | 0 km of new water pipeline installed by 30 June 2019.                                    | 1 (69% & below)      | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                 | Awaiting BEC sitting.                                                                             | 2 months        | BEC Report                                                      | N/A           | N/A                                                                                                                                       |
| <b>EMPLOYEE: WATER SERVICES</b>                     |                                                                                                                                                                                  |                                                                                                                                                                                                 |                                    |                                     |                                                                                          |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
| Job Level                                           | 2017/2018                                                                                                                                                                        |                                                                                                                                                                                                 | 2018/2019                          |                                     | 2018/2019                                                                                |                                                                                          | 2018/2019            |                                                                                                                                     | 2018/2019                                                                                         |                 | 2018/2019                                                       |               |                                                                                                                                           |
|                                                     | Employees No.                                                                                                                                                                    | Posts No.                                                                                                                                                                                       | Employees No.                      | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) %                                                      | Original Budget                                                                          | Adjustment Budget    | Actual                                                                                                                              | Variations to Budget %                                                                            | Original Budget | Adjustment Budget                                               | Actual        |                                                                                                                                           |
| T01-T03                                             | 177                                                                                                                                                                              | 275                                                                                                                                                                                             | 172                                | 103                                 | 37                                                                                       |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
| T04-T08                                             | 22                                                                                                                                                                               | 53                                                                                                                                                                                              | 14                                 | 39                                  | 74                                                                                       |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
| T09-T13                                             | 47                                                                                                                                                                               | 99                                                                                                                                                                                              | 38                                 | 61                                  | 62                                                                                       |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
| T14-T18                                             | 5                                                                                                                                                                                | 14                                                                                                                                                                                              | 3                                  | 11                                  | 79                                                                                       |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
| T19-T22                                             | 1                                                                                                                                                                                | 1                                                                                                                                                                                               | 1                                  | 0                                   | 0                                                                                        |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
| T23-T25                                             |                                                                                                                                                                                  |                                                                                                                                                                                                 |                                    |                                     |                                                                                          |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |
| <b>Total</b>                                        | <b>252</b>                                                                                                                                                                       | <b>442</b>                                                                                                                                                                                      | <b>228</b>                         | <b>214</b>                          | <b>48</b>                                                                                |                                                                                          |                      |                                                                                                                                     |                                                                                                   |                 |                                                                 |               |                                                                                                                                           |

## FINANCIAL PERFORMANCE 2018/2019 : WATER SERVICES

| Details                                          | 2017/2018      |                 | 2018/2019         |                | 2018/2019              |        |
|--------------------------------------------------|----------------|-----------------|-------------------|----------------|------------------------|--------|
|                                                  | Actual         | Original Budget | Adjustment Budget | Actual         | Variations to Budget % | Actual |
| <b>Total Operational Revenue (excl. tariffs)</b> | - 944          | -589            | -569              | 0              |                        |        |
| Expenditure:                                     |                |                 |                   |                |                        |        |
| Employees                                        | 55 747         | 69 455          | 101 775           | 84 258         | -17                    |        |
| Repairs and Maintenance                          | 9 442          | 12 391          | 9 379             | 7 759          | -17                    |        |
| Other                                            | 100 758        | 108 419         | 110 166           | 91 011         | -17                    |        |
| <b>Total Operational Expenditure</b>             | <b>165 947</b> | <b>190 265</b>  | <b>221 320</b>    | <b>183 028</b> | <b>-17</b>             |        |
| <b>Net operational (Service) Expenditure</b>     | <b>165 003</b> | <b>189 676</b>  | <b>220 731</b>    | <b>183 028</b> | <b>-17</b>             |        |

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

| CAPITAL EXPENDITURE : WATER<br>R'000     |               |                   |                    |                                |                     |
|------------------------------------------|---------------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                  | 2018 / 2019   |                   |                    |                                |                     |
|                                          | Budget        | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                         | <b>66,470</b> | <b>75,388</b>     | <b>68,404</b>      | <b>-9</b>                      |                     |
| LEVS:ZA:NEW:TRANSPORT ASSETS             | 1,000         | 2,170             | 1,187              | -45                            |                     |
| WATR:ZA:NEW:MACHINERY & EQUIPMENT        | 200           | 200               | 156                | -22                            |                     |
| MIG:ZA:COPEVILLE RESERVOIR               | 6,213         | 3,012             | 2,619              | -13                            |                     |
| MIG:Z2:ELIMIN OF CONSERVANCY TANKS-WATER | 900           | -                 | -                  | -                              |                     |
| MIG:Z2:SERV MID ERAD SOBANTU             | 4,400         | 1,527             | 1,328              | -13                            |                     |
| MIG:ZA:REDUCTION OF NON REVENUE WATER    | 10,353        | 13,978            | 12,070             | -14                            |                     |
| WSIG:ZA:REDUCTION OF NON REVENUE WATER   | 10,000        | -                 | -                  | -                              |                     |
| WSIG:ZA:BASIC WATER SUPPLY               | 30,000        | 40,000            | 40,179             | 0                              |                     |
| CBR:ZA:REHAB OF WATER INFRASTRUCTURE     | -             | 10,299            | 7,124              | -31                            |                     |
| WATR:ZA:RUDIMENTARY WATER SCHEME         | 1,404         | -                 | -                  | -                              |                     |
| WATR:ZA:RESERVOIR FENCING                | 1,500         | 1,442             | 1,347              | -7                             |                     |
| WATR:ZA:ED2 & ED4 SYSTEM UPGRADE         | 500           | -                 | -                  | -                              |                     |
| WSIG:Z1:REPLACEMENT OF METERS            | -             | 2,760             | 2,394              | -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

## COMMENT ON WATER SERVICES OVERALL

Resource limitation hinder effective an efficient managing, monitoring and control of water movements. Performance management of the provision of potable water has its limitations due to fragile bulk and non-bulk water infrastructure. A rigid bulk water infrastructure will ensure an effective water conservation strategy once the Non-Revenue Water Master plan is adopted. Different funding mechanisms need to be explored in order to meet the short, medium and long-term targets as contained in the Master Plan. Budgetary and personnel resource availability also play a part in rectifying and meeting desired targets.

The major capacity constraints within the entire Msunduzi Water distribution has been identified with the priority been the Vulindlela system. The planning has further been completed in respect to Ward 39. It should be noted that the master plan will be augmented by Umgeni Waters long term planning strategy. Corporate and private enterprises should also have input into preserving this natural resource. The above mentioned interventions will definitely increase the number of households that require potable water, whilst the Municipality will strive to reduce potable water exigencies of service to all its residents.

Alternate sources of water supply should be considered, for example boreholes, but unless the water is treated to potable standards this will affect our Blue drop status. The Msunduzi Municipality has also shown an improvement in Water Quality and remain still remain blue drop compliant. It should be noted that for the 3<sup>rd</sup> consecutive financial year Msunduzi Municipality's water losses fell below 30% which is within the acceptable limits as contained in MFMA circular 71 Uniform Financial Ratios and Norms.

## 1.2 SANITATION SERVICES

### INTRODUCTION TO SANITATION PROVISION

The provision of acceptable standards (above minimum) is probably one of the most fundamental delivery service component to ensure healthy living conditions and most important; the maintenance of human dignity. Embodied in the Constitution of South Africa (106) is the National Water Act of 1998 which clearly defines this and is considered an act of legislation. Although significant progress has been made to fulfil requirements of this Act, sanitation services are not available to all citizens. The starting point is to provide a basic form of sanitation (above minimum level) and thereafter elevate to a water-borne sanitation system, a 2030 National Vision. However, the Municipality is confronted with many challenges that makes this task difficult. Sewerage Infrastructure renewal and replacement is a key challenge confronting the Msunduzi Municipality, caused by limited financial and personnel resources.

The upgraded sewer treatment works at Darville is almost complete and will definitely accommodate the increased sewage inflow. The increased inflow is primarily due to migration of persons from rural areas to cities to seek a better future.

The strategic framework for water services (2003) makes provision for a 10- year roadmap for addressing the Country's Sanitation service delivery directives.

Water Services refer to water supply and sanitation provision. The levels of government closest to the communities are the Municipalities. Municipalities are therefore mandated to serve as a primary role player in providing this sanitation service in a cost effective and sustainable manner.

Section 4b of the Constitution emphasizes that Government's primary objective is to ensure that all South Africans have access to basic water and sanitation services. As a result, it is necessary and compulsory to prioritise and plan to achieve this mandate.

The priority is developed along the parameters of financial availability and other relevant resources aligned to short and long term programs.

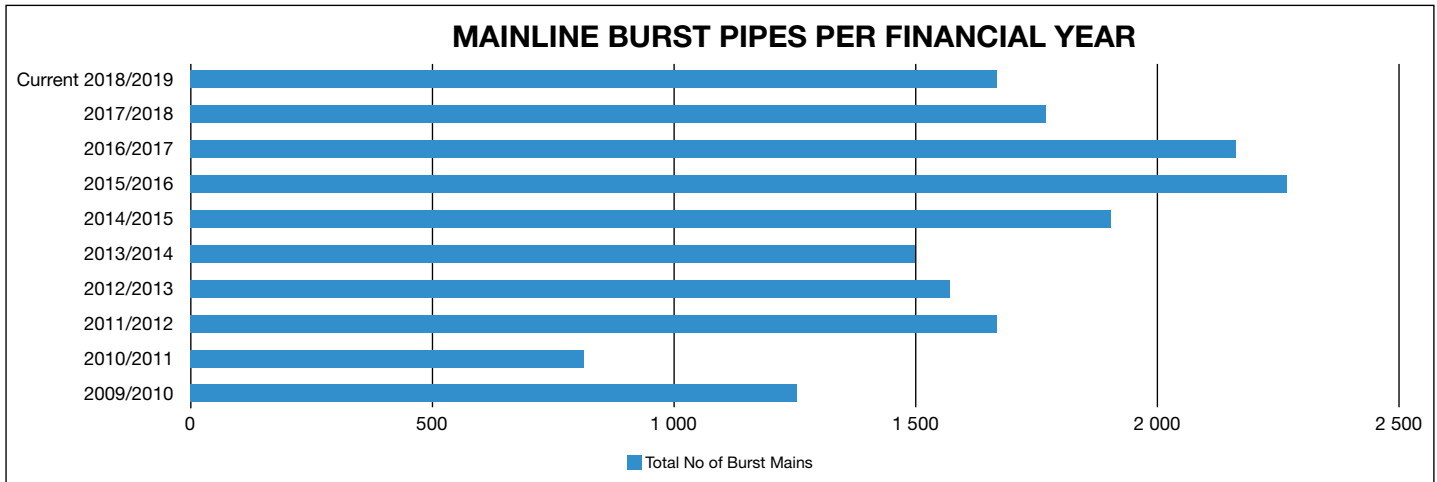
The Sanitation sector is governed by three (3) primary policy documents.

1. White Paper on Water Supply and Sanitation (1994)
2. White Paper on a National Water Policy (1997)
3. White Paper on Basic Household Sanitation (2001)

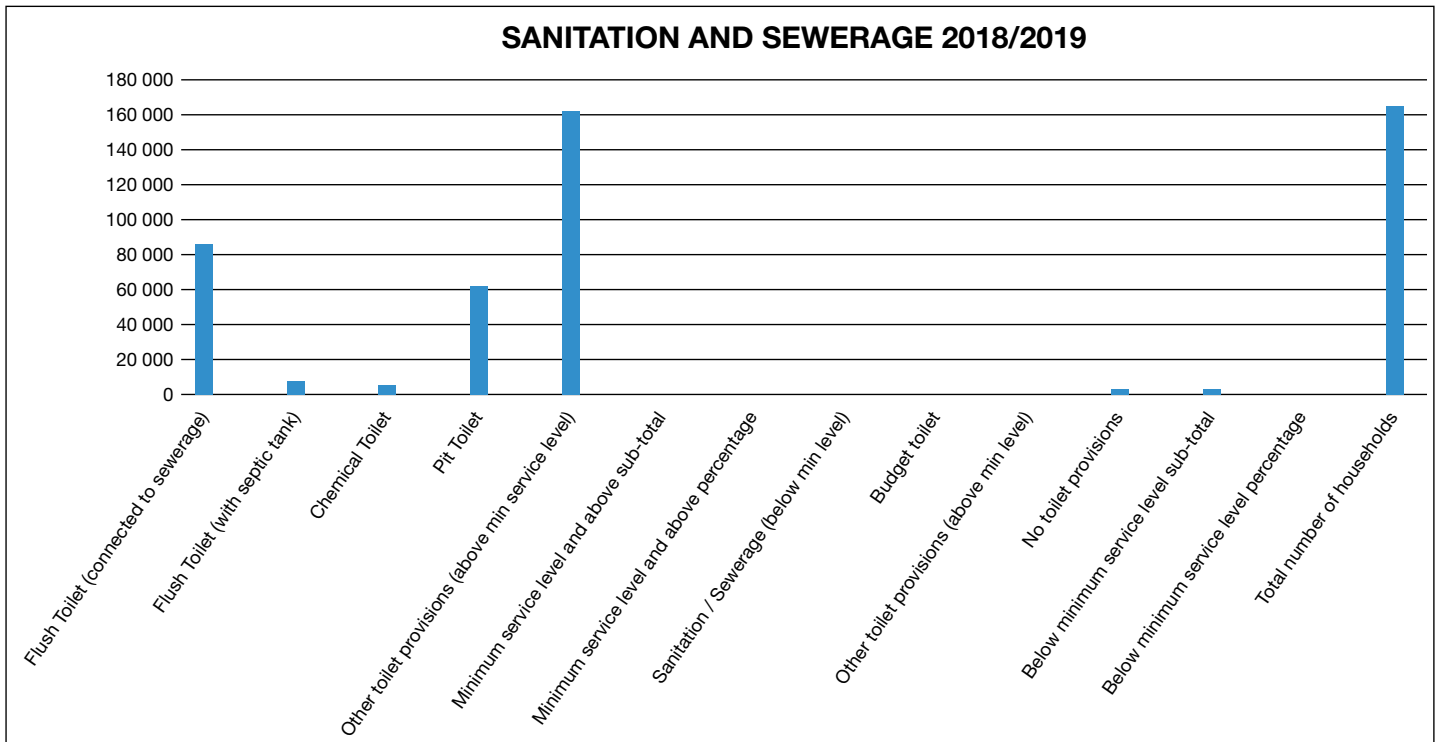
The following is a list of core sanitation achievements in the 2018-2019 financial year

1. 10 sanitation stream crossings were rehabilitated and are no longer discharging into river system.
2. 2,4 km of sewer pipe was installed in order to eliminate on site conservancy tanks.
3. 1,3 km of sewer pipe was installed in order to eliminate the use of septic tanks.
4. 1020 Ventilated improved pits were constructed in order to provide basic sanitation.
5. The where 29 new sewer connections undertaken in the form of an application process.
6. The Sanitation Master plan was completed and approved through at full council.
7. A total of 4021 mainline sewer blockages were attended to in the 2018/2019 financial year which is graphically represented including the previous financial years

## SANITATION / SEWERAGE GRAPHIC



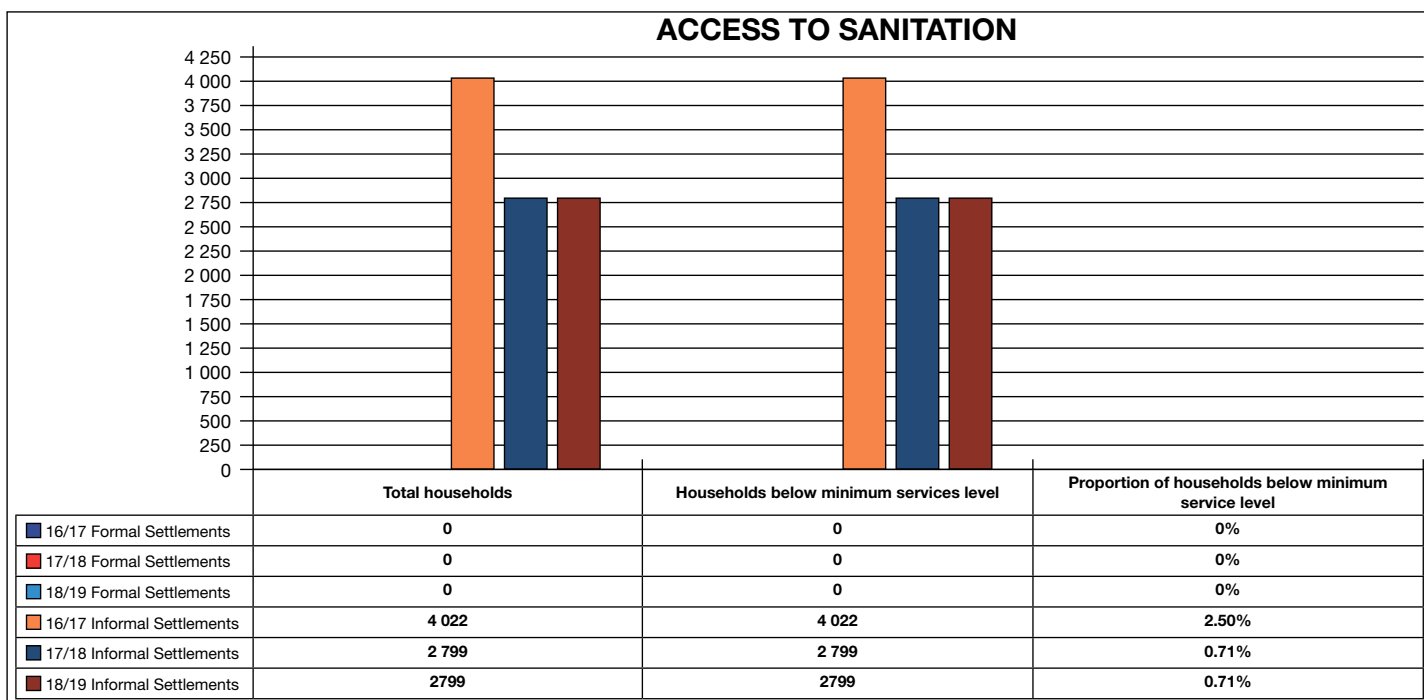
- The trend graph is indicative of an increase in the number of Main line blockages that occur on a regular basis. It's been identified that the primary reason is attributed to the aging and fragile infrastructure.



| SANITATION SERVICE DELIVERY LEVELS                |               |               |               |               |
|---------------------------------------------------|---------------|---------------|---------------|---------------|
| Households                                        |               |               |               |               |
| Description                                       | 2015/2016     | 2016/2017     | 2017/2018     | 2018/2019     |
|                                                   | Actual Number | Actual Number | Actual Number | Actual Number |
| <b>Sanitation / Sewage (above min level)</b>      |               |               |               |               |
| Flush Toilet (connected to sewerage)              | 85 096        | 85 149        | 85 182        | 85 211        |
| Flush Toilet ((with septic tank)                  | 8 372         | 8 319         | 8 319         | 8 319         |
| Chemical Toilet                                   | 7 076         | 7 076         | 7 076         | 7 076         |
| Pit Toilet                                        | 58 602        | 59 427        | 60 617        | 61 637        |
| Other toilet provisions (above min service level) | N/A           | N/A           | N/A           | N/A           |
| Minimum Service Level and Above sub-total         | 159 239       | 159 971       | 161 194       | 162 243       |
| Minimum Service Level and Above Percentage        | 97.1%         | 97.5%         | 98.29%        | 98.9          |
| <b>Sanitation / Sewage (below min level)</b>      |               |               |               |               |
| Budget toilet                                     | N/A           | N/A           | N/A           | N/A           |
| Other toilet provisions (above min level)         | 187           | 0             | 0             | 0             |
| No toilet provisions                              | 4 690         | 4 022         | 2799          | 2 799         |
| Below Minimum Service Level sub-total             | 4 877         | 4 022         | 2799          | 2 799         |
| Below Minimum Service Level Percentage            | 2.86%         | 2.5%          | 1.71%         | 1.71%         |
| Total number of households                        | 163 993       | 163 993       | 163 993       | 163 993       |

| HOUSEHOLDS - SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM |               |               |               |                     |                     |               |
|---------------------------------------------------------------|---------------|---------------|---------------|---------------------|---------------------|---------------|
| Households                                                    |               |               |               |                     |                     |               |
| Description                                                   | 2015/2016     | 2016/2017     | 2017/2018     | 2018/2019           |                     |               |
|                                                               | Actual Number | Actual Number | Actual Number | Original Budget No. | Adjusted Budget No. | Actual Number |
| <b>Formal Settlements</b>                                     |               |               |               |                     |                     |               |
| Total Households                                              | 187           | 0             | 0             | 0                   | 0                   | 0             |
| Households below minimum service level                        | 187           | 0             | 0             | 0                   | 0                   | 0             |
| Proportion of households below minimum service level          | 0.11%         | 0%            | 0%            | 0%                  | 0%                  | 0%            |
| <b>Informal Settlements</b>                                   |               |               |               |                     |                     |               |
| Total Households                                              | 4 690         | 4 022         | 2 799         | 2 799               | 2 799               | 2 799         |
| Households below minimum service level                        | 4 690         | 4 022         | 2 799         | 2 799               | 2 799               | 2 799         |
| Proportion of households below minimum service level          | 2.86%         | 2.5%          | 0.71%         | 0.71%               | 0.71%               | 0.71%         |

## ACCESS TO SANITATION



| 2017/2018            |                                                                                                                           |                                                                                                                           |                                    | 2018/2019            |                                                                                                                                                                                   |                                                                                                                                                                                   |                                    | 2019/2020                                                                                                                              |                                                                     |                                             |                                                       |                      |                                                             |
|----------------------|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------|-------------------------------------------------------|----------------------|-------------------------------------------------------------|
| SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                             | ANNUAL PROGRESS - ACTUAL                                                                                                  | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                     | ANNUAL PROGRESS - ACTUAL                                                                                                                                                          | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                   | CORRECTIVE MEASURE                                                  | TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                       | SDBIP / OP REFERENCE | ANNUAL TARGET                                               |
| W & S 04             | 2.21 km of new sewer pipe installed by the 31 December 2017 and approval of BOQ and Bid Document by the 30th of June 2018 | 2.21 km of new sewer pipe installed by the 31 December 2017 and approval of BOQ and Bid Document by the 30th of June 2018 | 3 (100% - 129%)                    | W & S 02             | Site Establishment and 0.2 km of sewer pipe installed by the 30 June 2019                                                                                                         | Site Establishment and 0 km of sewer pipe not installed by the 30 June 2019.                                                                                                      | 1 (69% & below)                    | Changes to scope of works, therefore a delay in submission to BSC. Tender needed to be cancelled once settlement agreement was signed. | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter. | 2 Months                                    | Bid Spec Report, BAC Resolution, Settlement Agreement | PMO 30               | 0.75 km of Sewer pipeline replaced by the 30th of June 2020 |
| W & S 05             | 6 km of new sewer pipe installed by the 30th of June 2018                                                                 | 6 km of new sewer pipe installed by the 30th of April 2018                                                                | 3 (100% - 129%)                    | W & S 04             | 1 km of new sewer pipeline installed by 31 December 2018. 1.4 km of sewer pipe installed by 30th June 2019. Provisional appointment of service provider not done by 30 June 2019. | 1 km of new sewer pipeline installed by 31 December 2018. 1.4 km of sewer pipe installed by 30th June 2019. Provisional appointment of service provider not done by 30 June 2019. | 2 (70% - 99%)                      | Not approved initially at Bid Spec. Bid Spec did not sit for 4 weeks thereafter after original submission. Awaiting Bid Spec sitting.  | Awaiting Bid Spec sitting                                           | 2 months                                    | Bid Spec Report                                       | PMO 31               | 1.8 km of new sewer pipe installed by the 30th of June 2020 |
| W & S 06             | 0.8 km of new sewer pipe constructed by the 30th of June 2018                                                             | Service provider was appointed by the 30 June 2018.                                                                       | 3 (100% - 129%)                    | W & S 05             | 0.2 km sewer pipeline constructed by 30 June 2019                                                                                                                                 | 0 km sewer pipeline not constructed by 30 June 2019.                                                                                                                              | 1 (69% & below)                    | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                    | Awaiting BEC sitting.                                               | 2 months                                    | Bid Spec Report                                       | PMO 32               | 1.8 km of new sewer pipe installed by the 30th of June 2020 |
| W & S 08             | 0.8 km of new sewer pipe installed and tested by the 30th of June 2018                                                    | 0.8 km of new sewer pipe installed and tested by the 30th of June 2018                                                    | 3 (100% - 129%)                    | W & S 06             | Construction: 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Adjudication Report completed and submitted and provisional acceptance by 30 June 2019.          | 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Adjudication Report completed and submitted and provisional acceptance not completed by 30 June 2019.          | 2 (70% - 99%)                      | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                    | Awaiting Bid Spec sitting                                           | 2 months                                    | Progress report and Bid Spec Report                   | PMO 33               | 1.8 km of new sewer pipe installed by the 30th of June 2020 |

## EMPLOYEE: SANITATION SERVICES

| Job Level    | 2017/2018     |            | 2018/2019     |                                      | Vacancies (as a % of total posts) % |
|--------------|---------------|------------|---------------|--------------------------------------|-------------------------------------|
|              | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents No.) |                                     |
| T01-T03      | 56            | 123        | 52            | 71                                   | 58                                  |
| T04-T08      | 14            | 26         | 21            | 5                                    | 19                                  |
| T09-T13      | 5             | 33         | 4             | 29                                   | 88                                  |
| T14-T18      | 0             | 3          | 1             | 2                                    | 67                                  |
| T19-T22      | 0             | 0          | 0             | 0                                    | 0                                   |
| T23-T25      | 0             | 0          | 0             | 0                                    | 0                                   |
| <b>Total</b> | <b>75</b>     | <b>185</b> | <b>78</b>     | <b>107</b>                           | <b>58</b>                           |

## FINANCIAL PERFORMANCE 2018/2019 : SANITATION SERVICES

| Details                                          | 2017/2018     |                   | 2018/2019       |                | Variances to Budget % |
|--------------------------------------------------|---------------|-------------------|-----------------|----------------|-----------------------|
|                                                  | Actual        | Adjustment Budget | Original Budget | Actual         |                       |
| <b>Total Operational Revenue (excl. tariffs)</b> | -7            | 0                 | 0               | -17            |                       |
| Employees                                        | 100           |                   |                 |                |                       |
| Repairs and Maintenance                          | 21 165        | 22 358            | 8 524           | 8 518          | 0                     |
| Other                                            | 1 099         | 2 997             | 2 338           | 1 853          | -20                   |
|                                                  | 37 342        | 197 869           | 192 928         | 175 772        | -8                    |
| <b>Total Operational Expenditure</b>             | <b>59 606</b> | <b>223 224</b>    | <b>203 790</b>  | <b>186 143</b> | <b>-8</b>             |
| <b>Net operational (Service) Expenditure</b>     | <b>59 599</b> | <b>223 224</b>    | <b>203 790</b>  | <b>186 126</b> | <b>-8</b>             |

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



| CAPITAL EXPENDITURE : SANITATION<br>R'000   |               |                   |                    |                               |                     |
|---------------------------------------------|---------------|-------------------|--------------------|-------------------------------|---------------------|
| Details                                     | 2018 / 2019   |                   |                    |                               |                     |
|                                             | Budget        | Adjustment Budget | Actual Expenditure | Variance to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                            | <b>40,310</b> | <b>44,299</b>     | <b>37,021</b>      | <b>-16</b>                    |                     |
| CBR:ZA:REHAB OF SEWER INFRASTRUCTURE        | 0             | 8,000             | 6,146              | -23                           |                     |
| MIG:ZA:REHAB OF SANITATION INFRASTRUCTURE   | 6,264         | 5,944             | 5,168              | -13                           |                     |
| MIG:Z2:SEWER PIPES AZALEA - PH 2            | 4,019         | 2,231             | 1,322              | -41                           |                     |
| MIG:ZA:SEWER PIPES UNIT H                   | 13,726        | 4,995             | 4,343              | -13                           |                     |
| MIG:Z3:SHENSTONE AMBLETON SANITATION SYSTEM | 5,401         | 11,204            | 9,742              | -13                           |                     |
| MIG:ZA:ELIM OF CONSERV TANKS:SEWER          | 5,000         | 6,496             | 5,527              | -15                           |                     |
| MIG:ZA:SERV MIDBL ERAD (SOBANTU)            | 4,400         | 4,929             | 4,286              | -13                           |                     |
| WWAT:ZA:SANITATION PUMP STATIONS            | 1,000         | -                 | -                  | -                             |                     |
| LEVS:ZA:TELEMETRY EQUIPMENT & UPGRADE       | 500           | 500               | 487                | -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 SANITATION SERVICES PERFORMANCE OVERALL:

It is essential, by regulation, to provide at least a basic form of sanitation to households that do not have a basic sanitation service. A total of 1020 Ventilated Improved Pits (VIP) increasing our access to sanitation to 54,71% across the Msunduzi Area of jurisdiction. The rehabilitation of sanitation infrastructure, is critical for assets replacement in order to ensure that our operational cost decreases and further the quality of water in our streams and rivers improves. To this end a total of 10 stream crossings were rehabilitated and are no longer discharging into river systems. Resource availability (staffing and financial) is of critical importance to fulfil all targets and reduce the number of sanitation blockages within our system. The Sanitation Service Delivery objectives has been prioritised to effectively fulfil obligations to provide households with, firstly a basic sanitation service and thereafter a move to above minimum service levels of sanitation.

## 1.3 ELECTRICITY

### INTRODUCTION TO ELECTRICITY

Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006. The Msunduzi Electricity unit is licensed by the National Electricity Regulator of South Africa (NERSA) to supply electricity to approximately 50% of the total customer in the Municipality' area of jurisdiction and the balance which is comprised of the Greater Edendale, Imbali and Vulindlela areas is supplied by Eskom who holds the electricity distribution license in those areas. Msunduzi Municipality purchases electricity in bulk on Megaflex Tariff from 132 000 Volts from 2 Eskom intake points with a total maximum demand of 350MVA (Msunduzi Substation = 190MVA and Mersey Substation = 160MVA).

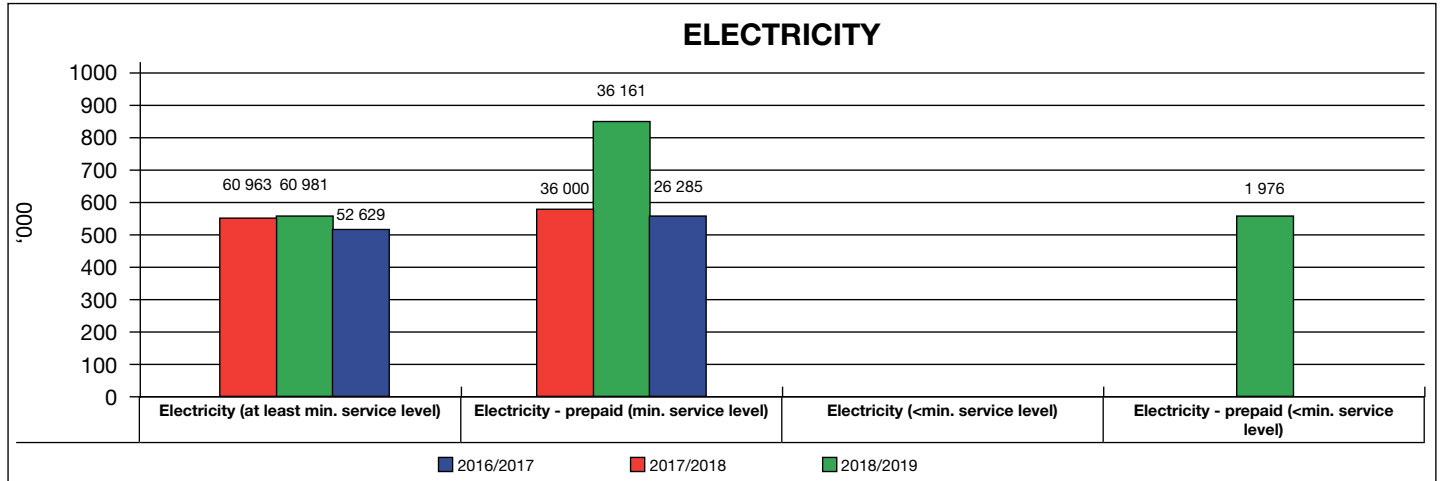
Msunduzi Electricity is undertaking implementation of electrification projects in areas under its license in order to address the electrification backlog. The electrification of new low cost housing developments is driven by the completion of projects by Human Settlements. During the 2018/2019 financial year, there were no new low cost housing developments to be connected. The backbone infrastructure is available to connect these new households. The backlog of electricity connections only exists in areas where there are informal settlements and those are electrified as and when they are identified by Msunduzi Human Settlement Unit. When low costs housing projects are completed, Grant Funding from Department of Energy is used to electrify the identified area.

As part of addressing the ageing infrastructure which contributed to the unplanned outages, the following major projects were completed during the 2017/18 financial year: Installation of 20 High Masts lights was achieved during the 2018/19 financial year in various wards of Msunduzi Municipality as per the Council Resolution to address the issue of lack of lighting and improve security in areas identified.

The delivery of 2 x 40 MVA 132/11 kV power transformers for the upgrade of Pine Street Substation project was achieved during the 2018/2019 financial year.

**Street Lighting:** - A lot of challenges were faced in addressing the number of street lights that were not working due to vandalism, cable theft, and unreported cable damages due to excavations undertaken by private contractors. This had resulted in a number of complaints received and never ending backlog. A number of areas are well-lit and improvements are ongoing. Underground Cables: - The underground cable network needs upgrading. Most of the cables are overloaded, contributing to regular outages, especially during high peak loads. These are being addressed as funds are made available.

**Contributing factors to electricity losses:** - Illegal Connections are a big challenge, metering inaccuracies (faulty meters), unmetered energy (tampering and bypassed), mid-block electricity services, estimated meter readings Ageing infrastructure: - Overloaded feeders and equipment, poor standard of equipment installed. How are these losses being addressed? - Replacing the old inaccurate, faulty meters and installation of meters where there were none and regular auditing to identify those meters that are tampered with, regular visits to the informal settlements to remove illegal connections.



| ELECTRICITY SERVICE DELIVERY LEVELS<br>Households  |               |               |               |
|----------------------------------------------------|---------------|---------------|---------------|
| Description                                        | 2016/2017     | 2017/2018     | 2018/2019     |
|                                                    | Actual Number | Actual Number | Actual Number |
| <b>Electricity (above min level)</b>               |               |               |               |
| Electricity (at least min service level)           | 52 629        | 60 963        | 60 981        |
| Electricity – prepaid (at least min service level) | 26 285        | 36 000        | 36 161        |
| Minimum Service Level and Above sub-total          | N/A           | N/A           | N/A           |
| Minimum Service Level and Above Percentage         | N/A           | N/A           | N/A           |
| <b>Electricity (below min level)</b>               |               |               |               |
| Electricity (< min service level)                  | N/A           | N/A           | N/A           |
| Electricity – prepaid (< min service level)        | N/A           | N/A           | 1 976         |
| Other energy sources                               | N/A           | N/A           | N/A           |
| Below Minimum Service Level sub-total              | N/A           | N/A           | N/A           |
| Below Minimum Service Level Percentage             | N/A           | N/A           | N/A           |
| <b>Total number of households</b>                  | <b>N/A</b>    | <b>N/A</b>    | <b>N/A</b>    |

| HOUSEHOLDS - ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM<br>Households |               |               |               |                     |                     |               |
|------------------------------------------------------------------------------|---------------|---------------|---------------|---------------------|---------------------|---------------|
| Description                                                                  | 2015/2016     | 2016/2017     | 2017/2018     | 2018/2019           |                     |               |
|                                                                              | Actual Number | Actual Number | Actual Number | Original Budget No. | Adjusted Budget No. | Actual Number |
| <b>Formal Settlements</b>                                                    |               |               |               |                     |                     |               |
| 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           |
| <b>Informal Settlements</b>                                                  |               |               |               |                     |                     |               |
| Total Households                                                             | 318           | 193           | 33            | 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 THE IDP |                                                                                                                |                                                                                                                |                                    |                      |                                                                                                        |                                                                                                        |                                    |                                                                                                                       |                                                                                                                                                       |                                                         |                                                                        |                      |                                                                                                        |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------|
| 2017/2018                                                 |                                                                                                                |                                                                                                                |                                    |                      | 2018/2019                                                                                              |                                                                                                        |                                    |                                                                                                                       |                                                                                                                                                       | 2019/2020                                               |                                                                        |                      |                                                                                                        |
| SDBIP / OP REFERENCE                                      | ANNUAL TARGET                                                                                                  | ANNUAL PROGRESS - ACTUAL                                                                                       | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                          | ANNUAL PROGRESS - ACTUAL                                                                               | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                  | CORRECTIVE MEASURE                                                                                                                                    | TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES             | SOURCE DOCUMENT                                                        | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                          |
| ELEC 01                                                   | 22 X HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED by the 30th of June 2018                                  | 22 X HIGH MASTS LIGHTS HAVE BE ERCTED AND COMMISSIONED by the 30th of June 2018                                | 3 (100% - 129%)                    | ELEC 01              | 20 X HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED by the 30th of June 2019                          | 20 X HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED by the 30th of June 2019                          | 3 (100% - 129%)                    | N/A                                                                                                                   | N/A                                                                                                                                                   | N/A                                                     | Commissioning Certificate and Close Out Report                         | ELEC 01              | 20X-HIGH MASTS LIGHTS TO BE ERCTED AND COMMISSIONED by the 30th of June 2020                           |
| ELEC 05                                                   | 132KV OUTDOOR SWITCHGEAR AND AUXILIARY POWER CABLES COMMISSIONED by the 31st of March 2018                     | 132KV OUTDOOR SWITCHGEAR AND AUXILIARY POWER CABLES COMMISSIONED BY 30 JUNE 2018                               | 3 (100% - 129%)                    | ELEC 02              | CONSTRUCTION OF 132KV POWERLINE FOR EASTWOOD SUB STATION BY 30th JUNE 2019                             | NO CONSTRUCTION OF 132KV POWERLINE FOR EASTWOOD SUB STATION BY 30th JUNE 2019                          | 1 (69% & below)                    | There were no responsive tenders and the tender had to be re-advertised. Delays in the finalization of Bid Processes. | Procurement Process in progress. Bid Evaluation Committee report has served at Bid adjudication Committee and awaiting appointment of the contractor. | Project to be implemented during 2019/20 financial year | Bid Evaluation Committee Agenda and Bid Adjudication Committee Agenda. | ELEC 02              | 100% OF STRINGING OF OVERHEAD CONDUCTOR IN ORDER TO COMMISSION THE 132KV CIRCUIT BY THE 30th JUNE 2020 |
| ELEC 07                                                   | TWO 13MVA CIRCUIT installed BETWEEN EASTWOOD PRIMARY AND PROPOSED BELGOTEX SUBSTATION by the 30th of June 2018 | TWO 13MVA CIRCUIT installed BETWEEN EASTWOOD PRIMARY AND PROPOSED BELGOTEX SUBSTATION by the 30th of June 2018 | 3 (100% - 129%)                    | ELEC 04              | INSTALLATION OF 13MVA CIRCUIT BETWEEN EASTWOOD PRILLA SUBSTATION by 30 JUNE 2019.                      | INSTALLATION OF 13MVA CIRCUIT BETWEEN EASTWOOD PRILLA SUBSTATION COMPLETED by 30 JUNE 2019             | 3 (100% - 129%)                    | N/A                                                                                                                   | N/A                                                                                                                                                   | N/A                                                     | CLOSE OUT REPORT                                                       | N/A                  | N/A                                                                                                    |
| ELEC 04                                                   | 36 X 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED by the 30th of June 2018                                     | 35 X 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED by the 30th of June 2018                                     | 3 (100% - 129%)                    | ELEC 05              | 2 X 40MVA POWER TRANSFORMERS TO BE PURCHASED AND DELIVERED FOR PINE STREET SUBSTATION BY 31 MARCH 2019 | 2 X 40MVA POWER TRANSFORMERS TO BE PURCHASED AND DELIVERED FOR PINE STREET SUBSTATION BY 31 MARCH 2019 | 3 (100% - 129%)                    | N/A                                                                                                                   | N/A                                                                                                                                                   | N/A                                                     | DELIVERY NOTES                                                         | N/A                  | N/A                                                                                                    |

| Job Level    | EMPLOYEE: ELECTRICITY SERVICES |            |               |                                                              |
|--------------|--------------------------------|------------|---------------|--------------------------------------------------------------|
|              | 2017/2018                      | 2018/2019  |               |                                                              |
|              | Employees No.                  | Posts No.  | Employees No. | Vacancies (fulltime equivalents No. as a % of total posts) % |
| T01-T03      | 127                            | 373        | 116           | 257                                                          |
| T04-T08      | 25                             | 107        | 24            | 83                                                           |
| T09-T13      | 73                             | 120        | 72            | 48                                                           |
| T14-T18      | 4                              | 29         | 5             | 24                                                           |
| T19-T22      | 0                              | 1          | 1             | 0                                                            |
| T23-T25      | 0                              | 0          | 0             | 0                                                            |
| <b>Total</b> | <b>229</b>                     | <b>630</b> | <b>218</b>    | <b>412</b>                                                   |

| FINANCIAL PERFORMANCE 2018/2019 : ELECTRICITY SERVICES |                |                 |                   |                |                       |
|--------------------------------------------------------|----------------|-----------------|-------------------|----------------|-----------------------|
| R'000                                                  |                |                 |                   |                |                       |
| Details                                                | 2017/2018      |                 | 2018/2019         |                | Variances to Budget % |
|                                                        | Actual         | Original Budget | Adjustment Budget | Actual         |                       |
| <b>Total Operational Revenue (excl. tariffs)</b>       | <b>-343</b>    | <b>-58</b>      | <b>-58</b>        | <b>0</b>       | <b>-100</b>           |
| Expenditure:                                           |                |                 |                   |                |                       |
| Employees                                              | 75 522         | 95 041          | 96621             | 83 527         | -13                   |
| Repairs and Maintenance                                | 60 474         | 48945           | 52973             | 52227          | -1                    |
| Other                                                  | 147 295        | 144466          | 157357            | 147141         | -6                    |
| <b>Total Operational Expenditure</b>                   | <b>283 291</b> | <b>288452</b>   | <b>306951</b>     | <b>282895</b>  | <b>-7</b>             |
| <b>Net operational (Service) Expenditure</b>           | <b>282 948</b> | <b>288394</b>   | <b>306 893</b>    | <b>282 895</b> | <b>-7</b>             |

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

| CAPITAL EXPENDITURE : ELECTRICITY<br>R'000 |               |                   |                    |                                 |                     |
|--------------------------------------------|---------------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                    | 2018 / 2019   |                   |                    |                                 |                     |
|                                            | Budget        | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                           | <b>53,440</b> | <b>56,334</b>     | <b>52,941</b>      | <b>-6</b>                       |                     |
| LEVS:ZA:NEW:MACHINERY & EQUIPMENT          | 2,000         | 1,175             | 2,034              | 73                              |                     |
| MSE:ZA:NETWORK REFURBISHMENT               | 4,000         | 2,800             | 2,665              | -5                              |                     |
| ALNS:ZA:DBSA - NETWORK 132KV REHAB PLAN    | 42,040        | 42,040            | 38,722             | -8                              |                     |
| MIG:ZA:HIGH MAST LIGHTS-VUL & GREAT EDN    | 5,400         | 5,308             | 4,509              | -15                             |                     |
| ALNS:ZA:NETWORK REFURBISHMENT              | -             | 2,906             | 2,906              | 0                               |                     |
| ALNS:ZA: HV SUBSTATIONS                    | -             | 2,105             | 2,105              | 0                               |                     |

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Variations are calculated as follows:- Actual expenditure - Adjusted budget divided by the Adjusted budget x 100

## COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL: ACHIEVEMENTS

The following 2018/19 capital projects were achieved as planned: The supply and delivery of 2 x 40MVA 132/11kV Power Transformers, The installation of 13MVA Single Core Circuit between Eastwood Primary and Prilla Mills Substation. The Commissioning of 132kV Eastwood Overhead lines was not completed as a result of supply chain processed. As part of the upgrade of Pine Street and Crossways Substations, the delivery of the 2 x 40 MVA 132/11kV Power Transformers concluded the balance of the Capital Equipment with long lead times and the installation of these equipment will be completed as part of the construction projects on budget availability and will go a long way in addressing outages caused by overloading. The availability of the backbone infrastructure to connect households without access to electricity is contributing to the increase number of households connected for the first time to the network, thereby increasing the number of households with access to electricity. The budget approved against the budget available to complete these projects is contributing to the slow pace in completing the projects planned as per the NDP. Eskom is supplying the electricity to the Municipality without any challenges

## 1.4 ROADS

### INTRODUCTION TO ROAD TRANSPORT

This component of the report falls under the Roads and Transportation (R & T) Sub Unit of the Infrastructure Business Unit. R & T deals with the following:

- Planning, Development and Maintenance of Municipal roads and storm water infrastructure
- Transportation Planning, Traffic Engineering Issues, Road Safety and Public Transport Issues
- Planning, Development and Maintenance of Pedestrian and Vehicle Bridges

### INTRODUCTION TO 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 commenced with its 5-Year road assessment in order to produce a revised and complete Road Asset Management Plan (RAMP) and a Pavement Management system (PMS) to drive the municipality's preventative/maintenance for the next five years.

The RAMP is going to inform the upgrading of gravel Roads programme, the gravel and backlog will be shown up to Ward level.

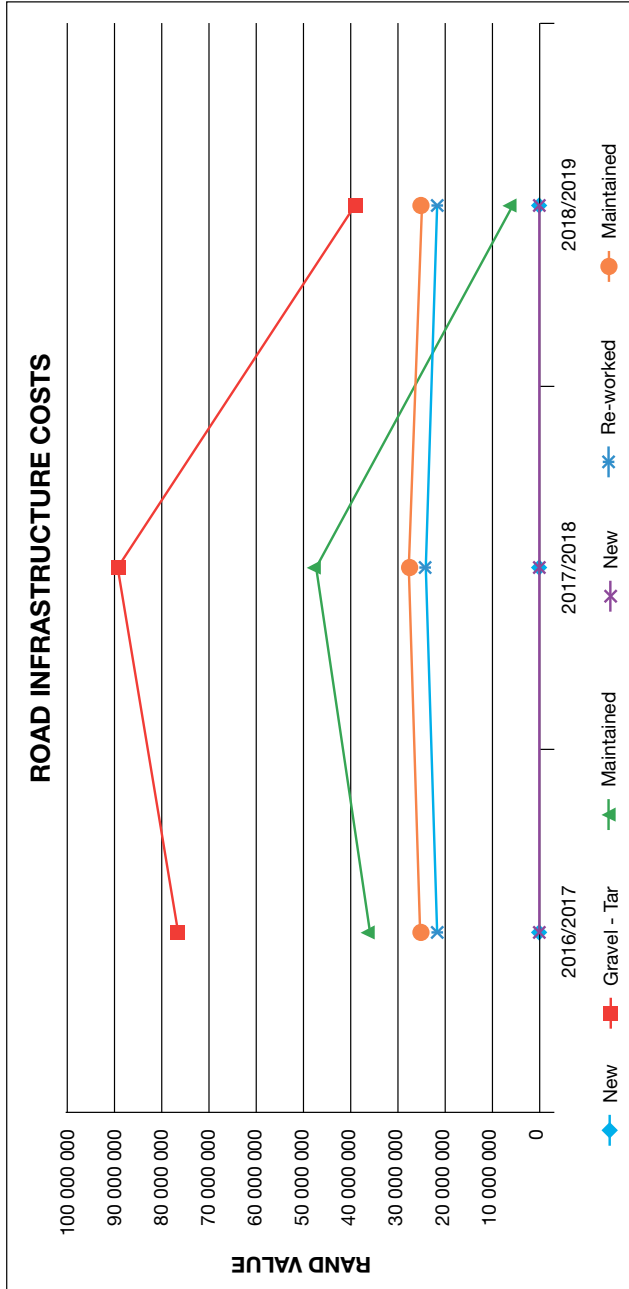
Preventative maintenance Programmes commenced in early 2013/14 FY. 12km of resurfacing and resealing was completed in the 2018/19 financial year.

In the 2018/19 FY the Roads Municipal Infrastructure grant Projects was moved to the Project Management unit of the municipality. The specified department would be able to advise with regards to the TARRED Road Infrastructure.

| GRAVEL ROAD INFRASTRUCTURE<br>Kilometres |                    |                              |                              |                                |
|------------------------------------------|--------------------|------------------------------|------------------------------|--------------------------------|
|                                          | Total gravel Roads | New Gravel Roads constructed | Gravel Roads upgraded to tar | Gravel Roads graded/maintained |
| 2016/2017                                | 624                | 0                            | 17.35                        | 40                             |
| 2017/2018                                | 613                | 0                            | 10.125                       | 10.125                         |
| 2018/2019                                | 602                | 0                            | 10.9 km                      | 23.4                           |

| TARRED ROAD INFRASTRUCTURE<br>Kilometres |                    |               |                              |                               |                      |
|------------------------------------------|--------------------|---------------|------------------------------|-------------------------------|----------------------|
|                                          | Total Tarred Roads | New Tar Roads | Existing Tar Roads re-tarred | Existing Tar Roads re-sheeted | Tar Roads Maintained |
| 2016/2017                                | 1417.05            | 17.35         | 8.1                          | 0                             | 18.5                 |
| 2017/2018                                | 1435.50            | 10.125        | 0                            | 0                             | 3                    |
| 2018/2019                                | 1446               | 0             | 0                            | 0                             | 0                    |

| COST OF CONSTRUCTION / MAINTENANCE<br>R'000 |        |            |            |          |            |
|---------------------------------------------|--------|------------|------------|----------|------------|
|                                             | Gravel |            |            | Tar      |            |
|                                             | New    | Maintained | New        | Reworked | Maintained |
| 2016/2017                                   | 0      | 76 669 393 | 36 102 103 | 0        | 12 456 121 |
| 2017/2018                                   | 0      | 88 962 203 | 48 256 503 | 0        | 15 256 121 |
| 2018/2019                                   | 0      | 37 962 766 | 6 511 021  | 0        | 12 145 500 |
|                                             |        |            |            |          | 15 192 383 |



| SDBIP / OP REFERENCE | 2017/2018                                                                                                                                                             |                                                                                                                                                                       |                                    | 2018/2019            |                                                                                                         |                                                                                              | 2019/2020                          |                      |                                                                                                         |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------|
|                      | ANNUAL TARGET                                                                                                                                                         | ANNUAL PROGRESS - ACTUAL                                                                                                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                           | ANNUAL PROGRESS - ACTUAL                                                                     | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                           |
| R & T 01             | 2500m <sup>2</sup> (equivalent to 0.5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 31st of March 2018 | 2500m <sup>2</sup> (equivalent to 0.5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 31st of March 2018 | 3 (100% - 129%)                    | R & T 04             | 2500m <sup>2</sup> (Equivalent to 2.5km) of municipal roads to be constructed by the 30th of April 2019 | 0m <sup>2</sup> (Equivalent to 0km) of municipal roads constructed by the 30th of April 2019 | 1 (69% & below)                    | Contract Document    | 2500m <sup>2</sup> (Equivalent to 2.5km) of municipal roads to be constructed by the 30th of April 2019 |
| R & T 02             | 100% Completion of base course by the 31st of December 2017                                                                                                           | 0% Completion of base course by the 31st of December 2017                                                                                                             | 1 (69% & below)                    | N/A                  | N/A                                                                                                     | N/A                                                                                          | N/A                                | N/A                  | PMO 11                                                                                                  |
| R & T 03             | 0.4km of gravel roads to surfaced/ concrete sidewalk at Svyahomula Road upgraded by the 30th of June 2018                                                             | Completed sidewalks at Svyahomula School and Ashdown Primary School by 30 June 2018                                                                                   | 3 (100% - 129%)                    | N/A                  | N/A                                                                                                     | N/A                                                                                          | N/A                                | N/A                  | PMO 12                                                                                                  |
| R & T 04             | 100% subbase layer completed by the 30th of June 2018                                                                                                                 | 0% subbase layer completed by the 30th of June 2018 Target not met. Subgrade Completed                                                                                | 1 (69% & below)                    | N/A                  | N/A                                                                                                     | N/A                                                                                          | N/A                                | N/A                  | PMO 13                                                                                                  |

ROADS SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP

| CORRECTIVE MEASURE                                                                        | REASON FOR DEVIATION                                       | 2018/2019                          |                                                                                              | 2019/2020                          |                                                                                                                                          |
|-------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                           |                                                            | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL                                                                     | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET                                                                                                                            |
| The unit needs to consider available resources and budget prior to the setting of targets | Delays in finalising the appointment of Service Providers. | 1 (69% & below)                    | 0m <sup>2</sup> (Equivalent to 0km) of municipal roads constructed by the 30th of April 2019 | N/A                                | 19.08km of MIG Projects municipal roads constructed in the 19/20 FY by the 30th of June 2020                                             |
| N/A                                                                                       | N/A                                                        | NOT APPLICABLE                     | N/A                                                                                          | N/A                                | Design and construction of 0.5 km road from gravel to black top asphalt with associated stormwater completed by the 31st of January 2020 |
| N/A                                                                                       | N/A                                                        | NOT APPLICABLE                     | N/A                                                                                          | N/A                                | Design and Upgrading of 0.5 km road from gravel to Concrete road completed by the 31st of January 2020                                   |
| N/A                                                                                       | N/A                                                        | NOT APPLICABLE                     | N/A                                                                                          | N/A                                | Rehabilitation of 230m concrete Road in ward 17 completed by the 30th of September 2019                                                  |

| EMPLOYEE: ROAD SERVICES |               |           |               |                                     |                                     |
|-------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level               | 2017/2018     | 2018/2019 |               |                                     |                                     |
|                         | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03                 | 3             | 14        | 4             | 10                                  | 71                                  |
| T04-T08                 | 2             | 5         | 2             | 3                                   | 60                                  |
| T09-T13                 | 5             | 19        | 9             | 10                                  | 53                                  |
| T14-T18                 | 2             | 4         | 2             | 2                                   | 50                                  |
| T19-T22                 | 1             | 1         | 1             | 0                                   | 0                                   |
| T23-T25                 | 0             | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b>            | <b>13</b>     | <b>43</b> | <b>18</b>     | <b>25</b>                           | <b>58</b>                           |

| FINANCIAL PERFORMANCE 2018/2019 : ROADS SERVICES<br>R'000 |                |                 |                   |                |                       |
|-----------------------------------------------------------|----------------|-----------------|-------------------|----------------|-----------------------|
| Details                                                   | 2017/2018      | 2018/2019       |                   |                |                       |
|                                                           | Actual         | Original Budget | Adjustment Budget | Actual         | Variances to Budget % |
| Total Operational Revenue (excl. tariffs)                 | -2             | 0               | 0                 | -18            | 100                   |
| Expenditure:                                              |                |                 |                   |                |                       |
| Employees                                                 | 24 134         | 9 643           | 40 376            | 39 871         | -1                    |
| Repairs and Maintenance                                   | 29 745         | 26 092          | 28 186            | 27 092         | -3                    |
| Other                                                     | 145 676        | 36 586          | 34 650            | 144 647        | 317                   |
| <b>Total Operational Expenditure</b>                      | <b>199 555</b> | <b>72 321</b>   | <b>103 212</b>    | <b>211 610</b> | <b>105</b>            |
| <b>Net operational (Service) Expenditure;</b>             | <b>199 553</b> | <b>72 321</b>   | <b>103 212</b>    | <b>211 592</b> | <b>105</b>            |

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

| CAPITAL EXPENDITURE : ROADS<br>R'000           |               |                   |                    |                                |                     |
|------------------------------------------------|---------------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                        | 2018 / 2019   |                   |                    |                                |                     |
|                                                | Budget        | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                               | <b>67,713</b> | <b>98,036</b>     | <b>71,858</b>      | <b>-27</b>                     |                     |
| LEVS:Z4:NEW:COMPUTER EQUIPMENT                 | 100           | 124               | 99                 | -20                            |                     |
| LEVS:ZA: NEW: MACHINERY AND EQUIPMENT          | 100           | 100               | 73                 | -27                            |                     |
| LEVS:ZA:LESTER BROWN LINK ROAD                 | 2,400         | 2,275             | 2,275              | 0                              |                     |
| LEVS:Z2:RESURFACE NEWTON RD SINATHING          | -             | 1,479             | 1,280              | -13                            |                     |
| LEVS:Z4:ROAD REHAB - PMS                       | 4,104         | 3,224             | 20                 | -99                            |                     |
| MIG:Z3:WARD 10 RDS - REHAB RDS & STRMW UPGRADE | -             | 142               | -                  | -100                           |                     |
| MIG:Z2:REHAB OF ROADS IN ASHDOWN               | 1,500         | 688               | 599                | -13                            |                     |
| MIG:Z1:REHAB OF ROADS IN IMBALI UNIT 18        | 400           | 300               | 261                | -13                            |                     |
| MIG:Z2:UPGR GRV RD-EDN-WARD12-MOSCOW RDS       | 1,300         | 51                | 44                 | -14                            |                     |
| MIG:Z2:UPG GRV RD-EDN-DAMBUZA MJ SWD UPGRADE   | 1,500         | 1,492             | 1,297              | -13                            |                     |
| MIG:Z2:UPGR GRV ROADS-EDN-STATION RD           | 4,000         | 9,788             | 8,511              | -13                            |                     |
| MIG:Z2:UPGR GRV ROADS-EDENDALE WARD 16         | 1,000         | 1,033             | 898                | -13                            |                     |
| MIG:Z2:UPGR GRV RD-GREATER EDN-CALUZA          | 1,300         | 2,477             | 90                 | -96                            |                     |
| MIG:Z2:UPGR GRV RD-GREATER EDN-HAREWOOD        | 2,400         | 2,882             | 2,506              | -13                            |                     |
| MIG:Z2:UPGR GRV RD-GREATER EDN-SNATHING        | 2,900         | 2,900             | 2,495              | -14                            |                     |
| MIG:Z3:UPG GRV RD-EDN-WARD17 (PH3)             | 900           | 856               | 744                | -13                            |                     |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 3        | 2,000         | 5,742             | 3,604              | -37                            |                     |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 4        | 2,000         | 2,000             | 1,739              | -13                            |                     |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 6        | 2,000         | 2,231             | 1,940              | -13                            |                     |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 7        | 2,000         | 2,270             | 1,973              | -13                            |                     |
| MIG:Z1:UPGR GRV RD-VULINDLELA-WARD 8           | 2,000         | 2,866             | 2,492              | -13                            |                     |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 9        | 2,000         | 3,505             | 3,047              | -13                            |                     |
| MIG:Z2:UPGR RD IN PEACE VALLEY-10KM            | 7,569         | 6,020             | 5,112              | -15                            |                     |
| MIG:Z1:UPGR GRV ROADS-VUL-WARD 1               | 5,000         | 8,109             | 5,336              | -34                            |                     |
| MIG:Z1:UPGR GRV ROADS-VUL-WARD 5               | 2,510         | 5,505             | 3,923              | -29                            |                     |
| MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 39       | 2,000         | 2,000             | 1,739              | -13                            |                     |
| LEVS:Z1:UPGR GRV ROADS-VULINDLELA-WARD 1       | 5,000         | 4,390             | 4,057              | -8                             |                     |
| MIG:Z1:UPGR GRV RD-VULINDLELA-D2069 PH3        | 4,390         | 7,329             | 6,373              | -13                            |                     |
| MIG:Z1:UPGR GRV RD-VULINDLELA WARD 2           | -             | 4,553             | 31                 | -99                            |                     |
| LEVS:Z1:DESIGN OF MNGUNI RD WARD 1             | -             | 584               | 423                | -28                            |                     |
| LEVS:Z3:DESIGN OF FEDSAM RD WARD 15            | -             | 400               | -                  | -100                           |                     |
| MIG:Z1:MABANE BRIDGE PROJECT                   | -             | 61                | -61                | -200                           |                     |
| MIG:Z2:UPGR PEDEST BRIDGE-SMERO/ESIGODIN       | 1,300         | -                 | -                  | -                              |                     |
| MIG:ZA:WOODHOUSE PEDESTRIAN BRIDGE             | 3,440         | 5,231             | 4,520              | -14                            |                     |
| LEVS:Z2:DAMBUZA CONSTRUCTION OF CULVERTS       | -             | 1,600             | 1,384              | -14                            |                     |
| LEVS:Z4:TAMBOVILLE PEDESTRIAN BRIDGE           | -             | 3,329             | 2,588              | -22                            |                     |

| CAPITAL EXPENDITURE : ROADS<br>R'000                                                                                                                                                                                                                             |             |                   |                    |                                 |                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                                                                                                                                                                                                                                          | 2018 / 2019 |                   |                    |                                 |                     |
|                                                                                                                                                                                                                                                                  | Budget      | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| LEVS-Z4:INSTALLAT OF NEW GUARD RAILS                                                                                                                                                                                                                             | 300         | 200               | 199                | -1                              |                     |
| LEVS-ZA:CONCRETE CAST YARD CHANGE ROOMS                                                                                                                                                                                                                          | 300         | 300               | 247                | -18                             |                     |
| Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Variations are calculated as follows:- Actual expenditure - Adjusted budget divided by the Adjusted budget x 100 |             |                   |                    |                                 |                     |

**COMMENT ON THE PERFORMANCE OF ROADS OVERALL:**

The department has continued with its programme of re-gravelling and maintenance of gravel roads with a vision of reducing the high backlog of unsafe roads within the city. The upgrading of gravel roads to tar was for the 18/19 financial year was appointed to the Project management unit to program. Funds are slowly being made available by the municipality towards the rehabilitation programme, which makes up the preventative maintenance of the department. In access and due to budget constraints a total of 60kms was maintained for the 18/19 FY.

**1.5 TRANSPORTATION PLANNING**

**INTRODUCTION TO TRANSPORTATION PLANNING**

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

- i. Mobility & Land use
- ii. Congestion
- iii. City Efficiency
- iv. Road Safety, and
- v. Accessibility

**TRANSPORTATION PLANNING SECTION PERFORMS THE FOLLOWING FUNCTIONS:**

- i. Evaluation, assessment, and sighting of transport facilities
- ii. Planning, co-ordination, facilitation and provision of efficient and effective transport systems and infrastructure for all private and public transport.
- iii. Planning, co-ordination, facilitation, provision, monitoring and regulation of efficient, effective public transport services and facilities within a balanced market demand and supply framework.
- iv. Provides effective traffic management, control and safety through co-ordinated planning and maintenance programmes.

**SERVICE STATISTICS FOR TRANSPORT**

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 2018/19, the Transportation Section installed a total of thirteen (13) Speed humps, 0.4km of guardrails, 48 bus shelters and marking of 146 km of roads & replacement 516 traffic signs at various wards within the municipality.

| TRANSPORT SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |               |                          |                                    |                      |                                                                                                                      |                                                                                                                      |                                    |                                                                                                                                                         |                                                                              |                                              |                         |                      |                                                                                                                                          |
|---------------------------------------------------------|---------------|--------------------------|------------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------|-------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| 2017/2018                                               |               |                          |                                    |                      | 2018/2019                                                                                                            |                                                                                                                      |                                    |                                                                                                                                                         |                                                                              |                                              |                         |                      |                                                                                                                                          |
| SDBIP / OP REFERENCE                                    | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                        | ANNUAL PROGRESS - ACTUAL                                                                                             | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                    | CORRECTIVE MEASURE                                                           | TIME- FRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT         | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                            |
| N/A                                                     | N/A           | N/A                      | NOT APPLICABLE                     | R & T 01             | 30x traffic calming measures in various sites as per approved completion schedule installed by the 30th of June 2019 | 13x traffic calming measures in various sites as per approved completion schedule installed by the 30th of June 2019 | 1 (69% & below)                    | Service Provider was appointed on 22nd of February 2019 and work commence in March 2019. Original budget was revised from R500 000, 00 to R200 000, 00. | Only 13 Traffic calming measures were constructed with the available budget. | N/A                                          | Completion certificate. | R & T 03             | 42 x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 30th of June 2020 |
| N/A                                                     | N/A           | N/A                      | NOT APPLICABLE                     | R & T 02             | 0.5km of guard rails installed as and when requested by the 30th of June 2019                                        | 0.374km of guard rails installed as and when requested by the 30th of June 2019                                      | 1 (69% & below)                    | Service Provider was appointed on the 15th of March 2019 on a 7 day quotation. Original budget was revised from R500 000, 00 to R200 000, 00.           | Only 0.374km of new guard rails were installed with the available budget.    | N/A                                          | Completion certificate. | N/A                  | N/A                                                                                                                                      |

| 2017/2018            |                                                                                                       |                                                                                                      |                                    | 2018/2019            |                                                                            |                                                                         |                                    | 2019/2020                                                  |                                                       |                                              |                 |                      |                                                                                                       |
|----------------------|-------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------|-------------------------------------------------------|----------------------------------------------|-----------------|----------------------|-------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                         | ANNUAL PROGRESS - ACTUAL                                                                             | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                              | ANNUAL PROGRESS - ACTUAL                                                | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                       | CORRECTIVE MEASURE                                    | TIME- FRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                         |
| R & T 33             | 100% of New Traffic Signal Controllers purchased by the 30th of November 2017                         | 100% of New Traffic Signal Controllers purchased by the 30th of November 2017                        | 3 (100% - 129%)                    | R & T 03             | 100% of New Traffic Signal Controllers purchased by the 31st of March 2019 | 0% of New Traffic Signal Controllers purchased by the 30th of June 2019 | 1 (69% & below)                    | Delays in finalising the appointment of Service Providers. | Fast Track the delivery of Traffic Signal Controllers | N/A                                          | Two Invoices    | N/A                  | N/A                                                                                                   |
| R & T 34             | 35 x bus shelters installed as per approved bus shelter implementation plan by the 31st of March 2018 | 35 x bus shelters installed as per approved bus shelter implementation plan by the 30th of June 2018 | 2 (70% - 99%)                      | N/A                  | N/A                                                                        | N/A                                                                     | NOT APPLICABLE                     | N/A                                                        | N/A                                                   | N/A                                          | N/A             | PMO 01               | 43 x bus shelters installed as per approved bus shelter implementation plan by the 30th of April 2020 |

## EMPLOYEE: TRANSPORT SERVICES

| Job Level    | 2018/2019 |            |               |                                     |
|--------------|-----------|------------|---------------|-------------------------------------|
|              | 2017/2018 | Posts No.  | Employees No. | Vacancies (as a % of total posts) % |
| T01-T03      | 29        | 66         | 27            | 39                                  |
| T04-T08      | 7         | 16         | 5             | 11                                  |
| T09-T13      | 9         | 28         | 9             | 19                                  |
| T14-T18      | 1         | 8          | 1             | 7                                   |
| T19-T22      | 0         | 0          | 0             | 0                                   |
| T23-T25      | 0         | 0          | 0             | 0                                   |
| <b>Total</b> | <b>46</b> | <b>118</b> | <b>42</b>     | <b>76</b>                           |

## FINANCIAL PERFORMANCE 2018/2019 : TRANSPORT SERVICES

| Details                                                                                                                    | R'000     |                 |             |                        |
|----------------------------------------------------------------------------------------------------------------------------|-----------|-----------------|-------------|------------------------|
|                                                                                                                            | 2017/2018 |                 | 2018/2019   |                        |
|                                                                                                                            | Actual    | Adjusted Budget | Actual      | Variations to Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                                                                           | <b>0</b>  | <b>-390</b>     | <b>-390</b> | <b>0</b>               |
| Expenditure:                                                                                                               |           |                 |             |                        |
| Employees                                                                                                                  | 9 416     | 15 376          | 10 995      | 10 084                 |
| Repairs and Maintenance                                                                                                    | 3 171     | 1 237           | 3 101       | 3 098                  |
| Other                                                                                                                      | 7 089     | 9512            | 7 806       | 6 264                  |
| Total Operational Expenditure                                                                                              | 19 676    | 26125           | 21902       | 19 446                 |
| Net operational (Service) Expenditure                                                                                      | 19 676    | 25 735          | 21 512      | 19 446                 |
| Variations are calculated by dividing the difference between the Actual and Adjusted Budget by the Adjustment Budget x 100 |           |                 |             | -9                     |

## CAPITAL EXPENDITURE : TRANSPORTATION

| Details                                                                                                                                                                                                                                                          | R'000        |                 |                    |                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------|--------------------|---------------------------------|
|                                                                                                                                                                                                                                                                  | 2018 / 2019  |                 | 2018 / 2019        |                                 |
|                                                                                                                                                                                                                                                                  | Budget       | Adjusted Budget | Actual Expenditure | Variations to Adjusted Budget % |
| <b>Total All</b>                                                                                                                                                                                                                                                 | <b>4,000</b> | <b>4,723</b>    | <b>4,074</b>       | <b>-14</b>                      |
| MSE:ZA:TRAFFIC SIGNAL SPARES                                                                                                                                                                                                                                     | 300          | -               | -                  | -                               |
| MSE:AH:NEW MACHINERY AND EQUIPMENT                                                                                                                                                                                                                               | -            | 300             | 259                | -14                             |
| MIG:ZA:NON-MOTORIZED TRANSPORT INFRASTRUCTURE                                                                                                                                                                                                                    | 2,000        | 2,713           | 2,307              | -15                             |
| LEVS:Z5:TRAFFIC CALMING MEASURES                                                                                                                                                                                                                                 | 500          | 200             | 195                | -3                              |
| MIG:ZA:BUS STOP SHELTERS                                                                                                                                                                                                                                         | 1,200        | 1,510           | 1,313              | -13                             |
| Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Variations are calculated as follows:- Actual expenditure - Adjusted budget divided by the Adjusted budget x 100 |              |                 |                    |                                 |



**COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:**

13 traffic calming measures (speed humps and speed tables) were constructed, 0.4km of guardrails installed, 48 bus shelters were constructed. Marking of 146 km of roads & replacement of 516 traffic signs at various wards within the municipality.

## 1.6 STORM WATER

### INTRODUCTION TO STORM WATER

This component of the report falls under the Roads & Transportation (R & T) Sub-unit of Infrastructure Services Business Unit. R & T deals with the following: The Municipality maintained 83km of storm water channel in various roads in the CBD, Northern areas, and Greater Edendale areas. 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.

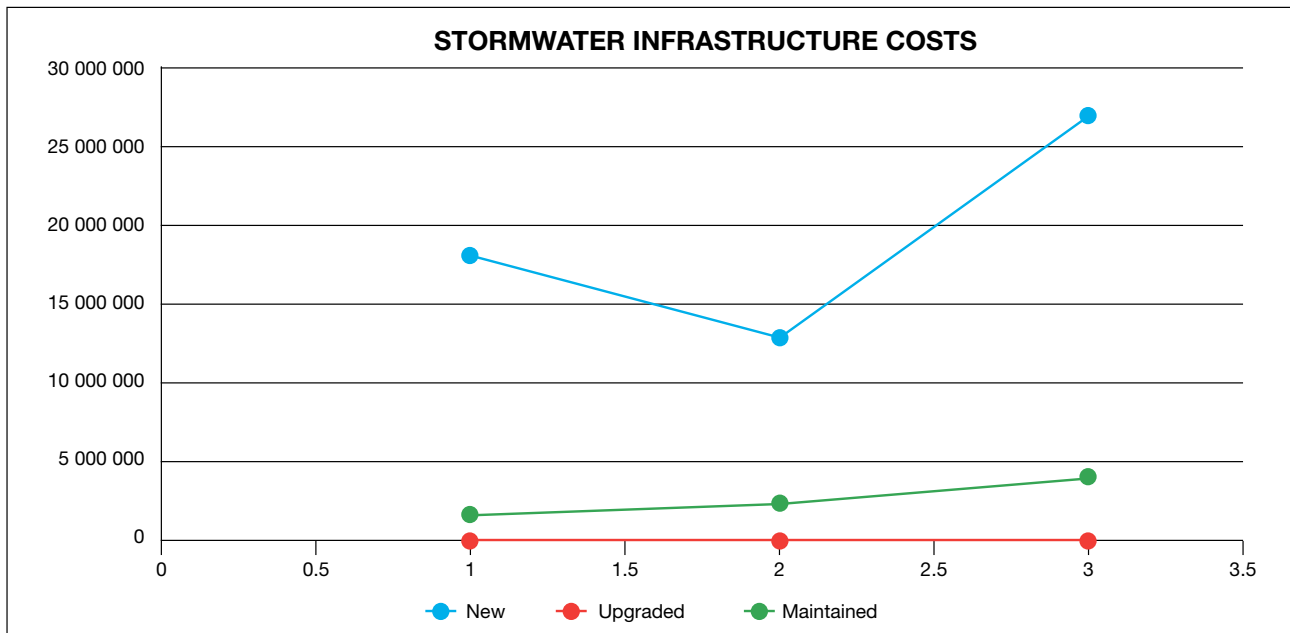
### STORMWATER DRAINAGE

#### INTRODUCTION TO STORMWATER DRAINAGE

The Municipality maintained 83km of storm water channel in various roads in the Greater Edendale area and CBD and northern for the 2018/19 financial year. This was to prevent or minimise flooding of municipal roads. Other new systems are constructed by PMU projects in association with road network upgrade. However, this service is still under funded in terms of new or upgrade and maintenance of existing system. Preventative Maintenance programme is still in its infancy stage, however this programme has now been upgraded to ensure that funding is available.

| STORMWATER INFRASTRUCTURE<br>Kilometres |                           |                         |                              |                                |
|-----------------------------------------|---------------------------|-------------------------|------------------------------|--------------------------------|
|                                         | Total Stormwater measures | New Stormwater measures | Stormwater measures upgraded | Stormwater measures maintained |
| 2016/2017                               | 0                         | 3.3                     | 0                            | 65                             |
| 2017/2018                               | 0                         | 3.3                     | 0                            | 65                             |
| 2018/2019                               | 0                         | 8.6                     | 0                            | 83                             |

| COST OF CONSTRUCTION / MAINTENANCE<br>R'000 |                     |          |            |
|---------------------------------------------|---------------------|----------|------------|
|                                             | Stormwater Measures |          |            |
|                                             | New                 | Upgraded | Maintained |
| 2016/2017                                   | 18,099,359          | 0        | 1,500,000  |
| 2017/2018                                   | 12,845,263          | 0        | 1,876,559  |
| 2018/2019                                   | 27,078,477          | 0        | 3,783,178  |



| STORMWATER SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                           |                                                                                                         |                                    |                                                |                                                |                          |                                    |                      |                    |                                             |                 |                      |                                                                                                                                           |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------|------------------------------------------------|--------------------------|------------------------------------|----------------------|--------------------|---------------------------------------------|-----------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 2017/2018                                                |                                                                                                           |                                                                                                         |                                    |                                                | 2018/2019                                      |                          |                                    |                      |                    | 2019/2020                                   |                 |                      |                                                                                                                                           |
| SDBIP / OP REFERENCE                                     | ANNUAL TARGET                                                                                             | ANNUAL PROGRESS - ACTUAL                                                                                | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE                           | ANNUAL TARGET                                  | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                             |
| R & T 19                                                 | 0.4km of gravel roads upgraded to black top surface in Harewood Ward 20 by the 30th of June 2018          | 0.18km of gravel roads upgraded to black top surface in Harewood Ward 20 by the 30th of June 2018       | 2 (70% - 99%)                      | No KPIs included on the SDBIP for the 18 19 FY | No KPIs included on the SDBIP for the 18 19 FY | NOT APPLICABLE           | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                         | N/A             | PMD 19               | 0.25km of roadway, stormwater attenuation basin commissioned by the 30th of September 2020                                                |
| R & T 20                                                 | 1.9 km of gravel roads upgraded to black top surface in Ward 01 (Shayamoya Road) by the 30th of June 2018 | 0 km of gravel roads upgraded to black top surface in Ward 01 (Shayamoya Road) by the 30th of June 2018 | 1 (69% & below)                    | No KPIs included on the SDBIP for the 18 19 FY | No KPIs included on the SDBIP for the 18 19 FY | NOT APPLICABLE           | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                         | N/A             | PMD 20               | 1.2 km of gravel roads to black top surface with associated stormwater completed in Ward 3 (Mpanza Road) by the 30th of November 2019     |
| R & T 21                                                 | 0.5km of gravel roads upgraded to black top surface in Ward 4 by the 30th of June 2018                    | 0.5 km of gravel roads upgraded to black top surface in Ward 4 by the 30th of June 2018                 | 3 (100% - 129%)                    | No KPIs included on the SDBIP for the 18 19 FY | No KPIs included on the SDBIP for the 18 19 FY | NOT APPLICABLE           | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                         | N/A             | PMD 21               | 1.9 km of gravel roads upgraded to black top surface with associated stormwater in Ward 01 (Shayamoya Road) by the 30th of September 2019 |
| R & T 22                                                 | 1.00km of gravel roads upgraded to black top surface in Ward 5 by the 30th of June 2018                   | 0.65 km of gravel roads upgraded to black top surface in Ward 5 by the 30th of June 2018                | 1 (69% & below)                    | No KPIs included on the SDBIP for the 18 19 FY | No KPIs included on the SDBIP for the 18 19 FY | NOT APPLICABLE           | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                         | N/A             | PMD 22               | Design of 1.5 km of gravel road for Vulindlela ward 6 completed by the 31st of March 2020                                                 |

## EMPLOYEE: ROADS STORMWATER SERVICES

| Job Level    | 2017/2018     |            |               |                                     | 2018/2019     |           |               |                                     |
|--------------|---------------|------------|---------------|-------------------------------------|---------------|-----------|---------------|-------------------------------------|
|              | Employees No. | Posts No.  | Employees No. | Vacancies (as a % of total posts) % | Employees No. | Posts No. | Employees No. | Vacancies (as a % of total posts) % |
| T01-T03      | 115           | 325        | 207           | 36                                  | 118           |           |               |                                     |
| T04-T08      | 3             | 23         | 7             | 70                                  | 16            |           |               |                                     |
| T09-T13      | 14            | 35         | 29            | 17                                  | 6             |           |               |                                     |
| T14-T18      | 0             | 1          | 1             | 0                                   | 0             |           |               |                                     |
| T19-T22      | 0             | 0          | 0             | 0                                   | 0             |           |               |                                     |
| T23-T25      | 0             | 0          | 0             | 0                                   | 0             |           |               |                                     |
| <b>Total</b> | <b>132</b>    | <b>384</b> | <b>245</b>    | <b>36</b>                           | <b>139</b>    |           |               |                                     |

## FINANCIAL PERFORMANCE 2018/2019 : STORMWATER SERVICES

| Details                                          | 2017/2018     |                 | 2018/2019         |               | Variances to Budget % |
|--------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------------|
|                                                  | Actual        | Original Budget | Adjustment Budget | Actual        |                       |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>0</b>      | <b>0</b>        | <b>0</b>          | <b>0</b>      | <b>0</b>              |
| Expenditure:                                     |               |                 |                   |               |                       |
| Employees                                        | 18 877        | 50 114          | 23 196            | 22 616        | -2                    |
| Repairs and Maintenance                          | 3 009         | 2 709           | 1 917             | 1 848         | -3                    |
| Other                                            | 15 124        | 14 062          | 13 867            | 14 113        | 1                     |
| <b>Total Operational Expenditure</b>             | <b>37 010</b> | <b>66 885</b>   | <b>38 980</b>     | <b>38 577</b> | <b>-1</b>             |
| <b>Net operational (Service) Expenditure</b>     | <b>37 010</b> | <b>66 885</b>   | <b>38 980</b>     | <b>38 577</b> | <b>-1</b>             |

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

## CAPITAL EXPENDITURE - STORMWATER DRAINAGE

| Details                                            | 2018/2019 |                   |                    | Total Project Value |
|----------------------------------------------------|-----------|-------------------|--------------------|---------------------|
|                                                    | Budget    | Adjustment Budget | Actual Expenditure |                     |
| <b>Total All</b>                                   | <b>-</b>  | <b>2,507</b>      | <b>2,179</b>       | <b>-13</b>          |
| LEVS-Z2:SINATHING PORTAL CULVERT & BANK PROTECTION | -         | 2,507             | 2,179              | -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

## COMMENTS ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

The department has continued with its programme of maintaining storm water drainage. Only 26.7km of storm water channels were constructed in the 16/17 financial year. Due to financial constraints, the available funding is not enough to deal with storm water issues. 2017/18 seen the design on new storm water drainage and channelling, however this is currently put on hold with Water Usage License processes that have been introduced by the Department of Water and Sanitation. 2018/19 the construction of storm water and channels was taken over by the PMU running simultaneously with the roads projects. The Roads department continues to maintain the existing infrastructure as per the maintenance program.

## 1.7 MECHANICAL WORKSHOPS

### INTRODUCTION TO MECHANICAL WORKSHOPS

Mechanical Workshop is a sub-unit of the Infrastructure Services Unit. The Manager Mechanical Workshops reports directly to the General Manager Infrastructure Services.

Mechanical Workshops is responsible for the repairs and maintenance of Councils vehicle and plant. There are six workshops situated strategically around the City. Facility 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.

### 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 are Fire and Emergency services workshops which reports directly to the Chief Fire Officer. The five workshops are situated at the following locations and caters 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 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 caters for the following departments, Electricity, Head Office Pool, the Mayoral, Speakers Office, ABM, Library, Human Settlement, Environmental Health, Building.

#### TRAFFIC WORKSHOP

The workshop is situated at 21 Washington Road. The workshop caters 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 THE IDP |                                                                                                           |                                                                                                           |                                   |                      |                                                                                                           |                                                                                                               |                                   |                                                            |                                                                                                      |                                             |                                                                                                           |                      |                                                                                                                 |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------|
| 2017/2018                                                 |                                                                                                           |                                                                                                           |                                   |                      | 2018/2019                                                                                                 |                                                                                                               |                                   |                                                            | 2019/2020                                                                                            |                                             |                                                                                                           |                      |                                                                                                                 |
| SDBIP / OP REFERENCE                                      | ANNUAL TARGET                                                                                             | ANNUAL PROGRESS - ACTUAL                                                                                  | ACTUAL (1,2,3,4,5 Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                             | ANNUAL PROGRESS - ACTUAL                                                                                      | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION                                       | CORRECTIVE MEASURE                                                                                   | TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                                                           | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                   |
| FLT 02                                                    | 798 x Council vehicles and plant serviced by the 30th of June 2018                                        | A total of 52 vehicles were serviced for the month of June 2018                                           | 2 (70% - 99%)                     | MW 01                | 840 x Council vehicles and plant serviced by the 30th of June 2019                                        | 503 x Council vehicles and plant serviced by the 30th of June 2019                                            | 1 (69% & below)                   | Shortages of Funds, suppliers account are on non-payment   | Ensure suppliers are paid on time, and ensure vehicles that were                                     | 1-Jul-19                                    | Monthly Progress Report, Backlog report                                                                   | MW 01                | 800 x Council vehicles and plant serviced in the 19/20 FY by the 30th of June 2020                              |
| FLT 03                                                    | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2018 | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2018 | 3 (100% - 129%)                   | MW 02                | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2019 | 30 days turnaround time not achieved on council vehicles and plant repairs completed by the 30th of June 2019 | 1 (69% & below)                   | Plant vehicles requires parts that take longer than 30days | 60days Turnaround time to be implemented to include vehicles that take longer than 30days to service | 1-Jul-19                                    | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2019 | MW 02                | 30 days turnaround time in the 19/20 FY achieved on council vehicles repairs completed by the 30th of June 2020 |

| EMPLOYEE: MECHANICAL WORKSHOPS |               |           |               |                                     |                                     |
|--------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level                      | 2017/2018     |           | 2018/2019     |                                     |                                     |
|                                | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03                        | 23            | 51        | 22            | 29                                  | 56                                  |
| T04-T08                        | 7             | 14        | 6             | 8                                   | 57                                  |
| T09-T13                        | 21            | 28        | 23            | 5                                   | 21                                  |
| T14-T18                        | 0             | 1         | 0             | 1                                   | 100                                 |
| T19-T22                        | 0             | 0         | 0             | 0                                   | 0                                   |
| T23-T25                        | 0             | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b>                   | <b>51</b>     | <b>94</b> | <b>51</b>     | <b>43</b>                           | <b>45</b>                           |

| FINANCIAL PERFORMANCE 2018/2019 : MECHANICAL WORKSHOPS<br>R'000 |               |                 |                   |               |                       |
|-----------------------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------------|
| Details                                                         | 2017/2018     | 2018/2019       |                   |               |                       |
|                                                                 | Actual        | Original Budget | Adjustment Budget | Actual        | Variances to Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                | <b>0</b>      | <b>0</b>        | <b>0</b>          | <b>0</b>      |                       |
|                                                                 | 0             |                 |                   |               |                       |
| Employees                                                       | 15 171        | 13 556          | 15 824            | 15 920        | 1                     |
| Repairs and Maintenance                                         | 1 469         | 902             | 699               | 752           | 7                     |
| Other                                                           | 583           | 880             | 546               | 654           | 19                    |
| <b>Total Operational Expenditure</b>                            | <b>17 223</b> | <b>15 338</b>   | <b>17 069</b>     | <b>17 326</b> | <b>1</b>              |
| <b>Net operational (Service) Expenditure</b>                    | <b>17 223</b> | <b>15 338</b>   | <b>17 069</b>     | <b>17 326</b> | <b>1</b>              |

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

| CAPITAL EXPENDITURE : MECHANICAL WORKSHOPS<br>R'000 |             |                   |                    |                                |                     |
|-----------------------------------------------------|-------------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                             | 2018 / 2019 |                   |                    |                                |                     |
|                                                     | Budget      | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                    | <b>249</b>  | <b>246</b>        | <b>83</b>          | <b>-66</b>                     |                     |
| LEVS:AH:NEW:COMPUTER EQUIPMENT                      | 32          | 29                | 29                 | 0                              |                     |
| LEVS:AH:NEW:MACHINERY & EQUIPMENT                   | 217         | 217               | 54                 | -75                            |                     |

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 MECHANICAL WORKSHOPS OVERALL:

Mechanical Workshops serviced 435 versus a target of 504 vehicles for the financial year 18/19. Also a contributing factor to slow turn around time on repairs is the high vacancy rate in the Mechanical Workshops and turn around times on procuring of spares with SCM.

# COMPONENT B: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

This component includes: Planning, Local Economic Development, Airport, Building Control & Signage, Market, Human Settlements, Art Galleries & Environmental Health.

## 2.1 PLANNING

### INTRODUCTION TO PLANNING AND DEVELOPMENT

- (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 unauthorised land uses due to delay in finalising cases and a shortage of human capacity to enforce unauthorised land uses.

### INTRODUCTION TO PLANNING

- (i) A strategy of town planning for 2018/2019 was to be more pro-active in development by working hand-to-hand with developers who wants to invest in the city. A number of catalytic projects, amongst others include the Athlone Mixed Use development, the total value is R250 million, Mother to Child Hospital development, with the total value of R400, million and the Hill cove Mixed Used Development, and the total value for this will be about R22 billion rand.
- (ii) The Development Facilitation Committee was also established to fast-track development applications.
- (iii) The Municipal Planning Tribunal is up and running and sits twice a month in order to fast-track development application, all these processes are put into place in order to assist in enhancing development to the City which good for the City's revenue.
- (iv) During 2018/2019 financial year Town Planning Department undertook the following projects: -
  - (a) It reviewed the Ashburton Town Planning Scheme,
  - (b) It prepared the Land Use Regulatory Policy for land located outside the Town Planning Scheme,
  - (c) It prepared the Land Use Policy for land, which are situated outside the Town Planning Scheme,
  - (d) It prepared the Scottsville-Pelham Local Area Plan, which will be completed during 2019/20 Financial Year,
  - (e) Reviewed the Spatial Framework Plan, which will be completed during 2019/20 Financial Year, and
  - (f) It reviewed the Vuindlela Local Area Plan because of the inclusion of Ward 39 to the Msunduzi Municipality

| APPLICATIONS FOR LAND USE DEVELOPMENT |           |           |                             |
|---------------------------------------|-----------|-----------|-----------------------------|
| Detail                                | Frezoning |           |                             |
|                                       | 2017/2018 | 2018/2019 | Built environment 2018/2019 |
| Planning application received         | 33        | 46        | 57                          |
| Determination made in year of receipt | 22        | 18        | 37                          |
| Determination made in following year  | 08        | 16        | 10                          |
| Applications withdrawn                | 00        | 12        | 06                          |
| Applications outstanding at year end  | 03        | 00        | 04                          |

| SDBIP / OP REFERENCE | 2017/2018                                                                                                                                      |                                                                                     | 2018/2019                         |                      | 2019/2020                                                                                                       |                                                                                                     |                                               |                      |                                                                                                                                                                    |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                      | ANNUAL TARGET                                                                                                                                  | ANNUAL PROGRESS - ACTUAL                                                            | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                                              | TIMEFRAHE TO IMPLEMENT CORRECTIVE MEASURES                                                          | SOURCE DOCUMENT                               | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                      |
| TP & EM 13           | Draft inception report on the Local Area Plan Scottsville/Pelham prepared & submitted to SMC by the 30th of June 2018                          | Bid Spec report was submitted during the month of June                              | 2 (70% - 99%)                     | TP & EM 01           | Draft Local Area Plan for submission to SMC by the 30th of June 2019                                            | Draft Status Quo report was submitted to SMC on 01 July 2019                                        | SMC resolution dated 01 July 2019             | TPEM 9               | Draft Local Area Plan for Scottsville/Pelham prepared and submitted to SMC in the 1920 FY by the 30th of June 2020                                                 |
| TP & EM 14           | 1 x Draft Local Area Plan - Extension of Vuindlela (Ward 39) and Implementation Framework prepared & submitted to SMC by the 30th of June 2018 | PSC meeting and meetings with Traditional leader were held during the month of June | 2 (70% - 99%)                     | TP & EM 02           | Draft Local Area Plan for submission to SMC by the 30th of June 2019                                            | 'Draft Status Quo Report' was submitted to SMC on 25 June 2019                                      | SMC report dated 25 June 2019                 | TPEM 11              | SPLUMA application for Lamonts Vale containing all the studies prepared and submitted to the Municipal Planning Tribunal for approval by the 30th of June 2020     |
| TP & EM 22           | Final Draft Ashburton Town Planning Scheme Submitted to SMC For approval by the 30th of June 2018                                              | The Draft Ashburton Town Planning Scheme was submitted to SMC on 28 May 2018        | 3 (100% - 129%)                   | TP & EM 03           | Complete Ashburton Town Planning Scheme Submitted To SMC for approval by the 31st of December 2018              | Complete Ashburton Town Planning Scheme Submitted To SMC and approved by Council on 04 October 2018 | Full Council resolution dated 04 October 2018 | N/A                  | N/A                                                                                                                                                                |
| TP & EM 23           | Participation and consultation on the draft Land Use Management Policy and Clauses to be initiated by the 30th of June 2018                    | Public meetings were held during the month of May and June                          | 3 (100% - 129%)                   | TP & EM 04           | Complete a Draft Land Use and Regulatory guidelines and submit to SMC for approval by the 31st of December 2018 | The Draft Land Use Policy was approved by SMC on 01 July 2018                                       | SMC resolution dated 01 July 2018             | TP&EM 25             | Municipal Spatial Planning and Land Use Management Bylaws prepared and submitted to SMC for onwards transmission to Council for approval by the 31st of March 2020 |

| EMPLOYEE: TOWN PLANNING |               |           |               |                                      |                                     |
|-------------------------|---------------|-----------|---------------|--------------------------------------|-------------------------------------|
| Job Level               | 2017/2018     |           | 2018/2019     |                                      |                                     |
|                         | 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             | 7         | 3             | 4                                    | 57                                  |
| T09-T13                 | 15            | 39        | 14            | 25                                   | 64                                  |
| T14-T18                 | 5             | 5         | 6             | 0                                    | 0                                   |
| T19-T22                 | 0             | 0         | 0             | 0                                    | 0                                   |
| T23-T25                 | 0             | 0         | 0             | 0                                    | 0                                   |
| <b>Total</b>            | <b>23</b>     | <b>67</b> | <b>23</b>     | <b>44</b>                            | <b>66</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: PLANNING SERVICES<br>R'000 |               |                 |                   |              |                                |
|-------------------------------------------------------------|---------------|-----------------|-------------------|--------------|--------------------------------|
| Details                                                     | 2017/2018     |                 | 2018/2019         |              |                                |
|                                                             | Actual        | Original Budget | Adjustment Budget | Actual       | Variances to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>            | <b>-1 047</b> | <b>3</b>        | <b>3</b>          | <b>4 517</b> |                                |
| Expenditure:                                                |               |                 |                   |              |                                |
| Employees                                                   | 13 055        | 13 045          | 13 045            | 5 019        | -61%                           |
| Repairs and Maintenance                                     | 0             | 265             | 85                | 0            | -100%                          |
| Other                                                       | 7 398         | 9 799           | 9 308             | 4 551        | -51%                           |
| <b>Total Operational Expenditure</b>                        | <b>20 453</b> | <b>23 109</b>   | <b>22 435</b>     | <b>9 570</b> | <b>-57%</b>                    |
| <b>Net operational (Service) Expenditure</b>                | <b>19 406</b> | <b>23 106</b>   | <b>22 432</b>     | <b>5 053</b> | <b>-77%</b>                    |

| CAPITAL EXPENDITURE: PLANNING SERVICES<br>R'000 |           |                   |                    |                                |                     |
|-------------------------------------------------|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                         | 2018/2019 |                   |                    |                                |                     |
|                                                 | Budget    | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                |           |                   |                    |                                |                     |
| MANAYA HALL                                     | 0         | 2 923             | 1 852              | -36%                           |                     |
| YOUTH ENTERPRISE PARK                           | 0         | 8 385             | 492                | -94%                           |                     |
| LIGHT INDUSTRIAL HUB                            | 2 000     | 750               | 0                  | -100%                          |                     |

#### COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

As been mentioned under the introduction, the Sub- Unit has assisted and facilitated in approving some of those catalytic projects, which will assist revenue to the City. The priority is to make sure that Msunduzi as is located along the Sip 2 Corridor, it benefits in attracting investors to the City. The other priority is to see the implementation of the Airport Precinct Plan, which was approved by Council, due to lack of budget, the plan cannot be implemented. The 5-year targets, which has been set out in the IDP, cannot be implemented due to shortage of budget.

## 2.2 LOCAL ECONOMIC DEVELOPMENT

### INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

Inclusive economic development remains high in the national and provincial development agenda, the KwaZulu-Natal Provincial Development Plan, 2016, states that inclusive, expanded and sustained economic output is the fundamental driver for job creation and economic growth. In 2017, Msunduzi Municipality reviewed its Local Economic Development (LED) Strategy to align it to the national development agenda. The overall objective was to compile a strategy that will highlight areas that the Municipality needs to concentrate on to ensure that it creates an enabling environment for the local businesses within Msunduzi Local Municipality to thrive. Also, to develop a framework to act as a catalyst that drives and propels economic development, spatially guide investment and essentially become a development guide for the entire municipality.

While the overall objective of the LED strategy is to catalyse economic development, a number of sub-strategies were also developed in 2017/2018 that focus on the empowerment of specific sub-sectors within the overall context of local economic development. All these strategies align to the LED strategy, which acts as an overarching strategy informing the sub-strategies. The sub-strategies are: The Small, Medium and Micro-Enterprises (SMME) Strategy; The Cooperatives Strategy; The Youth Economic Empowerment Strategy; The Women Economic Empowerment Strategy; and The Disabled Economic Empowerment Strategy. The overall challenge of the previous strategies has been the implementation, to improve performance, the LED strategy and sub-strategies have been approved with detailed implementation plans. To date there has been significant capacity building and support programmes for small medium and micro enterprises and cooperatives, the focus being on the previously disadvantaged groups.

The Municipal Industrial Development Strategy (MIDS) adopted by Council during 2018/2019 was identified as one of the projects to be undertaken to ensure the expansion of and investment into the manufacturing sector. The intention was to formulate a Strategy based on identified development needs, opportunities, competitive and comparative advantages to inform and guide the Msunduzi Municipality to facilitate development, unlock latent industrial development potential, encourage private sector investment and create economic development and job opportunities for the poor. The strategy broadly recommends for ways of ensuring retention of existing industries (Enable and support existing industry), attraction of new industries – promotion of new entrants and support growth of industries – both existing and new entrants.

| ECONOMIC ACTIVITY BY SECTOR<br>Total Employment (Formal + Informal)<br>R'000                                 |                   |                   |
|--------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Gross Value Added by Region (GVA-R), Broad Economic Sectors (9 sectors), Constant 2010 prices (R 1000): 2017 |                   |                   |
| Sector                                                                                                       | UMgungundlovu     | Msunduzi          |
| Agriculture                                                                                                  | 4,091,173         | 1,082,470         |
| Mining                                                                                                       | 307,702           | 176,050           |
| Manufacturing                                                                                                | 6,349,435         | 4,105,442         |
| Electricity                                                                                                  | 1,436,779         | 995,071           |
| Construction                                                                                                 | 2,077,507         | 1,401,185         |
| Trade                                                                                                        | 7,020,400         | 4,773,666         |
| Transport                                                                                                    | 5,218,903         | 3,677,318         |
| Finance                                                                                                      | 8,072,282         | 6,093,219         |
| Community and social services                                                                                | 12,789,208        | 9,255,245         |
| Total Industries                                                                                             | 47,363,387        | 31,559,667        |
| Taxes less Subsidies on products                                                                             | 4,301,344         | 2,886,123         |
| <b>TOTAL (Gross Domestic Product – GDP)</b>                                                                  | <b>51,664,731</b> | <b>34,445,789</b> |

| ECONOMIC EMPLOYMENT BY SECTOR<br>Total Employment (Formal + Informal)<br>Jobs |                |                |
|-------------------------------------------------------------------------------|----------------|----------------|
| Sector                                                                        | UMgungundlovu  | Msunduzi       |
| Agriculture                                                                   | 24,356         | 7,098          |
| Mining                                                                        | 614            | 345            |
| Manufacturing                                                                 | 35,814         | 23,201         |
| Electricity                                                                   | 1,385          | 1,048          |
| Construction                                                                  | 22,793         | 13,303         |
| Trade                                                                         | 62,938         | 43,752         |
| Transport                                                                     | 15,341         | 10,251         |
| Finance                                                                       | 39,305         | 29,068         |
| Community and social services                                                 | 84,487         | 61,599         |
| Households                                                                    | 31,148         | 19,040         |
| <b>TOTAL:</b>                                                                 | <b>318,181</b> | <b>208,707</b> |

## COMMENTS ON LOCAL JOB OPPORTUNITIES:

Msunduzi municipality is experiencing high unemployment rates with an increase from 25.2% in 2016 to 25.4% in 2017. A number of retail developments, residential developments and industrial developments have been approved by the municipality during the 2018/2019 financial year, it is projected that once these are being implemented and or operational unemployment figures will change. Short-term employment has been achieved through the implementation of infrastructural projects such as the Integrated Rapid Public Transport Network, Neighbourhood Development Partnership projects, Small Town Rehabilitation - CoGTA projects etc. It is expected that long term opportunities will be created through the R5Billion government investment to the City through N3 Upgrade by SANRAL [N3 Corridor Durban – Gauteng].

| JOB CREATION THROUGH EPWP* PROJECTS |                   |                                        |
|-------------------------------------|-------------------|----------------------------------------|
| Details                             | EPWP Projects No. | Jobs created through EPWP Projects No. |
| 2016/2017                           | 24                | 721                                    |
| 2017/2018                           | 32                | 1813                                   |
| 2018/2019                           | 27                | 914                                    |

\*Extended Public Works Programme

| JOB CREATION THROUGH CWP* PROJECTS |                  |                                       |
|------------------------------------|------------------|---------------------------------------|
| Details                            | CWP Projects No. | Jobs created through CWP Projects No. |
| 2016/2017                          | 15               | 886                                   |
| 2017/2018                          | 15               | 1173                                  |
| 2018/2019                          | 18               | 1057                                  |

\*Community Works Programme implemented in partnership with KZN CoGTA

| LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                            |                                                                                                            |                                    |                      |                                                                                                                     |                                                                                                                                                                                 |                                    |                                                |                                                                                |                                            |                                                                  |                      |                                                                                                                             |
|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------|
| 2017/2018                                                       |                                                                                                            |                                                                                                            |                                    |                      | 2018/2019                                                                                                           |                                                                                                                                                                                 |                                    |                                                |                                                                                | 2019/2020                                  |                                                                  |                      |                                                                                                                             |
| SDBIP / OP REFERENCE                                            | ANNUAL TARGET                                                                                              | ANNUAL PROGRESS - ACTUAL                                                                                   | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                       | ANNUAL PROGRESS - ACTUAL                                                                                                                                                        | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                           | CORRECTIVE MEASURE                                                             | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                  | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                               |
| LED 06                                                          | SMME Strategy. Developed as per the approved LED Strategy & submitted to SMC by the 30th of September 2017 | SMME Strategy. Developed as per the approved LED Strategy & submitted to SMC by the 30th of September 2017 | 3 (100% - 129%)                    | DS 04                | 10 x Skills Development and training workshops facilitated for SMMEs and Co-ops by the 30th of June 2019            | 10x Training and Workshops for SMMEs and Cooperatives facilitated by the 30th June 2019.                                                                                        | 3 (100% - 129%)                    | N/A                                            | N/A                                                                            | N/A                                        | Attendance Registers.                                            | DS 1                 | 8 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th of June 2020                     |
| DS 28                                                           | 4 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th of June 2018    | 4 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th of June 2018    | 3 (100% - 129%)                    | DS 05                | 4x SMC Progress reports on the number of SMMEs and Co-ops assisted in mentorship programme by the 30th of June 2019 | 4x Reports on the number of SMMEs and Cooperatives assisted in mentorship programmes submitted to SMC by 30th June 2019.                                                        | 3 (100% - 129%)                    | N/A                                            | N/A                                                                            | N/A                                        | Copy of SMC Reports submitted.                                   | DS 3                 | 4x SMC Progress reports on the number of SMMEs and Co-ops assisted in mentorship programme by the 30th of June 2020         |
| DS 29                                                           | 10 x Co-ops identified, registered and assisted in the incubation programme by the 30th of June 2018       | 10 x Co-ops identified, registered and assisted in the incubation programme by the 30th of June 2018       | 3 (100% - 129%)                    | DS 06                | 60 Cooperatives and SMMEs visited by the 30th of June 2019                                                          | 60x SMMEs and Cooperatives visited by 30th June 2019.                                                                                                                           | 3 (100% - 129%)                    | N/A                                            | N/A                                                                            | N/A                                        | Copy of Site Visits log sheets.                                  | DS 2                 | 4 x reports prepared and submitted to SMC on 60 previously assisted Cooperatives and SMMEs visited by the 30th of June 2020 |
| EDS 4                                                           | 4 x Quarterly Development Facilitation meetings conducted by the 30th of June 2018                         | 5 x Quarterly Development Facilitation meetings conducted by the 30th of June 2018                         | 3 (100% - 129%)                    | DS 09                | 4 x Quarterly Development Facilitation meetings conducted by the 30th of June 2019                                  | 2 x Development Facilitation Committee (DFC) Meeting conducted. The latest one held on 14 June 2019. SMC report dated 21 June 2019 on DFC meetings facilitated during 2018/2019 | 1 (69% & below)                    | Poor planning in respect of setting of targets | Business unit to ensure that all are accounted for as per the approved target. | 19/20 FY                                   | DFC Agenda and Attendance Register. Copy of SMC Report submitted | N/A                  | N/A                                                                                                                         |

### EMPLOYEE: DEVELOPMENT SERVICES

| Job Level    | 2017/2018     |           | 2018/2019     |                                     | Vacancies (as a % of total posts) % |
|--------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
|              | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. |                                     |
| T01-T03      | 0             | 0         | 0             | 0                                   | 0                                   |
| T04-T08      | 0             | 0         | 0             | 0                                   | 0                                   |
| T09-T13      | 9             | 13        | 8             | 5                                   | 38                                  |
| T14-T18      | 1             | 2         | 1             | 1                                   | 50                                  |
| T19-T22      | 0             | 0         | 0             | 0                                   | 0                                   |
| T23-T25      | 0             | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b> | <b>10</b>     | <b>21</b> | <b>9</b>      | <b>12</b>                           | <b>57</b>                           |

### FINANCIAL PERFORMANCE 2018/2019: DEVELOPMENT SERVICES

| Details                                          | 2017/2018    |                 | 2018/2019         |              | Variances to Adjusted Budget % |
|--------------------------------------------------|--------------|-----------------|-------------------|--------------|--------------------------------|
|                                                  | Actual       | Original Budget | Adjustment Budget | Actual       |                                |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>0</b>     | <b>0</b>        | <b>0</b>          | <b>0</b>     | <b>0</b>                       |
| Expenditure:                                     |              |                 |                   |              |                                |
| Employees                                        | 4 942        | 6 078           | 6 078             | 6 379        |                                |
| Repairs and Maintenance                          | 0            |                 |                   |              |                                |
| Other                                            | 1 199        | 2 965           | 1 695             | 984          |                                |
| <b>Total Operational Expenditure</b>             | <b>6 141</b> | <b>9 043</b>    | <b>7 773</b>      | <b>7 363</b> |                                |
| <b>Net operational (Service) Expenditure</b>     | <b>6 141</b> | <b>9 043</b>    | <b>7 773</b>      | <b>7 363</b> |                                |

### CAPITAL EXPENDITURE: DEVELOPMENT SERVICES

| Details                             | 2018/2019 |                   |                    | Total Project Value |
|-------------------------------------|-----------|-------------------|--------------------|---------------------|
|                                     | Budget    | Adjustment Budget | Actual Expenditure |                     |
| No Capital Expenditure in 2018/2019 | N/A       | N/A               | N/A                | N/A                 |

### COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The KwaZulu-Natal Provincial Development Plan, 2016, identifies Msunduzi Municipality as provincial Secondary Node and thus an urban centre with good existing economic development and the potential for growth and services to the regional economy.



**The adopted vision for local economic development is:**

“Msunduzi Municipality is of a globally competitive metropolitan city of choice which capitalizes on its strategic location, environment, cultural heritage and educational facilities in creating a choice quality of life for all, whilst actively creating an enabling environment for local economic development directed towards economic growth, prosperity, alleviation of poverty and job creation.”

This can be achieved through focus on strategic issues such as spatial transformation and land availability, infrastructural development and service support, the implementation of integrated catalytic projects such as the Techno Hub, the Edendale Town Centre etc., support and promotion of key industrial sectors, protective environmental and social measures and institutional support. The approved LED Strategy and sub-strategies together with their implementation plans are steering the municipality towards achieving this vision. Economic Development targets for 2018/2019 were achieved within the allocated budget, however a need for an increased capital and operational budget allocation is necessary in order to implement more projects and support SMMEs & Cooperatives to increase the impact on the community.

**2.3 AIRPORT**

**INTRODUCTION TO AIRPORT SERVICES**

It is the Airport's key role to sell aeronautical services and facilities (i.e. the provision of runways, taxiways, aprons and terminals) to airlines. The airport also sells services such as shops, office space, hangarage and car parks, usually through concessionaires, direct to the passengers, local residents and other customers. The biggest challenge faced by the airport is limited capital funding and ageing infrastructure. In the 2018/19 financial year the key capital project is the parameter fence. This will ensure and increase safety and security at the airport as well as ensuring compliance with legislation. 25% of this project will be subcontracted to a local service provider thus ensuring community benefit.

| AIRPORT SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                   |                                                                                                                        |                                    |                      |                                                              |                                                              |                                    |                      |                    |                                            |                                         |                      |                                                                                                     |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------------------------------------------------|--------------------------------------------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------|-----------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------|
| 2017/2018                                             |                                                                                                                                   |                                                                                                                        |                                    |                      |                                                              | 2018/2019                                                    |                                    |                      |                    |                                            |                                         | 2019/2020            |                                                                                                     |
| SDBIP / OP REFERENCE                                  | ANNUAL TARGET                                                                                                                     | ANNUAL PROGRESS - ACTUAL                                                                                               | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                | ANNUAL PROGRESS - ACTUAL                                     | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                         | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                       |
| LED 04                                                | Compliance with Airport Maintenance Schedule (building faults, landscaping, plumbing & electric repairs) by the 30th of June 2018 | Adjudication completed September 2017. Award still under objection.                                                    | 2 (70% - 99%)                      | CE 02                | 750m fencing installed at the PMB Airport by 31 January 2019 | 750m fencing installed at the PMB Airport by 31 January 2019 | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | Invoices and certificate of completion. | CE 02                | 3km clearvu parameter fencing installed at the PMB Airport in the 19/20 FY by the 30th of June 2020 |
| LED 09                                                | 100% provision of Airport Navigation services at the PMB airport by the 30th of June 2018                                         | 100% provision of Airport Navigation services at the PMB airport by the 30th of June 2018                              | 3 (100% - 129%)                    | N/A                  | N/A                                                          | N/A                                                          | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A                                     | N/A                  | N/A                                                                                                 |
| LED 10                                                | 100% Provision of X-ray services for the screening of passengers and goods at the PMB airport                                     | 100% Provision of X-ray services for the screening of passengers and goods at the PMB airport by the 30th of June 2018 | 3 (100% - 129%)                    | N/A                  | N/A                                                          | N/A                                                          | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A                                     | N/A                  | N/A                                                                                                 |
| LED 11                                                | 100% security provision at the PMB airport                                                                                        | 100% security provision at the PMB airport by the 30th of June 2018                                                    | 3 (100% - 129%)                    | N/A                  | N/A                                                          | N/A                                                          | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A                                     | N/A                  | N/A                                                                                                 |

| EMPLOYEE: AIRPORT SERVICES |               |           |               |                                     |                                     |           |
|----------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|-----------|
| Job Level                  | 2017/2018     |           | 2018/2019     |                                     |                                     |           |
|                            | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |           |
| T01-T03                    | 2             | 2         | 1             |                                     |                                     | 50        |
| T04-T08                    | 5             | 7         | 6             | 1                                   |                                     | 14        |
| T09-T13                    | 0             | 1         | 1             | 0                                   |                                     | 0         |
| T14-T18                    | 1             | 1         | 1             | 0                                   |                                     | 0         |
| T19-T22                    | 0             | 0         | 0             | 0                                   |                                     | 0         |
| T23-T25                    | 0             | 0         | 0             | 0                                   |                                     | 0         |
| <b>Total</b>               | <b>8</b>      | <b>11</b> | <b>9</b>      | <b>2</b>                            |                                     | <b>18</b> |

## FINANCIAL PERFORMANCE 2018/2019: AIRPORT SERVICES R'000

| Details                                          | 2017/2018      |                 | 2018/2019         |                |                                 |
|--------------------------------------------------|----------------|-----------------|-------------------|----------------|---------------------------------|
|                                                  | Actual         | Original Budget | Adjustment Budget | Actual         | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>-11 985</b> | <b>-7 068</b>   | <b>-7 068</b>     | <b>-10 360</b> | <b>47%</b>                      |
| Expenditure:                                     |                |                 |                   |                |                                 |
| Employees                                        | 389            | 1 300           | 1 300             | 2 435          | 87%                             |
| Repairs and Maintenance                          | 889            | 59              | 248               | 87             | -64%                            |
| Other                                            | 7 321          | 15 500          | 13 508            | 8 908          | -34%                            |
| <b>Total Operational Expenditure</b>             | <b>8 599</b>   | <b>16 859</b>   | <b>15 056</b>     | <b>11 430</b>  | <b>-24%</b>                     |
| <b>Net operational (Service) Expenditure</b>     | <b>-4 664</b>  | <b>9 791</b>    | <b>7 988</b>      | <b>1 070</b>   | <b>-89%</b>                     |

## CAPITAL EXPENDITURE: AIRPORT SERVICES R'000

| Details                 | 2018/2019 |                   |                    |                                 |                     |
|-------------------------|-----------|-------------------|--------------------|---------------------------------|---------------------|
|                         | Budget    | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>        |           |                   |                    |                                 |                     |
| NEW COMPUTER EQUIPMENT  | 0         | 99                | 79                 | -19%                            |                     |
| NEW FURNITURE EQUIPMENT | 0         | 75                | 39                 | -47%                            |                     |
| NEW MACHINERY           | 1 500     | 760               | 719                | -5%                             |                     |
| NEW FENCE               | 2 779     | 2 809             | 2 808              | 0%                              |                     |

### COMMENT ON THE PERFORMANCE OF AIRPORT SERVICES OVERALL:

Top capital projects for the airport are the Fence, Apron Refurbishment, Runway Resurfacing, CCTV cameras. The successful implementation of these projects will ensure a safe and compliant airport. It will also increase security levels as well as operational efficiency at the airport. In the 2019/20 the project that has been funded is the fence and has been given priority.

## 2.4 BUILDING CONTROL & SIGNAGE

### INTRODUCTION TO BUILDING CONTROL & SIGNAGE

The Building Control and Signage Sub-unit controls building construction and outdoor advertising signage in the city. This is done through compliance with the National Building Regulations and Building Standards Act, 1977, the SANS 10400, and the Msunduzi Municipality Advertising Signs Bylaws. This section has seen several changes over the year:

- On the Building Control side, the staff complement was reduced during the year due to the resignation of one Building Inspector. This post has not yet been filled. Regarding the vacant and funded Law Enforcement Officer post, this was advertised as "Senior Building Enforcement Officer" and still remains to be filled but an alternative arrangement has been made through Traffic & Security to provide an officer on a three month secondment basis. This however does not assist with the continuation of the work of the enforcement officer and the lack of issuing summons and executing Warrants of Arrests.

Regarding the Priority posts, we had requested six Building Inspectors but none was advertised. This is a major challenge in covering the growing zones within the city following the resignation of one Building Inspector and no filling of the previously vacated posts. In addition, one Senior Building Inspector and two Plans Examiners were advertised. Regarding the three-year fixed term contracts, we had requested six Building Inspectors, two Plans Examiners and one Senior Building Inspector but the Human Resources advertised two Building Inspectors and one Senior Building Inspector. The section appointed a permanent Plans Examiner in August 2017 and the second Plans Examiner in June 2018. However, one of the plan examiner resigned and commenced work as a building inspector.

The plan examiner post was not filled in and currently stalling delivery of plan assessment as this is now the responsibility of one plan examiner.

The post was advertised internally; no short-listing was done to date. (Critical). The post of one Technical Clerk was advertised internally, no short-listing is done to date. (Critical).

- During the year the Plan Approval Systems have been further improved:

Plan Approval Management software has been operating well and reducing approval times. The appointed service provider with ICT implemented necessary enhancements and upgrades to the system and all glitches were fixed.

The Plan Approval Committee has continued to ensure delays are minimised and to address the risk of possible fraud and corruption in the plan approval process.

Msunduzi Municipality in consultation with COGTA has assisted various other Municipalities. Our unit has hosted various Municipalities within KZN region who are now adopting our plan approval process.

- On the Outdoor Advertising side there has been great improvement – there has been an appointment of the Signage Officer post in January 2017 and one Signs Inspector in June 2018.

Since the previous Signage Management Service Provider contract ended on 31 December 2015, SCM processes are underway to appoint a new Service Provider (Management Company) to provide support as well as the appointment of Co-operatives. The Management Tender is currently at Bid Adjudication Committee.

4. The Bid Adjudication Committee turn down the report and requested the report to be amended to allow for an Audit of all signage in the Municipality jurisdiction. A report was prepared and presented to BSC and waiting for the panel to consider the report. Other initiatives, which have contributed, to the control of signage and promise substantial revenue for the City are:  
The renewal of Billboard contracts for all Billboards in the City is in the process of being finalised.

| SDBIP / OP REFERENCE | 2017/2018                                                                                                                                                                                                                  |                                                                                                                                                                                                                                      |                                    |                      | 2018/2019                                                                                                                                                                                          |                                                                                                                                                                                                     |                                    |                                                                                                    | 2019/2020                                                                                    |                                                                                                                                                   |                                                                  |                      |                                                                                                                                                                                                    |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                      | ANNUAL TARGET                                                                                                                                                                                                              | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                             | ACTUAL (1-2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                                      | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                            | ACTUAL (1-2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                               | CORRECTIVE MEASURE                                                                           | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES                                                                                                        | SOURCE DOCUMENT                                                  | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                                      |
| BC & EH 18           | 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 2018                         | 100% of Building Plan Applications <500m2 (total 612) processed for approval by the Plan Approval Committee within an average of 30 days (actual average = 25 days) from date of receipt of the application by the 30th of June 2018 | 3 (100% - 129%)                    | BC & LIC 01          | 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 2019 | 100% of (768) Building Plan Applications <500m2 processed for approval by the Plan Approval Committee within an average of 21 days from date of receipt of the application by June 2019             | 3 (100% - 129%)                    | N/A                                                                                                | N/A                                                                                          | N/A                                                                                                                                               | Matrix of plans submitted to PAC for approval                    | TP&EM 38             | 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 2020 |
| BC & EH 19           | 592 building contravention inspections conducted for illegal building works by the 30th of June 2018                                                                                                                       | 642 building contravention inspections conducted for illegal building works by the 30th of June 2018                                                                                                                                 | 3 (100% - 129%)                    | BC & LIC 02          | 600 building contravention inspections conducted for illegal building works by the 30th of June 2019                                                                                               | 851 building contravention inspections conducted for illegal building works by the 30th of June 2019                                                                                                | 4 (180% - 149%)                    | N/A                                                                                                | N/A                                                                                          | N/A                                                                                                                                               | Matrix of contravention notices served by the building inspector | TP&EM 39             | 600 building contravention inspections conducted for illegal building works by the 30th of June 2020                                                                                               |
| BC & EH 20           | Average of 3 days after receipt of application taken to process (approve or decline) all Poster, Banner or Flag applications by the 30th of June 2018                                                                      | Average of 1, 347 days after receipt of application taken to process (approve or decline) all Poster, Banner or Flag applications by the 30th of June 2018                                                                           | 4 (180% - 149%)                    | BC & LIC 03          | Average of 3 days after receipt of application taken to process (approve or decline) all Poster, Banner or Flag applications by the 30th of June 2019                                              | Average of 1 day after receipt of applications (11) taken to process (approve or decline) all Poster, Banner or Flag applications by 30th June 2019, 167 applications received in by 30th June 2019 | 3 (100% - 129%)                    | N/A                                                                                                | N/A                                                                                          | N/A                                                                                                                                               | List of applications received by the Signage department          | TP&EM 40             | Average of 3 days after receipt of application taken to process (approve or decline) all Poster, Banner or Flag applications by the 30th of June 2020                                              |
| BC & EH 21           | 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2018. Received but not processed but in progress | 7 x Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2018. Received but not processed but in progress                  | 2 (70% - 99%)                      | BC & LIC 04          | 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2019                     | 0% of applications processed by 30th June 2019                                                                                                                                                      | 1 (69% & below)                    | The original report for the appointment of a Management company for Billboards was rejected by BAC | BAC requested the report to be amended for an Audit of all Billboards by a service provider. | A report has been submitted to BSC for the appointment of a service provider however the funding allocated has been spent and require new funding | Copy of BSC REPORT                                               | TP&EM 41             | 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2020                     |

| APPROVED BUILDING PLAN INFORMATION FOR THE MSUNDUZI MUNICIPALITY FOR THE PERIOD 1 JULY 2018 TO 30 JUNE 2019 |                                      |      |            |                                        |       |             |              |      |      |                                   |       |             |                                  |      |            |                                        |            |      |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------|------|------------|----------------------------------------|-------|-------------|--------------|------|------|-----------------------------------|-------|-------------|----------------------------------|------|------------|----------------------------------------|------------|------|
| Job Level                                                                                                   | 1 Residential Dwelling Houses Passed |      |            | 3 Other Residential-Flats, Hotels Etc. |       |             | 2 RPD Passed |      |      | 4 Non Residential- Private Sector |       |             | 5 Non Residential- Public Sector |      |            | 6 Alteration & Additions-All Buildings |            |      |
|                                                                                                             | No.                                  | Area | Cost       | No.                                    | Area  | Cost        | No.          | Area | Cost | No.                               | Area  | Cost        | No.                              | Area | Cost       | No.                                    | Area       | Cost |
| JULY                                                                                                        | 14                                   | 4131 | 21 933 000 | 0                                      | 0     | 0           | 0            | 0    | 0    | 0                                 | 0     | 0           | 66                               | 4001 | 38 280 500 | 0                                      | 0          | 0    |
| AUGUST                                                                                                      | 6                                    | 3010 | 18 084 000 | 3                                      | 4013  | 43 000 000  | 0            | 0    | 0    | 1                                 | 702   | 2 300 000   | 0                                | 0    | 53         | 3207                                   | 14 370 000 | 0    |
| SEPTEMBER                                                                                                   | 10                                   | 2520 | 14 965 000 | 0                                      | 0     | 0           | 0            | 0    | 0    | 1                                 | 4853  | 35 000 000  | 0                                | 0    | 47         | 2745                                   | 13957000   | 0    |
| OCTOBER                                                                                                     | 13                                   | 4498 | 25 935 000 | 40                                     | 18689 | 101 186 000 | 0            | 0    | 0    | 2                                 | 37427 | 149 000 000 | 0                                | 0    | 83         | 6180                                   | 26 799 290 | 0    |
| NOVEMBER                                                                                                    | 7                                    | 2076 | 10 530 500 | 23                                     | 2390  | 13 000 000  | 0            | 0    | 0    | 0                                 | 0     | 0           | 0                                | 0    | 54         | 4346                                   | 47 986 000 | 0    |
| DECEMBER                                                                                                    | 5                                    | 1889 | 9 730 000  | 0                                      | 0     | 0           | 0            | 0    | 0    | 0                                 | 0     | 0           | 0                                | 0    | 29         | 4282                                   | 18 063 800 | 0    |
| JANUARY                                                                                                     | 5                                    | 2544 | 13 898 000 | 20                                     | 1640  | 8 200 000   | 0            | 0    | 0    | 0                                 | 0     | 0           | 0                                | 0    | 34         | 2568                                   | 9 806 500  | 0    |
| FEBRUARY                                                                                                    | 10                                   | 3579 | 26 474 000 | 0                                      | 0     | 0           | 0            | 0    | 0    | 0                                 | 0     | 0           | 0                                | 0    | 64         | 5845                                   | 21 696 500 | 0    |
| MARCH                                                                                                       | 9                                    | 3099 | 17 478 500 | 0                                      | 0     | 0           | 0            | 0    | 0    | 1                                 | 22564 | 135 000 000 | 0                                | 0    | 51         | 6831                                   | 29 763 000 | 0    |
| APRIL                                                                                                       | 16                                   | 4260 | 26 132 500 | 0                                      | 0     | 0           | 0            | 0    | 0    | 3                                 | 3783  | 19 839 000  | 0                                | 0    | 56         | 5784                                   | 29 689 500 | 0    |
| MAY                                                                                                         | 12                                   | 3564 | 19 235 000 | 10                                     | 1054  | 5 000 000   | 0            | 0    | 0    | 2                                 | 18006 | 70 800 000  | 0                                | 0    | 92         | 7990                                   | 56 027 500 | 0    |
| JUNE                                                                                                        | 3                                    | 978  | 4 484 000  | 0                                      | 0     | 0           | 0            | 0    | 0    | 3                                 | 7896  | 36 300 000  | 0                                | 0    | 55         | 5443                                   | 21 709 500 | 0    |

| EMPLOYEE: BUILDING CONTROL & SIGNAGE |               |           |               |                                      |                                     |   |
|--------------------------------------|---------------|-----------|---------------|--------------------------------------|-------------------------------------|---|
| Job Level                            | 2017/2018     | 2018/2019 |               |                                      |                                     |   |
|                                      | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No.) | Vacancies (as a % of total posts) % |   |
| T01-T03                              | 0             | 0         | 0             | 0                                    | 0                                   | 0 |
| T04-T08                              | 3             | 4         | 3             | 1                                    | 25                                  |   |
| T09-T13                              | 21            | 45        | 22            | 23                                   | 51                                  |   |
| T14-T18                              | 1             | 1         | 0             | 1                                    | 100                                 |   |
| T19-T22                              | 0             | 0         | 0             | 0                                    | 0                                   |   |
| T23-T25                              | 0             | 0         | 0             | 0                                    | 0                                   |   |
| <b>Total</b>                         | <b>25</b>     | <b>52</b> | <b>25</b>     | <b>27</b>                            | <b>52</b>                           |   |

| EMPLOYEE: LAND SURVEY |               |           |               |                                     |                                     |
|-----------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level             | 2017/2018     | 2018/2019 |               |                                     |                                     |
|                       | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03               | 3             | 9         | 7             | 2                                   | 22                                  |
| T04-T08               | 1             | 3         | 2             | 1                                   | 33                                  |
| T09-T13               | 6             | 10        | 10            | 0                                   | 0                                   |
| T14-T18               | 0             | 2         | 2             | 0                                   | 0                                   |
| T19-T22               | 0             | 0         | 0             | 0                                   | 0                                   |
| T23-T25               | 0             | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b>          | <b>10</b>     | <b>23</b> | <b>21</b>     | <b>2</b>                            | <b>9</b>                            |

| EMPLOYEE: LICENSING |               |           |               |                                     |                                     |
|---------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level           | 2017/2018     | 2018/2019 |               |                                     |                                     |
|                     | 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             | 2             | 3         | 2             | 1                                   | 33                                  |
| T09-T13             | 6             | 12        | 7             | 5                                   | 42                                  |
| T14-T18             | 1             | 1         | 1             | 0                                   | 0                                   |
| T19-T22             | 0             | 0         | 0             | 0                                   | 0                                   |
| T23-T25             | 0             | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b>        | <b>7</b>      | <b>17</b> | <b>7</b>      | <b>10</b>                           | <b>59</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: BUILDING CONTROL & SIGNAGE<br>R'000 |               |                 |                   |               |                                 |
|----------------------------------------------------------------------|---------------|-----------------|-------------------|---------------|---------------------------------|
| Details                                                              | 2017/2018     | 2018/2019       |                   |               |                                 |
|                                                                      | Actual        | Original Budget | Adjustment Budget | Actual        | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                     | <b>-3 383</b> | <b>-1 362</b>   | <b>-1 362</b>     | <b>-3 053</b> | <b>124</b>                      |
| Expenditure:                                                         |               |                 |                   |               |                                 |
| Employees                                                            | 12 680        | 11 126          | 11 126            | 15 699        | 41%                             |
| Repairs and Maintenance                                              | 343           | 733             | 621               | 574           | -7%                             |
| Other                                                                | 639           | 1 837           | 1 472             | 899           | -39%                            |
| <b>Total Operational Expenditure</b>                                 | <b>13 662</b> | <b>13 696</b>   | <b>13 219</b>     | <b>17 172</b> | <b>29</b>                       |
| <b>Net operational (Service) Expenditure</b>                         | <b>10 279</b> | <b>12 334</b>   | <b>11 857</b>     | <b>14 119</b> | <b>19%</b>                      |

| CAPITAL EXPENDITURE: BUILDING CONTROL & SIGNAGE<br>R'000 |           |                   |                    |                                 |                     |
|----------------------------------------------------------|-----------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                                  | 2018/2019 |                   |                    |                                 |                     |
|                                                          | Budget    | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                         |           |                   |                    |                                 |                     |
| NEW COMPUTER AND OFFICE EQUIPMENT                        | 200       | 152               | 142                | -6%                             |                     |

#### COMMENT ON THE PERFORMANCE OF BUILDING CONTROL & SIGNAGE OVERALL:

The Building Control and Signage section started off well during the first half of the 2018/19 financial year due to the additional staff members recruited during the year. However, production started lagging during the second half due to the resignation of a plan examiner, the non-filling of vacant posts. This situation was due to be improved when the newly approved organisational structure was implemented, especially with appointment of an additional Plan Examiner or two. These posts are critical to improving the service of approval of building plans. The Sub-unit managed to appoint one Technical Clerk/Plans Administrator by the 1st of June 2017 which improved the receiving of building plan applications.

The enhancements to the Plan Approval System is on an as-and-when-required basis and the service provider has installed the new Build of Engage and they have moved the Application to a new server. The service provider has created a new link via [Buildingplans@msunduzi.gov.za](mailto:Buildingplans@msunduzi.gov.za) to all its users. Testing is ongoing for this new Build for enhancement though the service provider is experiencing challenges in accessing the server. This has been resolved as the new Build is loaded on to the server and operational. The service provider is attending to occasional ad hoc queries raised by all relevant department. This has shown signs of improved quality and quantity of Building Plans Approved and the service delivered.

The system can now identify all plans submitted and approved that have been moved to the building inspector stage on GIS map for each inspector's zone. It also has an improved reporting function.

The Outdoor Advertising function is still experiencing challenges due to shortage of experienced management and operational staff, but strategies for better control of legal advertising and eradication of illegal advertising have been developed and promise to deliver more control, a cleaner city, and increased revenue to the council during the 2017/18 financial year.

The tender for the Management of Advertising Signage is at Bid Adjudication Committee and, the Clean-up Co-operative was appointed during May 2018 and rendered its services during mid-June 2018. The Manager Building Control & Signage has resigned during December 2018, and the post has not been advertised to date.

Currently the appointment of an Acting Manager assists with the daily functions of the unit. This does not allow continuation of work and proper management of the unit. The appointment of the Manager is crucial to ensure service delivery continues and proper functioning of the unit.

## 2.5 MARKET

### INTRODUCTION TO MARKET SERVICES

The Pietermaritzburg Fresh Produce Market operates through a system of market agencies, market agents acting as the link between sellers and buyers. The main products traded are potatoes, onions, tomatoes, vegetables, bananas and fruit. The crucial variable determining the economic viability of the market is the volume of business, or the tonnage throughput. The market has been able to maintain its No 5 spot out of 18 national markets listing. This can be attributed to the tight financial control system and the market upgrade.

The main project at the market for the 2018/19 FY was to replace cold room fans that where not in operation also to do refurbishment to the downpipes that were leaking.

The aim is to change exit gates that are broken in 2019/2020.

| 2017/2018            |                                                                                                        | MARKET SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                    |                      |                                                                                                  |                                                                                                  |                                    |                      |                    |                                            |                                         | 2018/2019            |                                                                                                    | 2019/2020 |  |
|----------------------|--------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------|----------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------|-----------------------------------------|----------------------|----------------------------------------------------------------------------------------------------|-----------|--|
| SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                          | ANNUAL PROGRESS - ACTUAL                             | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                    | ANNUAL PROGRESS - ACTUAL                                                                         | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                         | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                      |           |  |
| SC 01                | 100% Renovation of Market building (Ceilings, painting and electrical wiring) by the 30th of June 2018 | Project Completed                                    | 3 (100% - 129%)                    | CE 01                | 12 x installation of cold-room fans at the Msunduzi Market completed by the 31st of January 2019 | 12 x installation of cold-room fans at the Msunduzi Market completed by the 31st of January 2019 | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | Invoices and certificate of completion. | CE 03                | 3 x cold-rooms at the Municipal Market to be refurbished in the 19/20 FY by the 30th of April 2020 |           |  |
| COM DEV 11           | 100% Construction of the Market Pallet Park by the 30th of June 2018                                   | Project Completed                                    | 3 (100% - 129%)                    | N/A                  | N/A                                                                                              | N/A                                                                                              | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A                                     | CE 04                | 9 x exit gates at the Municipal market to be replaced in the 19/20 FY by the 31st of March 2020    |           |  |
| LED 02               | 100% Refurbishment of Derby Market Building by the 31st of May 2018                                    | Project Completed                                    | 3 (100% - 129%)                    | N/A                  | N/A                                                                                              | N/A                                                                                              | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A                                     | N/A                  | N/A                                                                                                |           |  |

### EMPLOYEE: MARKET SERVICES

| Job Level    | 2017/2018     |           | 2018/2019     |                                      | Vacancies (as a % of total posts) % |
|--------------|---------------|-----------|---------------|--------------------------------------|-------------------------------------|
|              | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. |                                     |
| T01-T03      | 16            | 16        | 14            | 2                                    | 13                                  |
| T04-T08      | 21            | 30        | 21            | 9                                    | 30                                  |
| T09-T13      | 8             | 10        | 8             | 2                                    | 20                                  |
| T14-T18      | 1             | 1         | 0             | 1                                    | 100                                 |
| T19-T22      | 0             | 0         | 0             | 0                                    | 0                                   |
| T23-T25      | 0             | 0         | 0             | 0                                    | 0                                   |
| <b>Total</b> | <b>46</b>     | <b>57</b> | <b>43</b>     | <b>14</b>                            | <b>25</b>                           |

### FINANCIAL PERFORMANCE 2018/2019: MARKET SERVICES

| Details                                          | 2017/2018      |                 | 2018/2019         |                | Variances to Adjusted Budget % |
|--------------------------------------------------|----------------|-----------------|-------------------|----------------|--------------------------------|
|                                                  | Actual         | Original Budget | Adjustment Budget | Actual         |                                |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>-28 071</b> | <b>-12 378</b>  | <b>-12 378</b>    | <b>-20 863</b> | <b>68%</b>                     |
| Expenditure:                                     |                |                 |                   |                |                                |
| Employees                                        | 10 902         | 9 771           | 9 771             | 10 691         | 9%                             |
| Repairs and Maintenance                          | 1 034          | 1 812           | 1 365             | 1 153          | -15%                           |
| Other                                            | 2 147          | 3 148           | 2 729             | 1 836          | -32%                           |
| <b>Total Operational Expenditure</b>             | <b>14 083</b>  | <b>14 731</b>   | <b>13 865</b>     | <b>13 680</b>  | <b>-1%</b>                     |
| <b>Net operational (Service) Expenditure</b>     | <b>-13 988</b> | <b>2 353</b>    | <b>1 487</b>      | <b>-7 183</b>  |                                |

| CAPITAL EXPENDITURE: MARKET SERVICES<br>R'000 |           |                   |                    |                                |                     |
|-----------------------------------------------|-----------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                       | 2018/2019 |                   |                    |                                |                     |
|                                               | Budget    | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                              |           |                   |                    |                                |                     |
| BUILDING PARLET PARK                          | 0         | 603               | 446                | -25%                           |                     |
| COLD ROOMS                                    | 500       | 291               | 291                | 100%                           |                     |

#### COMMENT ON THE PERFORMANCE OF MARKET SERVICES OVERALL:

The market is embarking on the marketing drive where we visit our fruit and veg outlets to come and buy at the market. The impact of our marketing was good because we manage to keep our main buyers and get feedback on things that we can improve.

Currently we have 128 big buyers that come to market every day. The market is also working with UMEDA which is (UMgungundlovu development agency) on RASET program to try to educate small-scale farmers about commercial market.

Pietermaritzburg market manages to keep no 5 position comparing to 18 markets around South Africa, though there was decline in turnover and tonnages in all markets due to the economic situation South Africa is facing compared to the 2017/2018 financial year.

## 2.6 HUMAN SETTLEMENTS

### INTRODUCTION TO HUMAN SETTLEMENTS

The Human Settlements Sector Plan sets out housing delivery goals and targets for the municipality and provides an approach to housing delivery and spatial transformation. The Housing Sector Plan is reviewed annually together with the Integrated Development Plan of the Municipality. Msunduzi Municipality developed its first Housing Sector Plan in 2011. The Human Settlements Sub-Unit is currently reviewing its 2015/16 Human Settlements Sector Plan, which anticipates its approval by Council in 2019.

Similarly, to other secondary cities in South Africa, the Msunduzi Municipal spatial character depicts the legacy of apartheid planning and high levels of urbanisation. There are currently seventy identified informal settlements located in different parts of the city with limited basic services.

#### SOME OF THE KEY OBJECTIVES OF THE HOUSING 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 housing projects through funding from the Department of Human Settlements. Since 2004, the Municipality has delivered approximately 26 398 housing units with access to basic services (water, electricity, roads, storm water, etc.).
- The Human Settlements Sub Unit is made up of four (4) Sections with each focusing on key programmes of human settlements:

#### - INFORMAL SETTLEMENT

This section facilitates the National Upgrading Support Programme which seeks to identify and incrementally upgrade informal settlements. The programme involves the identification, categorisation and prioritisation of informal settlements for upgrading initiatives. With the assistance of the National Department of Human Settlements, a service provider was appointed to produce an Informal Settlement Upgrading Strategy as a first phase of the programme. Through this project, a total of seventy informal settlements were identified, categorised and prioritised.

The second phase of the NUSP programme involved the detailed assessment of 24 informal settlements and a further 31 thereafter. This included geotechnical and environmental assessments. Thereafter upgrading plans were prepared for each of the informal settlements. The upgrading plans included proposals and plans relating to the provision of various basic services such as water and sewer reticulation, standpipes, ablution blocks, street lighting, electricity connections, solar panels etc. They also included town planning layouts where applicable as well as various socio-economic community based interventions. The financial implications of each of the proposed interventions in each informal settlement were also counted. The section is currently engaging with the Provincial Department of Human Settlements for the release of funding to implement the upgrading plans.

The section is also facilitating the implementation of the National Housing Needs Register (NHNR). The NHNR will be a single integrated database of potential human settlement beneficiaries. The NHNR is a tool to be utilized to enable our citizens to register their need for adequate shelter. A Council resolution to implement the subject programme has been obtained and the NHNR's Communication and Implementation Plan also approved. The section is currently busy finalising preparations for the implementation of the programme.

The section is also responsible for the social facilitation, community participation, beneficiary administration and consumer education in all Human Settlements projects.

One of the main challenges the Section is facing in dealing with Informal Settlement is massive land invasions and mushrooming of more informal settlements. 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.

#### - PLANNING

This Section identifies and facilitates the acquisition of well-located land to implement the relevant national housing subsidy programmes. Ensure the alignment between the Human Settlements Sector Plan, Spatial Development Framework Plan and Infrastructure Development Sector Plan. Prepare and package human settlements projects business plans to secure funding from relevant sources. Develop strategic policies to enhance the development of integrated human settlement within the Municipal jurisdiction.

There are currently forty-one (41) Human Settlements projects that are in various phases of planning, and of these projects; thirty (30) are Integrated Human Settlements projects (which have an estimated yield of 38 107 units), with the remaining eleven (11) being Social Housing projects (which have an estimated yield of 5 610 units). These are expected to deliver a combined yield of 43 717 units in different financial years.

During the previous financial year (2018/2019), the Municipality acquired several large parcels of private land for human settlements development. The land acquisition programme has resulted in two new housing projects. The projects in the planning stage include Informal Settlement Upgrading (Project-Linked Subsidy), Social/Rental Housing and Gap Market.

The challenges that the Planning section faces in its scope of work, is the issue of minimal land parcels that are under municipal ownership, which restricts access to develop vacant land, as it is privately owned. The section is working closely with the Greater Edendale and Vulindlela Development Initiative (GEVDI) unit, in acquiring the privately owned land parcels, towards the development of integrated human settlements. It must further be noted that the process of land acquisition is lengthy, given the various dynamics of reaching consensus with the private land owners.

On a geographical perspective; the Municipal Area faces numerous constraints, such as steep topographies, environmentally sensitive areas and the likes, all of which are costly for the development of the human settlements typologies that are made available by the provincial Department of Human Settlements. Consequently, these environmental constraints reduce the availability of land for the development of Integrated Human Settlements projects.

In relation to the administrative processes: the section encounters challenges in securing funding, as far as timeframes are concerned. On the other hand, the nature of our work requires for the section to be dependent on other Sector Departments within (and out of) the Municipality. Subsequently, the processes from other Sector Departments tend to lag the processes of housing development. These processes may include (but are not limited to) the Environmental Impact Assessment (EIA); Water Use License Authority (WULA), and the Spatial Planning and Land Use Management Act (SPLUMA) applications, amongst others.

## - PROJECT IMPLEMENTATION

This Section is responsible for the provision of infrastructural services that are in-line with the municipal acceptable standards and top structures that comply with the National Housing Code, National Building Regulations, the NHBRC standards as well as Municipal requirements. Facilitate the process of acquiring MIG funding to ensure that services delivered are in-line with the municipal acceptable standards. Ensure that quality control is maintained during the construction of both infrastructure services and top structures.

There are currently ten housing projects that are in various phases of the implementation stage. These projects are expected to deliver a combined yield of 30852 units in different financial years which is inclusive of Operation Sukuma Sakhe Phase 1 and 2 interventions. During the 2018/19 financial year the municipality was able to deliver 3 070 units to low income qualifying beneficiaries of the Msunduzi Municipality.

One of the challenges the municipality has experienced over the years is the poor workmanship on houses that were delivered from 1994 – 2002. The Municipality is currently undertaking rectification programmes which include the rectification of 2086 Wire-walled houses and another 585 units. 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. This process has started and should be completed in two financial years

## - HOUSING ADMINISTRATION

The Section administers all property management activities for Council's Housing Rental Stock, Odd and free standing 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 Msunduzi area by application of the Extended Enhanced Discount Benefit Scheme (EEDBS).

Some of the major challenges that the section currently faces under the administration of the Housing Rental stock, has been a long history of poor payment of rentals and services, the lack of information on the status of the current tenants occupying the units as there has been many cases of sub-letting by previous tenants, deceased tenants (lease holder) which have passed away, leaving family members who can't afford the rentals etc. but are still on the billing system.

One of the successes has been the completion of tenant audit and verification for all Council Housing rental stock and Odd / free standing properties. This process has assisted in addressing the current challenges within all the tenancy discrepancies. The other achievement has been the formulating and approving of a turnaround strategy and action plans to arrest the escalating arrears within all rental housing stock. The debt has been further categorised into status of tenancies and e.g. Deceased tenants, unemployed tenants, etc. Reports have been submitted to Council recommending the various action plans which included debt write-off and those tenancies that could face eviction. Verification of existing tenants and signing of new leases is ongoing and it taking longer than anticipated. This is due to tenants not wanting to verify, sign a new leases and pay the required rental. We have appointed an Attorney to take legal action against defaulting tenants.

The other achievement has been a committee that has been formed between Housing Administration and Finance to deal with all the issues that are cross-cutting. The matter of maintenance although plagued by challenges, progress has been noted by formulating and approving a turnaround strategy, to achieve a 7-day turnaround time to addressing all maintenance queries. The Section is appointed and a Facilities Management Company to address all maintenance related matters and we are achieving the 7-day turnaround time to undertake repairs and maintenance.

With respect to new allocations, Council resolved to allocate vacant flat/units to qualifying staff. This will ensure rent is deducted from their salaries and will improve our collection rate.

| 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 |
| 2015/2016                                             | *177762                                                  | *142266                      | 80,0%                                   |
| 2016/2017                                             | *180469                                                  | *144432                      | 80,0%                                   |
| 2017/2018                                             | *183176                                                  | *146598                      | 80,0%                                   |
| 2018/2019                                             | *185924                                                  | *148797                      | 80,0%                                   |

\* Source: Stats SA 2016 CS and projected on a 1.5% growth rate

| HUMAN SETTLEMENTS SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                 |                                                                                                                                                                                                                                                                                                                   |                                    |                      |                                                                                       |                                                                                       |                                    |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                               |                                            |                                                                     |                      |                                                                                                        |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                            | 2017/2018                                                                                                       |                                                                                                                                                                                                                                                                                                                   |                                    | 2018/2019            |                                                                                       |                                                                                       | 2019/2020                          |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                               |                                            |                                                                     |                      |                                                                                                        |
|                                                                 | ANNUAL TARGET                                                                                                   | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                                                                                                          | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                         | ANNUAL PROGRESS - ACTUAL                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                | CORRECTIVE MEASURE                                                                                                                                                                                                            | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                     | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                          |
| HS29                                                            | 140 Houses completed for Wirewall Rectification Project by the 30th of June 2018                                | 85 units have been completed and handed over, 8 units are at hollow block slab, and 17 units at wall plate, 1 platform have been cut.                                                                                                                                                                             | 2 (70% - 99%)                      | HS 33                | 10 x Housing Units for Willowmountain EE Phase 1 completed by the 30th of June 2019   | 0 x Housing Units for Willowmountain EE Phase 1 completed.                            | 1 (69% & below)                    | Municipality awaiting the contract from the provincial DoHS                                                                                                                                                                                                         | To follow up with DoHS with regards to contract                                                                                                                                                                               | 3 Months                                   | Email correspondence Application for funding and Appointment letter | N/A                  | N/A                                                                                                    |
| HS30                                                            | 106 x new housing units completed for Lot 182 by the 30th of June 2018                                          | The contractor has completed remedial works for NHBRPC late enrolment houses. Fc to send report and supporting documents to NHBRPC in order to have payment released, now that snags are complete. There are now 28 new wall plate on the ground and 11 of these units have been roofed. 24 slabs also completed. | 1 (69% & below)                    | HS 34                | 140 x Houses completed for Wirewall Rectification Project by the 30th of June 2019    | 20 units have been completed and 18 units are at practical completion.                | 1 (69% & below)                    | Turnaround time to sign and process invoices. Locate missing beneficiaries. Amendment of annexure D, Cross Boundaries. Renovations and demolition approvals and contract amendments                                                                                 | Improve turnaround time for invoice signatories, for missing beneficiaries. Condonation may assist. Relaxation of town planning scheme                                                                                        | 1 Month                                    | Invoices                                                            | HS 06                | 180 x new houses completed for Wirewall Rectification Project in the 19/20 FY by the 30th of June 2020 |
| HS31                                                            | 2640 x new housing units constructed in wards 1 - 9 (Mlindilela Rural Housing Project) by the 30th of June 2018 | 3597 housing units completed                                                                                                                                                                                                                                                                                      | 4 (130% - 149%)                    | HS 35                | 100 x Units Renovated for the Wirewall Rectification Project by the 30th of June 2019 | 144 x Units Renovated for the Wirewall Rectification Project by the 30th of June 2019 | 4 (130% - 149%)                    | N/A                                                                                                                                                                                                                                                                 | N/A                                                                                                                                                                                                                           | N/A                                        | Invoices                                                            | HS 07                | 300 x Houses Renovated in the 19/20 FY for the Wirewall Rectification Project by the 30th of June 2020 |
| HS32                                                            | 125 x new housing units constructed in ward 10 (Edendale Unit 8 Ext.) by the 30th of June 2018                  | 54 Completions, 54 Roof Levels, 48 Wall Plate and 39 Foundations                                                                                                                                                                                                                                                  | 1 (69% & below)                    | HS 36                | 106 x new housing units completed for Lot 182 by the 30th of June 2019                | 42 x new housing units completed for Lot 182 by the 30th of June 2019                 | 1 (69% & below)                    | Contract expired and the contractor stopped working on site, it took almost eight (8) months for contract to be finalized. The site does not have enough space therefore existing structures has to be demolished. Beneficiaries have applied and waiting approval. | The contract has been signed the contract and the anticipated date for completion is 05 June 2020. The IA is preparing record drawing, this is ongoing and HDA are finalizing the transfer of land PSC is handling this issue | 3 Months                                   | Invoice 17                                                          | HS 13                | 71 x new housing units completed in the 19/20 FY for Lot 182 by the 31st of October 2019               |

| Job Level    | EMPLOYEE: HOUSING DELIVERY |           |               |                                     |                                     |
|--------------|----------------------------|-----------|---------------|-------------------------------------|-------------------------------------|
|              | 2017/2018                  |           | 2018/2019     |                                     |                                     |
|              | 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                          | 3         | 3             | 0                                   | 0                                   |
| T09-T13      | 17                         | 34        | 22            | 12                                  | 35                                  |
| T14-T18      | 9                          | 9         | 9             | 0                                   | 0                                   |
| T19-T22      | 1                          | 1         | 1             | 0                                   | 0                                   |
| T23-T25      | 0                          | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b> | <b>28</b>                  | <b>47</b> | <b>35</b>     | <b>12</b>                           | <b>26</b>                           |

| Job Level    | EMPLOYEE: HOUSING ADMIN |           |               |                                     |                                     |
|--------------|-------------------------|-----------|---------------|-------------------------------------|-------------------------------------|
|              | 2017/2018               |           | 2018/2019     |                                     |                                     |
|              | 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      | 11                      | 12        | 9             | 3                                   | 25                                  |
| T09-T13      | 6                       | 9         | 8             | 1                                   | 11                                  |
| T14-T18      | 1                       | 1         | 1             | 0                                   | 0                                   |
| T19-T22      | 0                       | 0         | 0             | 0                                   | 0                                   |
| T23-T25      | 0                       | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b> | <b>19</b>               | <b>23</b> | <b>19</b>     | <b>4</b>                            | <b>17</b>                           |



| EMPLOYEE: REAL ESTATE & VALUATIONS |               |           |               |                                      |                                     |
|------------------------------------|---------------|-----------|---------------|--------------------------------------|-------------------------------------|
| Job Level                          | 2017/2018     | 2018/2019 |               |                                      |                                     |
|                                    | 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                            | 6             | 6         | 5             | 1                                    | 17                                  |
| T09-T13                            | 9             | 18        | 8             | 10                                   | 56                                  |
| T14-T18                            | 1             | 6         | 1             | 5                                    | 83                                  |
| T19-T22                            | 0             | 0         | 0             | 0                                    | 0                                   |
| T23-T25                            | 0             | 0         | 0             | 0                                    | 0                                   |
| <b>Total</b>                       | <b>16</b>     | <b>37</b> | <b>14</b>     | <b>23</b>                            | <b>62</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: HOUSING SERVICES<br>R'000 |                |                 |                   |                |                                 |
|------------------------------------------------------------|----------------|-----------------|-------------------|----------------|---------------------------------|
| Details                                                    | 2017/2018      | 2018/2019       |                   |                |                                 |
|                                                            | Actual         | Original Budget | Adjustment Budget | Actual         | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>           | <b>-22 016</b> | <b>-85 442</b>  | <b>-120 442</b>   | <b>-49 385</b> | <b>-58%</b>                     |
| Expenditure:                                               |                |                 |                   |                |                                 |
| Employees                                                  | 5 171          | 26 726          | 26 726            | 19 629         | -26%                            |
| Repairs and Maintenance                                    | 841            | 6 658           | 8 781             | 4 783          | -45%                            |
| Other                                                      | 18 011         | 61 075          | 73 672            | 10 784         | -85%                            |
| <b>Total Operational Expenditure</b>                       | <b>24 023</b>  | <b>94 459</b>   | <b>109 179</b>    | <b>35 196</b>  | <b>-67%</b>                     |
| <b>Net operational (Service) Expenditure</b>               | <b>-2 007</b>  | <b>9 017</b>    | <b>11 263</b>     | <b>-14 189</b> |                                 |

| CAPITAL EXPENDITURE: HOUSING SERVICES<br>R'000 |           |                   |                    |                                 |                     |
|------------------------------------------------|-----------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                        | 2018/2019 |                   |                    |                                 |                     |
|                                                | Budget    | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                               |           | <b>50 030</b>     | <b>35 270</b>      |                                 |                     |
| NEW COMPUTER EQUIPMENT                         | 0         | 2 500             | 1 135              | -54%                            |                     |
| NEW MACHINERY                                  | 0         | 1 700             | 0                  | -100%                           |                     |
| NEW TRANSPORT                                  | 0         | 2 500             | 0                  | -100%                           |                     |
| NEW FURNITURE & OFFICE EQUIPMENT               | 0         | 525               | 0                  | -100%                           |                     |
| JIKA JOE CRU                                   | 9 665     | 5 805             | 5 048              | -13%                            |                     |
| JIKA JOE HOUSING DEVELOPMENT                   |           | 35 000            | 27 087             | -22%                            |                     |
| OSS INFRASTRUCTURE                             |           | 2 000             | 2 000              | 0                               |                     |

## COMMENT ON THE PERFORMANCE OF THE HUMAN SETTLEMENTS SERVICE OVERALL:

The Human Settlements Unit performance has been faced challenges. Various projects at Implementation stage were active during the 2018/19 financial year but the yield from these project has been poor due to challenges ranging from unresolved contractual arrangements with the Provincial Department of Human Settlements resulting in the Implementation Agents being on a go slow. However, some of the challenges were resolved in the later part of the year resulting in an expenditure of approximately 42 million Rand on engineering and top-structure in the Jika Joe Community Residential Unit project.

5 Consolidation projects were approved by the Provincial Department of Human Settlements and preparatory work was undertaken in the 2018/19 financial year and the real expenditure on these projects will be in the new financial year 2019/20 as construction of housing units commences.

Funding is expected from the National and Provincial Department of Human Settlements for incremental upgrading of informal settlements in the Informal Settlements Upgrading Programme. This funding will see the implementation of upgrading plans crafted under the National Upgrading Support Programme (NUSP).

## 2.7 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.

#### • SERVICE DELIVERY PRIORITY (1): WATER MONITORING

Monitoring water quality of potable, surface and ground water, ensuring water safety and accessibility in respect of a safe quality (microbiological, physical and chemical) and an adequate quantity for domestic use as well as in respect of the quality for recreational, industrial, food production and any other human or animal use. This was achieved by sampling and testing water in the field and examining and analysing it in the Unit's laboratory, as well as advocating for proper and safe water usage and waste water disposal.

## • SERVICE DELIVERY PRIORITY (2): FOOD CONTROL

Ensuring food safety in respect of acceptable microbiological and chemical standards, quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary raw material or raw products production, up to the point of consumption. This was achieved by inspecting food production, distribution and consumption areas; monitoring informal food trading; inspecting food premises and any nuisances emanating there-from; by applying food quality monitoring programmes and principles through various techniques, e.g. Hazard Analysis and Critical Control Points System (HACCP System) audits; and promoting the safe transportation, handling, storage and preparation of foodstuffs, including meat, milk and their products.

## • SERVICE DELIVERY PRIORITY (3): ENVIRONMENTAL POLLUTION CONTROL

Ensuring hygienic working, living and recreational environments; identifying the polluting agents and sources of water, air and soil pollution; ensuring clean and safe air externally (ambient and point sources) through emission inventory monitoring, modelling and toxicological reports, reviews and complaint investigations; and taking the required preventative measures to ensure that the general environment is free from health risks. This was further achieved by ensuring the registration, permitting, monitoring and auditing of all industries, activities, trade, etc., which involves controlling the internal effects of pollution on the worker, and the external effects of pollution on the community and the environment.

### SERVICE STATISTICS FOR ENVIRONMENTAL HEALTH

| DESCRIPTION                                                                                                                                                            | TARGET                               | ACHIEVED                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------|
| No. of Complaints investigated                                                                                                                                         | Dependent on no. received            | 536                      |
| No. of Trade Licence application processed                                                                                                                             | Dependent on no. received            | 95                       |
| No. of condemnations of foodstuffs                                                                                                                                     | Dependent on no. received            | 174 condemnations        |
| No. of Dairies registered in terms of the Dairy Bylaws                                                                                                                 | 7                                    | 1                        |
| No. of Water samples from reservoirs, consumer points and rivers:                                                                                                      | 1800 samples                         | 1874 samples             |
| Percentage compliance with SANS 241:2015<br>NB: SANS are national standards that replaced SABS (South African Bureau of Standards) 241: 2015 relates to drinking water | 100%                                 | 100%                     |
| Food sampling: No of samples analysed                                                                                                                                  | 480 samples                          | 493 samples              |
| Percentage compliance with microbial standards :                                                                                                                       | 100%                                 | 88%                      |
| Swabbing: No of swabs                                                                                                                                                  | 480 swabs                            | 485 swabs                |
| Percentage compliance with microbiological standards:                                                                                                                  | 100%                                 | 55 %                     |
| No. of Inspections and Registrations of Funeral Undertakers in terms of the Funeral Undertakers' Regulations:                                                          | 40 premises                          | 48 premises              |
| No. of Food premises inspected and registered in terms of R962 (Food Regulations):                                                                                     | 2600                                 | 2769                     |
| No. of Communicable Diseases notifications investigated:                                                                                                               | Dependent on no. received            | 125                      |
| No. of Vector Control investigations, treatment and baiting                                                                                                            | 12000 sites                          | 17 315 sites             |
| No. of Premises inspected for compliance with Tobacco Legislation:                                                                                                     | 3000 premises                        | 3429 premises            |
| No. of Places of care inspected:                                                                                                                                       | 500 premises                         | 625 premises inspected   |
| No. of Health Care Waste generators inspected:                                                                                                                         | 500 premises                         | 736 premises             |
| No. of Commercial, industrial and residential premises inspected                                                                                                       | 8200 premises                        | 8492 premises            |
| No. of Schedule processes/listed activities:                                                                                                                           | 200 premises                         | 228 premises             |
| No. of Controlled burning applications processed:                                                                                                                      | Dependent on no. received            | 7 applications processed |
| No. of Health Education sessions conducted                                                                                                                             | 960                                  | 982                      |
| Permit Applications Processed                                                                                                                                          | 960                                  | 1055                     |
| No. of Notices issued                                                                                                                                                  | Dependent on contraventions          | 403 notices              |
| No. of Prosecutions instituted                                                                                                                                         | Dependent on contraventions          | 194 prosecutions         |
| Fines received                                                                                                                                                         | Dependent on successful prosecutions | R 53 550                 |

### AIR MONITORING:

All readings taken throughout the year as per below where found to be within National limits.

| Pollutant        | Averaging Period | Limit Value          | Annual Average          |
|------------------|------------------|----------------------|-------------------------|
| SO <sub>2</sub>  | 1-year           | 19 ppb               | 1.32 ppb                |
| CO               | 1-hour           | 26 ppm               | 0.59 ppm                |
| NO <sub>2</sub>  | 1-year           | 21 ppb               | 19.26 ppb               |
| PM <sub>10</sub> | 1-year           | 40 µg/m <sup>3</sup> | 22.28 µg/m <sup>3</sup> |
| O <sub>3</sub>   | 8-hour (running) | 61 ppb               | 22.13 ppb               |

### Nitrogen dioxide

NO<sub>2</sub> is a natural gas with a strong odour, when combined with oxygen they become reactive and can be potentially harmful. Human activities such as the combustion of fossil fuels and biomass are the major source of NO<sub>2</sub> in the air. Effects of NO<sub>2</sub> exposure include alveolar tissue disruption and obstruction of the respiratory bronchioles.

### Ozone

Ozone (O<sub>3</sub>) is a highly reactive gas that occurs both naturally and through anthropogenic activity. 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 (SO<sub>2</sub>) is a colourless gas with a strong, unpleasant odour. High concentrations of SO<sub>2</sub> can cause damage to the human respiratory function when inhaled, causing coughing and shortness of breath.

### Carbon Monoxide

Carbon monoxide (CO) is a colourless, odourless 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.

| 2017/2018            |                                                                                         | ENVIRONMENTAL HEALTH POLICY OBJECTIVES TAKEN FROM THE IDP                              |                                    |                      |               |                                                                                         |                                                                                         |                      | 2019/2020          |                                            |                         |               |                                                                                                        |
|----------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------|----------------------|---------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|----------------------|--------------------|--------------------------------------------|-------------------------|---------------|--------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE | ANNUAL TARGET                                                                           | ANNUAL PROGRESS - ACTUAL                                                               |                                    | SDBIP / OP REFERENCE | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL                                                                |                                                                                         | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT         | ANNUAL TARGET |                                                                                                        |
|                      |                                                                                         | ACTUAL (1,2,3,4,5, Not Applicable)                                                     | ACTUAL (1,2,3,4,5, Not Applicable) |                      |               | ACTUAL (1,2,3,4,5, Not Applicable)                                                      | ACTUAL (1,2,3,4,5, Not Applicable)                                                      |                      |                    |                                            |                         |               |                                                                                                        |
| H&SS8                | Completion of baseline assessment of AQMP                                               | Appointment of service provider to undertake baseline assessment of AQMP               | 3 (100% - 129%)                    | 3 (100% - 129%)      | EH 01         | 1 x Air Quality Management Station purchased by the 30th of June 2019                   | 1 x Air Quality Management Station purchased by the 31st of December 2018               | N/A                  | N/A                | N/A                                        | Invoice                 | N/A           | N/A                                                                                                    |
| H&SS 01              | 12 000 sites baited and/or treated for Vector Control by the 30th of June 2018          | 18 060 sites baited and/or treated for Vector Control by the 30th of June 2018         | 5 (150% - 167%)                    | 5 (150% - 167%)      | EH 02         | 12 000 sites baited and/or treated for Vector Control by the 31st of June 2019          | 17 315 sites baited and/or treated for Vector Control by the 31st of June 2019          | N/A                  | N/A                | N/A                                        | Vector control register | TP&EM 1       | 17 000 sites baited and/or treated for Vector Control in the 2019/2020 FY by the 30th of June 2020     |
| H&SS 02              | 480 Food samples and 480 Food swabs taken & analyzed by the 30th of June 2018           | 500 Food samples and 500 Food swabs taken & analyzed by the 30th of June 2018          | 3 (100% - 129%)                    | 3 (100% - 129%)      | EH 03         | 480 Food samples and 480 Food swabs taken & analyzed by the 31st of June 2019           | 493 Food samples and 485 Food swabs taken & analyzed by the 31st of June 2019           | N/A                  | N/A                | N/A                                        | Laboratory reports      | TP&EM 2       | 960 Food samples and swabs taken & analysed in the 2019/2020 FY by the 30th of June 2020               |
| H&SS 03              | 1 800 water samples taken & analysed for Water Quality Control by the 30th of June 2018 | 2044 water samples taken & analysed for Water Quality Control by the 30th of June 2018 | 3 (100% - 129%)                    | 3 (100% - 129%)      | EH 04         | 1 800 water samples taken & analysed for Water Quality Control by the 31st of June 2019 | 1 874 water samples taken & analysed for Water Quality Control by the 31st of June 2019 | N/A                  | N/A                | N/A                                        | Laboratory reports      | TP&EM 3       | 1020 water samples taken & analyzed for Water Quality Control in the 19/20 FY by the 30th of June 2020 |

| Job Level    | EMPLOYEE: ENVIRONMENTAL HEALTH |           |               |                           |                                     |  |
|--------------|--------------------------------|-----------|---------------|---------------------------|-------------------------------------|--|
|              | 2017/2018                      |           | 2018/2019     |                           |                                     |  |
|              | Employees No.                  | Posts No. | Employees No. | Vacancies equivalents No. | Vacancies (as a % of total posts) % |  |
| T01-T03      | 19                             | 20        | 19            | 1                         | 5                                   |  |
| T04-T08      | 2                              | 2         | 2             | 0                         | 0                                   |  |
| T09-T13      | 12                             | 39        | 13            | 26                        | 67                                  |  |
| T14-T18      | 1                              | 1         | 1             | 0                         | 0                                   |  |
| T19-T22      | 0                              | 0         | 0             | 0                         | 0                                   |  |
| T23-T25      | 0                              | 0         | 0             | 0                         | 0                                   |  |
| <b>Total</b> | <b>32</b>                      | <b>62</b> | <b>35</b>     | <b>27</b>                 | <b>44</b>                           |  |

| FINANCIAL PERFORMANCE 2018/2019: ENVIRONMENTAL HEALTH |              |                 |                   |               |                                |
|-------------------------------------------------------|--------------|-----------------|-------------------|---------------|--------------------------------|
| R'000                                                 |              |                 |                   |               |                                |
| Details                                               | 2017/2018    |                 | 2018/2019         |               |                                |
|                                                       | Actual       | Original Budget | Adjustment Budget | Actual        | Variances to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>      | <b>-125</b>  | <b>-36</b>      | <b>-36</b>        | <b>-74</b>    | <b>107%</b>                    |
| Expenditure:                                          |              |                 |                   |               |                                |
| Employees                                             | 8 021        | 10 832          | 10 832            | 12 892        | 19%                            |
| Repairs and Maintenance                               | 0            | 10              | 7                 | 2             | -69%                           |
| Other                                                 | 1 604        | 2 312           | 1 824             | 1 394         | -23%                           |
| <b>Total Operational Expenditure</b>                  | <b>9 625</b> | <b>13 154</b>   | <b>12 663</b>     | <b>14 288</b> | <b>12%</b>                     |
| <b>Net operational (Service) Expenditure</b>          | <b>9 500</b> | <b>13 118</b>   | <b>12 627</b>     | <b>14 214</b> | <b>12%</b>                     |

| CAPITAL EXPENDITURE: ENVIRONMENTAL HEALTH<br>R'000 |              |                   |                    |                                |                     |
|----------------------------------------------------|--------------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                            | 2018/2019    |                   |                    |                                |                     |
|                                                    | Budget       | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                   | <b>2 350</b> | <b>1 584</b>      | <b>1 028</b>       | <b>-35%</b>                    |                     |
| NEW COMPUTER EQUIPMENT                             | 60           | 258               | 58                 | -77%                           |                     |
| NEW MACHINERY                                      | 250          | 216               | 185                | -14%                           |                     |
| NEW TRANSPORT ASSERT                               | 540          | 560               | 560                | 0%                             |                     |
| AIRPOLLUTION STATION                               | 1 500        | 550               | 225                | -58 %                          |                     |

## COMMENT ON PERFORMANCE OF ENVIRONMENTAL HEALTH OVERALL

Environmental Health Services continued to be provided without funding from National Treasury. With a limited budget and diminishing resources the nine functional areas relating to environmental health services as defined in the National Health Act, No. 61 of 2003 were carried out to ensure effective and efficient service delivery within the areas of Msunduzi. One of the service delivery priorities focusing on, viz. water quality monitoring, continued for the purposes of Blue Drop status accreditation. The departmental laboratory was used for the monitoring of water and food quality and also swabbing to determine standards of hygiene at food premises. Three (3) of the Four (4) Air Quality Monitoring Stations of the City's Air Quality Monitoring Network was functional, and data on criteria pollutants monitored is available for the 2018/19 financial year. The Edendale Station was replaced during 2018, and the acquisition of an additional station for the Taylors Halt area had to be put on hold, due to the implementation of cost containment measures.

## 2.8 ART GALLERY

### INTRODUCTION TO ART GALLERY

The Tatham Art Gallery is an Art Museum that serves the visual arts needs of people of KwaZulu-Natal generally and the Msunduzi municipal area in particular. Its core functions are collecting art works of suitable quality to develop the permanent collection; documenting and researching the collections in order to build up a database of relevant information for research purposes; caring for the permanent collection in order that it will be available to future generations; displaying exhibitions of quality, based on art works in the permanent collection, and soliciting quality exhibitions from further afield; presenting visual arts educational and outreach programmes based on the permanent collections and temporary exhibitions.

The Gallery's top service delivery priority is presenting regular art exhibitions of high quality. The target for 2018/19 was 7 exhibitions and the Gallery exceeded that target by presenting 10 temporary exhibitions during the year. In addition to the 10 temporary exhibitions, there were 4 ongoing exhibitions which were drawn from the Gallery's permanent collection of artworks.

The Education department at the Gallery focused on a teaching programme aimed at those who are marginalised. The Outreach programme during 2018/19 included art classes for youth who do not have access to art tuition at school, workshops for the hearing impaired and a series of workshops run in conjunction with the Mental Health department.

89 new art works were acquired for the Gallery's permanent collection, including a substantial donation of South African art works, and a collection of beaded Zulu dolls from the Tugela Ferry area. The number of visitors to the Gallery increased from 21990 in 2017/18 to 23690 in 2018/19.

### SERVICE STATISTICS FOR ART GALLERY

| DESCRIPTION                  | NUMBER HELD |
|------------------------------|-------------|
| Exhibitions- temporary       | 10          |
| Exhibitions- permanent       | 7           |
| Walkabouts                   | 27          |
| Films                        | 34          |
| Lectures                     | 16          |
| Workshops and Master Classes | 19          |
| Art Class                    | 33          |
| Artist Forum                 | 20          |

| 2017/2018            |                                                           | ART GALLERY POLICY OBJECTIVES TAKEN FROM THE IDP          |                                    |                      |                                                            |                                                             | 2018/2019                          |                      | 2019/2020          |                                            |                                 |                      |                                                            |
|----------------------|-----------------------------------------------------------|-----------------------------------------------------------|------------------------------------|----------------------|------------------------------------------------------------|-------------------------------------------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------|---------------------------------|----------------------|------------------------------------------------------------|
| SDBIP / OP REFERENCE | ANNUAL TARGET                                             | ANNUAL PROGRESS - ACTUAL                                  | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                              | ANNUAL PROGRESS - ACTUAL                                    | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                 | SDBIP / OP REFERENCE | ANNUAL TARGET                                              |
| CE 06                | 6 x planned Art exhibitions held by the 30th of June 2018 | 6 x planned Art exhibitions held by the 30th of June 2018 | 8 (100% - 129%)                    | CE13                 | 7 x Msunduzi Art Exhibitions held by the 30th of June 2019 | 10 x Msunduzi Art Exhibitions held by the 30th of June 2019 | 4 (130% - 149%)                    | N/A                  | N/A                | N/A                                        | Gallery Outline and Invitations | CE 01                | 7 x Msunduzi Art Exhibitions held by the 30th of June 2019 |

| EMPLOYEE: ART GALLERY |               |           |               |                                     |                                     |  |
|-----------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|--|
| Job Level             | 2017/2018     |           | 2018/2019     |                                     |                                     |  |
|                       | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |  |
| T01-T03               | 1             | 4         | 0             | 4                                   | 100                                 |  |
| T04-T08               | 0             | 4         | 0             | 4                                   | 100                                 |  |
| T09-T13               | 5             | 8         | 5             | 3                                   | 38                                  |  |
| T14-T18               | 1             | 1         | 0             | 1                                   | 100                                 |  |
| T19-T22               | 0             | 0         | 0             | 0                                   | 0                                   |  |
| T23-T25               | 0             | 0         | 0             | 0                                   | 0                                   |  |
| <b>Total</b>          | <b>7</b>      | <b>17</b> | <b>5</b>      | <b>12</b>                           | <b>71</b>                           |  |

| FINANCIAL PERFORMANCE 2018/2019: ART GALLERY     |              |                 |                   |              |                                |
|--------------------------------------------------|--------------|-----------------|-------------------|--------------|--------------------------------|
| R'000                                            |              |                 |                   |              |                                |
| Details                                          | 2017/2018    |                 | 2018/2019         |              | Variances to Adjusted Budget % |
|                                                  | Actual       | Original Budget | Adjustment Budget | Actual       |                                |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>-126</b>  | <b>-441</b>     | <b>-441</b>       | <b>-685</b>  | <b>55%</b>                     |
| Expenditure:                                     |              |                 |                   |              |                                |
| Employees                                        | 3 114        | 4 120 326,00    | 4 282 826,00      | 3 089 600,42 | -27%                           |
| Repairs and Maintenance                          | 162          | 487             | 1 119             | 793          | -29%                           |
| Other                                            | 1 837        | 3 898 961,00    | 2 440 947,00      | 749 717,26   | -69%                           |
| <b>Total Operational Expenditure</b>             | <b>5 113</b> | <b>8 505</b>    | <b>7 841</b>      | <b>4 631</b> | <b>-40%</b>                    |
| <b>Net operational (Service) Expenditure</b>     | <b>5 987</b> | <b>8 064</b>    | <b>7 400</b>      | <b>3 946</b> | <b>-46%</b>                    |

| CAPITAL EXPENDITURE: ART GALLERY |            |                   |                    |                                |                     |
|----------------------------------|------------|-------------------|--------------------|--------------------------------|---------------------|
| R'000                            |            |                   |                    |                                |                     |
| Details                          | 2018/2019  |                   | 2018/2019          |                                | Total Project Value |
|                                  | Budget     | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % |                     |
| <b>Total All</b>                 | <b>455</b> | <b>18</b>         | <b>18</b>          | <b>-96%</b>                    |                     |
| NEW COMPUTER                     | 0          | 18                | 18                 | -3%                            |                     |
| NEW FURNITURE                    | 0          | 400               | 0                  | -100%                          |                     |
| NEW MACHINERY                    | 0          | 37                | 0                  | -100%                          |                     |

**COMMENT ON THE PERFORMANCE OF ART GALLERIES**

The Gallery's major challenge is one of funding. Extensive building maintenance to the Gallery building is required, including repairs to the leaking roof. Service provision is compromised as more and more art works are removed from display due to the roof leaks. The building infrastructure continues to be damaged by rain. The Old Presbyterian Church building, which 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.

## 2.9 ENVIRONMENTAL MANAGEMENT

### INTRODUCTION TO ENVIRONMENTAL MANAGEMENT

Environmental Management is a sub-unit of the Town Planning & Environmental Management Unit located within the Sustainable Development & City Enterprises Business Unit. The Environmental Management Sub-Unit has five primary functional areas these being: Biodiversity and Open Space Planning; Environmental Planning, Policy Implementation and Review; Environmental Education and Training; Impact Mitigation, Assessment, Compliance Monitoring and Enforcement; and Climate Change Planning and Adaptation. Existing policies and plans guide the functions and decision making processes within the Sub-Unit and include the following which were approved by the Council in July 2010: Integrated Environmental Management Policy (IEMP); Environmental Status quo Report; Strategic Environmental Assessment (SEA); Environmental Management Framework (EMF); and Strategic Environmental Management Plan (SEMP).

### SERVICE STATISTICS FOR ENVIRONMENTAL MANAGEMENT

During the 2018 /2019 Financial Year, the Environmental Management Unit undertook the following projects as part of Service delivery priorities;

1. The Development of a Strategic Environmental Assessment (SEA) for the Bishopstowe Study Area
2. The Development of a Strategic Environmental Assessment (SEA) for the Vulindlela Area
3. Review of the adopted Msunduzi Environmental Management Framework (EMF) and migration to ARC 10
4. Maintenance two floating treatment wetlands in the baynespruit catchment
5. Maintenance of one storm water sock
6. Maintenance of one trash boom

| ENVIRONMENTAL MANAGEMENT POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                                                                                                                      |                                                                                                                                        |                                    |                                                                                                                                                                                                                           |                                    |                                                                                                                                                                                                                                                      |                                           |                    |                                            |                                                                       |                                |               |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------|--------------------------------------------|-----------------------------------------------------------------------|--------------------------------|---------------|
| SDBIP / OP REFERENCE                                          | 2017/2018                                                                                                                                                                                                                                            |                                                                                                                                        |                                    | 2018/2019                                                                                                                                                                                                                 |                                    |                                                                                                                                                                                                                                                      | REASON FOR DEVIATION                      | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                       | 2019/2020 SDBIP / OP REFERENCE | ANNUAL TARGET |
|                                                               | ANNUAL TARGET                                                                                                                                                                                                                                        | ANNUAL PROGRESS - ACTUAL                                                                                                               | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                  | ACTUAL (1,2,3,4,5, Not Applicable) |                                                                                                                                                                                                                                                      |                                           |                    |                                            |                                                                       |                                |               |
| TP & EM 30                                                    | Key area sewer: Thornville and Umias Road (4 100ha) and Key area four: Fresketh and Sobantu (approx. 1460ha) complete. Grids 9D - 13D of Key area Nine: CBD (approx. 6000 ha) complete and progress report submitted to SMC by the 30th of June 2018 | Key area four and seven complete. Grid 9D - 13D of Key area Nine: Central Business District (approx. 6000ha) completed by 06 June 2018 | 3 (100% - 129%)                    | 1 x Map for 9 key areas identified as part of the Ecosystem Services Plan (ESP) developed and submitted to SMC by the 31st of March 2019.                                                                                 | 3 (100% - 129%)                    | 1 x Map for 9 key areas identified as part of the Ecosystem Services Plan (ESP) developed and submitted to SMC by the 12 of March 2019. Final revised Climate Change Policy submitted to SMC 30th of May 2019 (file no 19.3.2.P computer id: R10428) | N/A                                       | N/A                | N/A                                        | Maps. GIS files                                                       | N/A                            | N/A           |
| N/A                                                           | N/A                                                                                                                                                                                                                                                  | N/A                                                                                                                                    | N/A                                | Final revised Climate Change Policy submitted to SMC by the 31st of May 2019                                                                                                                                              | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                                  | N/A                                       | N/A                | N/A                                        | Final climate change policy and SMC report with File reference number | N/A                            | N/A           |
| N/A                                                           | N/A                                                                                                                                                                                                                                                  | N/A                                                                                                                                    | N/A                                | Progress report submitted to OMC on the draft Environmental Management bylaw by the 30th of June 2019                                                                                                                     | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                                  | N/A                                       | N/A                | N/A                                        | OMC REPORT                                                            | N/A                            | N/A           |
| N/A                                                           | N/A                                                                                                                                                                                                                                                  | N/A                                                                                                                                    | N/A                                | Final refined biodiversity dataset, Final EMF report, public consultation, migration to Arc10 and ArcPro, project close out and submission of final revised EMF adoption report submitted to SMC by the 30th of June 2019 | 2 (70% - 99%)                      | Awaiting biodiversity layer from the provincial authority who is undertaking this pro bono                                                                                                                                                           | Contact provincial conservation authority | 4 weeks            | Emails. BAC resolution                     | N/A                                                                   | N/A                            | N/A           |

| Job Level | EMPLOYEE: ENVIRONMENTAL MANAGEMENT |           |               |                           |                                     |  |
|-----------|------------------------------------|-----------|---------------|---------------------------|-------------------------------------|--|
|           | 2017/2018                          |           | 2018/2019     |                           |                                     |  |
|           | Employees No.                      | Posts No. | Employees No. | Vacancies equivalents No. | Vacancies (as a % of total posts) % |  |
| T01-T03   | 0                                  | 0         | 0             | 0                         | 0                                   |  |
| T04-T08   | 0                                  | 0         | 0             | 0                         | 0                                   |  |
| T09-T13   | 1                                  | 1         | 1             | 0                         | 0                                   |  |
| T14-T18   | 8                                  | 12        | 7             | 5                         | 41                                  |  |
| T19-T22   | 0                                  | 0         | 0             | 0                         | 0                                   |  |
| T23-T25   | 0                                  | 0         | 0             | 0                         | 0                                   |  |
| Total     | 9                                  | 14        | 8             | 5                         | 35                                  |  |

## FINANCIAL PERFORMANCE 2018/2019: ENVIRONMENTAL MANAGEMENT R'000

| Details                                          | 2017/2018    | 2018/2019       |                   |               |                                |
|--------------------------------------------------|--------------|-----------------|-------------------|---------------|--------------------------------|
|                                                  | Actual       | Original Budget | Adjustment Budget | Actual        | Variances to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>0</b>     | <b>0</b>        | <b>0</b>          | <b>0</b>      | <b>0</b>                       |
| Expenditure:                                     |              |                 |                   |               |                                |
| Employees                                        | 120          | 2 490           | 2 490             | 4 274         | 71%                            |
| Repairs and Maintenance                          | 3            | 184             | 99                | 67            | -32%                           |
| Other                                            | 1 593        | 1 736           | 1 219             | 873           | -28%                           |
| <b>Total Operational Expenditure</b>             | <b>1 716</b> | <b>4 410</b>    | <b>3 808</b>      | <b>5 214</b>  | <b>36%</b>                     |
| <b>Net operational (Service) Expenditure</b>     | <b>1 716</b> | <b>-4 410</b>   | <b>-3 808</b>     | <b>-5 214</b> | <b>-36%</b>                    |

## CAPITAL EXPENDITURE: ENVIRONMENTAL MANAGEMENT R'000

| Details                             | 2018/2019 |                   |                    |                                |                     |
|-------------------------------------|-----------|-------------------|--------------------|--------------------------------|---------------------|
|                                     | Budget    | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                    |           |                   |                    |                                |                     |
| No Capital Projects in the 18/19 FY |           |                   |                    |                                |                     |

### COMMENT ON THE PERFORMANCE OF ENVIRONMENTAL MANAGEMENT

The National Environmental Management Act, (Act 107 of 1998) refers to the development of procedures for the assessment of the impact of plans; and the Municipal Systems Act (32 of 2000) refers to the requirement for SEA in the context of spatial planning. The Bishopstowe SEA was completed in the 2018/2019 financial year. The Vulindlela SEA is to be completed in the 2019/2020 Financial Year, which the Environmental Management Unit will implement thereafter. The EMF is to be completed in the 2019/2020 Financial Year and will be operationalised in accordance with the EMF adopted by the Competent Authority on the 3rd September 2015 (Provincial Notice 125 of 2015) in terms of sub regulations 3(1) and 5(1) of the Environmental Management Framework Regulations 2010 (Government Notice No. R. 547). Maintenance on the storm water sock and trash boom were installed to remove solid waste from the Baynespruit stream while the floating wetlands removed nitrates, phosphates, ammonia and E.coli thus directly improving water quality. Maintenance thereof is ongoing.

## COMPONENT C: COMMUNITY SERVICES

This component includes: Waste Management, Theatres & Halls, Cemeteries & Crematoria, BIODIVERSITY & Landscape, Traffic & Public Safety, Fire, Disaster Management, Sport & Recreation and Library.

### 3.1 WASTE MANAGEMENT

#### INTRODUCTION TO WASTE MANAGEMENT

The Waste Management sub-unit provides refuse collection services to domestic residents (once per week) and to other institutions such as businesses, government schools, and so forth. The unit also provides street cleaning services, provision of public toilets services in the main central business districts, garden refuse collection, clearing of illegal dumping and a landfill site.

A new division focussing on waste minimisation and diversion of waste is being set up and will commence operations early in the new financial year. The provision of services to Vulindlela and other non-serviced areas is in the pipeline. In time waste to landfill will be reduced and other value added opportunities created.

Major challenges face by the unit include the lack of intergration between waste management and other services such as water, sanitation, informal and formal trade, traffic and security, the homeless, and so forth. Plans are being made by the Ministerial Representative to address these issues.

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.

| Description                                  | SOLID WASTE SERVICE DELIVERY LEVELS<br>Households |                            |                            |                            |
|----------------------------------------------|---------------------------------------------------|----------------------------|----------------------------|----------------------------|
|                                              | 2015/2016<br>Actual Number                        | 2016/2017<br>Actual Number | 2017/2018<br>Actual Number | 2018/2019<br>Actual Number |
| <b>Solid Waste Removal (above min level)</b> |                                                   |                            |                            |                            |
| Removed at least once a week                 | 120 000                                           | 120 000                    | 120 000                    | 120 000                    |
| Minimum Service Level and Above sub-total    | 120 000                                           | 120 000                    | 120 000                    | 120 000                    |
| Minimum Service Level and Above Percentage   | 73.6%                                             | 73.6%                      | 73.6%                      | 73.6%                      |
| <b>Solid Waste Removal (below min level)</b> |                                                   |                            |                            |                            |
| Removed less frequently than once a week     | 43 000                                            | 43 000                     | 43 000 Vulindlela          | 43 000 Vulindlela          |
| Using communal refuse dump                   | 0                                                 | 0                          | 0                          | 0                          |
| Using own refuse dump                        | 0                                                 | 0                          | 0                          | 0                          |
| Own Rubbish Disposal                         | 0                                                 | 0                          | 0                          | 0                          |
| No Rubbish Disposal                          | 43 000                                            | 43 000                     | 43 000                     | 43 000                     |
| Below Minimum Service Level sub-total        | 43 000                                            | 43 000                     | 43 000                     | 43 000                     |
| Below Minimum Service Level Percentage       | 26.4%                                             | 26.4%                      | 26.4%                      | 26.4%                      |
| Total number of households                   | 163 000                                           | 163 000                    | 163 000                    | 163 000                    |

| Description                                          | HOUSEHOLDS – SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM<br>Households |                            |                            |                                     |                        |                  |
|------------------------------------------------------|------------------------------------------------------------------------------|----------------------------|----------------------------|-------------------------------------|------------------------|------------------|
|                                                      | 2015/2016<br>Actual Number                                                   | 2016/2017<br>Actual Number | 2017/2018<br>Actual Number | 2018/2019<br>Adjusted Budget<br>No. | Original Budget<br>No. | Actual<br>Number |
| Formal Settlements                                   |                                                                              |                            |                            |                                     |                        |                  |
| Total Households                                     | 120 000                                                                      | 120 000                    | 120 000                    | 120 000                             | 120 000                | 120 000          |
| Households below minimum service level               | 43 000                                                                       | 43 000                     | 43 000                     | 43 000                              | 43 000                 | 43 000           |
| Proportion of households below minimum service level | 26.4%                                                                        | 26.4%                      | 26.4%                      | 26.4%                               | 26.4%                  | 26.4%            |
| Informal Settlements                                 |                                                                              |                            |                            |                                     |                        |                  |
| Total Households                                     | 43 000                                                                       | 43 000                     | 43 000                     | 43 000                              | 43 000                 | 43 000           |
| Households below minimum service level               | 43 000                                                                       | 43 000                     | 43 000                     | 43 000                              | 43 000                 | 43 000           |
| Proportion of households below minimum service level | 26%                                                                          | 26%                        | 26%                        | 26%                                 | 26%                    | 26%              |



| 2017/2018       |                                                                                                                               |                                                                                                                               |                                    | 2018/2019       |                                                                                        |                                                                                                      |                                    | 2019/2020                                  |                                                      |                                            |                    |                 |                                                                                                                 |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------|------------------------------------------------------|--------------------------------------------|--------------------|-----------------|-----------------------------------------------------------------------------------------------------------------|
| SD/OP REFERENCE | ANNUAL TARGET                                                                                                                 | ANNUAL PROGRESS - ACTUAL                                                                                                      | ACTUAL (1,2,3,4,5, Not Applicable) | SD/OP REFERENCE | ANNUAL TARGET                                                                          | ANNUAL PROGRESS - ACTUAL                                                                             | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                       | CORRECTIVE MEASURE                                   | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT    | SD/OP REFERENCE | ANNUAL TARGET                                                                                                   |
| RP1 07          | Approximately 120 000 households with access to refuse removal at least once per week by the 30th of June 2018 (wards 10 -37) | Approximately 120 000 households with access to refuse removal at least once per week by the 30th of June 2018 (wards 10 -37) | 3 (100% - 129%)                    | WM 01           | Refuse collection in all 5 zones of the Msunduzi Municipality by the 30th of June 2019 | Refuse collection in all 5 zones of the Msunduzi Municipality not completed by the 30th of June 2019 | 1 (69% & below)                    | Funds re-allocated due to time constraints | Re-start the process in the 2019/2020 financial year | 2019/Dec/31                                | Re-allocation Form | WM 01           | Refuse collection completed once a week for all households with Msunduzi Municipality by the 19/20 of June 2020 |
| COM DEV 06      | 100% Repairs completed on 24 skip bins (various sizes) by the 30th of June 2018                                               | 100% Repairs completed on 24 skip bins (various sizes) by the 30th of June 2018                                               | 3 (100% - 129%)                    | WM 02           | 24 skip bins repaired (various sizes) and or replaced by the 30th of June 2019         | 0 skip bins repaired (various sizes) and or replaced by the 30th of June 2019                        | 1 (69% & below)                    | Funds re-allocated due to time constraints | Re-start the process in the 2019/2020 financial year | 30/Feb/2020                                | Re-allocation Form | WM 03           | 7 x 25m3 garden site containers purchased and delivered by the 29th of February 2020                            |

| EMPLOYEE: SOLID WASTE MANAGEMENT SERVICES |               |            |               |                                                       |
|-------------------------------------------|---------------|------------|---------------|-------------------------------------------------------|
| Job Level                                 | 2017/2018     |            | 2018/2019     |                                                       |
|                                           | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents No. of total posts) % |
| T01-T03                                   | 217           | 358        | 323           | 35                                                    |
| T04-T08                                   | 42            | 72         | 54            | 18                                                    |
| T09-T13                                   | 7             | 15         | 9             | 6                                                     |
| T14-T18                                   | 1             | 2          | 1             | 1                                                     |
| T19-T22                                   | 1             | 1          | 1             | 0                                                     |
| T23-T25                                   | 0             | 0          | 0             | 0                                                     |
| <b>Total</b>                              | <b>268</b>    | <b>448</b> | <b>388</b>    | <b>60</b>                                             |

| FINANCIAL PERFORMANCE 2018/2019: SOLID WASTE MANAGEMENT SERVICES |                 |                 |                   |                                       |
|------------------------------------------------------------------|-----------------|-----------------|-------------------|---------------------------------------|
| R'000                                                            |                 |                 |                   |                                       |
| Details                                                          | 2017/2018       |                 | 2018/2019         |                                       |
|                                                                  | Actual          | Original Budget | Adjustment Budget | Actual                                |
| <b>Total Operational Revenue (excl. tariffs)</b>                 | <b>-119,653</b> | <b>-26,442</b>  | <b>-26,442</b>    | <b>-6,175</b>                         |
| Expenditure:                                                     |                 |                 |                   | <b>Variances to Adjusted Budget %</b> |
| Employees                                                        | 66,206          | 86,465          | 86,465            | -0.37                                 |
| Repairs and Maintenance                                          | 7,955           | 5,547           | 4,252             | -41                                   |
| Other                                                            | -5,487          | 20,390          | 13,744            | 9                                     |
| <b>Total Operational Expenditure</b>                             | <b>68,674</b>   | <b>112,402</b>  | <b>104,461</b>    | <b>2</b>                              |
| <b>Net operational (Service) Expenditure</b>                     | <b>-50,979</b>  | <b>85,960</b>   | <b>78,019</b>     | <b>19</b>                             |

Variances are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

| CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES |           |                    |                                  |       |
|------------------------------------------------|-----------|--------------------|----------------------------------|-------|
| R'000                                          |           |                    |                                  |       |
| Details                                        | 2018/2019 |                    | Variances to Total Project Value |       |
|                                                | Budget    | Actual Expenditure | Adjusted Budget %                | Value |
| Total All                                      | 350       | 150                | 5,034                            | 4,934 |
| Machinery & Equipment                          | 100       | 50                 | 0                                | 0     |
| Transport Assets                               | 250       | 100                | 5,034                            | 4,934 |
| 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.

**COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:**

The Waste Management unit business has been grossly under budgeted for at about 1.5% of total budget: including both capital and operating. For a provincial city of this size and complexity the insufficient budget cannot cater properly for the quality and quantity of work expected. Vacant posts remain a problem and especially key administration posts. The capital budget also needs to be increased in order to embrace modern technology and advanced means of production, such as mechanical street sweepers, mulching or chipping equipment, and to embrace advanced waste treatment. Unfortunately, the business unit is in a make-do-with-what-you-have mode as there are other different municipal priorities. Staff need to be retrained and re-motivated in order to improve performance and productivity.

**3.2 THEATRES & HALLS****INTRODUCTION TO COMMUNITY FACILITIES (THEATRES & HALLS)**

This unit is responsible for the management and maintenance of Halls and Theatre facilities maintained to an acceptable standard for use by hirers. Develop new hall facilities. Prepares venues for the use by hirer.

**SERVICE STATISTICS FOR THEATRES & HALLS**

| FACILITY NAME | NUMBER |
|---------------|--------|
| Halls         | 75     |
| Theatre       | 1      |

| COMMUNITY FACILITIES (THEATRES & HALLS) POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                            |                                                                                                                           |                                    |                      |                                                |                          |                                    |                      |                    |                                            |                 |                      |                                                                                          |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|------------------------------------------------|--------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------|-----------------|----------------------|------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                                         | ANNUAL TARGET                                                                                                                              | 2017/2018                                                                                                                 |                                    |                      |                                                | 2018/2019                |                                    |                      |                    | 2019/2020                                  |                 |                      |                                                                                          |
|                                                                              |                                                                                                                                            | ANNUAL PROGRESS - ACTUAL                                                                                                  | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                  | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                            |
| COM DEV 04                                                                   | Grass-cut at 68 halls every month as per grass-cutting schedule by the 30th of June 2018 (36 operational halls & 32 non-operational halls) | Grass-cut at 36 operational halls and 32 non-operational halls on an ad hoc basis as per maintenance schedule every month | 3 (100% - 129%)                    |                      | NO KPIs included in the SDBIP for the 18 19 FY |                          | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A             | PWO 02               | Preliminary designs for Elandskop Community Hall Completed by the 30th of September 2019 |
| COM DEV 13                                                                   | 4 Halls in Vulindlela repaired and refurbished by the 30th of June 2018                                                                    | Nil Achieved                                                                                                              | 1 (69% & below)                    |                      | NO KPIs included in the SDBIP for the 18 19 FY |                          | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A             | PWO 03               | Preliminary designs for Oribi Community Hall completed by the 31st of August 2019        |
| N/A                                                                          | N/A                                                                                                                                        | N/A                                                                                                                       | N/A                                |                      | NO KPIs included in the SDBIP for the 18 19 FY |                          | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A             | PWO 15               | Site establishment for Community Hall in Ward 13 completed by the 30th of June 2020      |
| N/A                                                                          | N/A                                                                                                                                        | N/A                                                                                                                       | N/A                                |                      | NO KPIs included in the SDBIP for the 18 19 FY |                          | NOT APPLICABLE                     | N/A                  | N/A                | N/A                                        | N/A             | PWO 16               | Preliminary designs for Ward 29 Community Hall completed by the 31st of August 2019      |

| EMPLOYEE: COMMUNITY FACILITIES (THEATRES & HALLS) |               |           |               |                                     |                                     |
|---------------------------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level                                         | 2017/2018     | 2018/2019 |               |                                     |                                     |
|                                                   | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03                                           | 14            | 43        | 13            | 30                                  | 70                                  |
| T04-T08                                           | 7             | 33        | 5             | 28                                  | 85                                  |
| T09-T13                                           | 0             | 0         | 0             | 0                                   | 0                                   |
| T14-T18                                           | 0             | 0         | 0             | 0                                   | 0                                   |
| T19-T22                                           | 0             | 0         | 0             | 0                                   | 0                                   |
| T23-T25                                           | 0             | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b>                                      | <b>21</b>     | <b>76</b> | <b>18</b>     | <b>58</b>                           | <b>76</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: COMMUNITY FACILITIES (THEATRES & HALLS)<br>R'000 |                |                 |                   |              |                                 |
|-----------------------------------------------------------------------------------|----------------|-----------------|-------------------|--------------|---------------------------------|
| Details                                                                           | 2017/2018      | 2018/2019       |                   |              |                                 |
|                                                                                   | Actual         | Original Budget | Adjustment Budget | Actual       | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                                  | <b>-12,588</b> | <b>0</b>        | <b>0</b>          | <b>0</b>     | <b>0</b>                        |
| Expenditure:                                                                      |                |                 |                   |              |                                 |
| Employees                                                                         | 5,285          | 4,756           | 4,756             | 2,578        | -46                             |
| Repairs and Maintenance                                                           | 243            | 2,629           | 2,272             | 2,052        | -10                             |
| Other                                                                             | 494            | 14,459          | 14,015            | 4,593        | -67                             |
| <b>Total Operational Expenditure</b>                                              | <b>6,022</b>   | <b>21,844</b>   | <b>21,043</b>     | <b>9,223</b> | <b>-56</b>                      |
| <b>Net operational (Service) Expenditure</b>                                      | <b>-6,566</b>  | <b>21,844</b>   | <b>21,043</b>     | <b>9,223</b> | <b>-56</b>                      |

Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

| CAPITAL EXPENDITURE: COMMUNITY FACILITIES (THEATRES & HALLS)<br>R'000 |               |                   |                    |                                 |                     |
|-----------------------------------------------------------------------|---------------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                                               | 2018/2019     |                   |                    |                                 |                     |
|                                                                       | Budget        | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                                      | <b>29,140</b> | <b>22,450</b>     | <b>18,141</b>      | <b>18,017</b>                   |                     |
| Unit BB Community Hall: MIG                                           | 9,387         | 9,387             | 8,163              | 18,041                          |                     |
| Ward 15 Community Hall: MIG                                           | 6,666         | 6,666             | 5,795              | 5,695                           |                     |
| Ward 18 Community Hall: MIG                                           | 7,325         | 3,835             | 3,335              | 3,235                           |                     |
| Ward 38 Community Hall: MIG                                           | 675           | 675               | 0                  | 0                               |                     |
| Ward 24 Community Hall: MIG                                           | 3,500         | 300               | 261                | 161                             |                     |
| Ward 13 Community Hall: MIG                                           | 500           | 500               | 0                  | 0                               |                     |
| Madiba Community Hall                                                 | 500           | 500               | 0                  | 0                               |                     |
| Upgrade Thamboville Hall                                              | 587           | 587               | 587                | 0                               |                     |

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)  
Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

## COMMENT ON THE PERFORMANCE OF COMMUNITY FACILITIES (THEATRES & HALLS)

No halls have been upgraded and renovated. There are insufficient funds for the maintenance of Halls.

## 3.3 CEMETERIES & CREMATORIA

### INTRODUCTION TO CEMETERIES & CREMATORIALS

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.

### SERVICE STATISTICS FOR CEMETERIES & CREMATORIALS

#### CLOSED CEMETERIES

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

**OPERATING CEMETERIES**

- Sinathingi Cemetery
- Mountain Rise Cemetery
- Willowfontein Community Cemetery
- Two crematoriums are currently operational

| 2017/2018                                      |               |                                    |                          | 2018/2019                                      |               |                                    |                          | 2019/2020            |                    |                                            |                 |                      |                                                                    |
|------------------------------------------------|---------------|------------------------------------|--------------------------|------------------------------------------------|---------------|------------------------------------|--------------------------|----------------------|--------------------|--------------------------------------------|-----------------|----------------------|--------------------------------------------------------------------|
| SDBIP / OP REFERENCE                           | ANNUAL TARGET | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL | SDBIP / OP REFERENCE                           | ANNUAL TARGET | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | SDBIP / OP REFERENCE | ANNUAL TARGET                                                      |
| NO KPIs included in the SDBIP for the 17-18 FY |               |                                    | NOT APPLICABLE           | NO KPIs included in the SDBIP for the 18-19 FY |               |                                    |                          | NOT APPLICABLE       | N/A                | N/A                                        | N/A             | PMO 38               | 2 x cremation machines Designs completed by the 31st of March 2020 |

| EMPLOYEE: CEMETERIES & CREMATORIIUMS |               |            |               |                                      |                                     |
|--------------------------------------|---------------|------------|---------------|--------------------------------------|-------------------------------------|
| Job Level                            | 2017/2018     |            | 2018/2019     |                                      |                                     |
|                                      | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents No.) | Vacancies (as a % of total posts) % |
| T01-T03                              | 118           | 187        | 113           | 74                                   | 40                                  |
| T04-T08                              | 13            | 16         | 11            | 5                                    | 31                                  |
| T09-T13                              | 2             | 2          | 1             | 1                                    | 50                                  |
| T14-T18                              | 0             | 0          | 0             | 0                                    | 0                                   |
| T19-T22                              | 0             | 0          | 0             | 0                                    | 0                                   |
| T23-T25                              | 0             | 0          | 0             | 0                                    | 0                                   |
| <b>Total</b>                         | <b>133</b>    | <b>205</b> | <b>125</b>    | <b>80</b>                            | <b>39</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: CEMETERIES & CREMATORIIUMS |              |                 |                   |               |                                |
|-------------------------------------------------------------|--------------|-----------------|-------------------|---------------|--------------------------------|
| R'000                                                       |              |                 |                   |               |                                |
| Details                                                     | 2017/2018    |                 | 2018/2019         |               |                                |
|                                                             | Actual       | Original Budget | Adjustment Budget | Actual        | Variances to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>            | <b>-508</b>  | <b>0</b>        | <b>0</b>          | <b>0</b>      | <b>0</b>                       |
| Expenditure:                                                |              |                 |                   |               |                                |
| Employees                                                   | 5,588        | 18,961          | 18,953            | 23,968        | 26                             |
| Repairs and Maintenance                                     | 120          | 112             | 84                | 67            | -20                            |
| Other                                                       | 1,118        | 2,979           | 2,845             | 1,395         | -51                            |
| <b>Total Operational Expenditure</b>                        | <b>6,826</b> | <b>22,052</b>   | <b>21,882</b>     | <b>25,430</b> | <b>16</b>                      |
| <b>Net operational (Service) Expenditure</b>                | <b>6,318</b> | <b>22,052</b>   | <b>21,882</b>     | <b>25,430</b> | <b>1667,247</b>                |

Variances are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

| CAPITAL EXPENDITURE: CEMETERIES & CREMATORIUMS<br>R'000 |              |                   |                    |                                |                     |
|---------------------------------------------------------|--------------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                                 | 2018/2019    |                   |                    |                                |                     |
|                                                         | Budget       | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                        | <b>2,600</b> | <b>0</b>          | <b>0</b>           | <b>0</b>                       | <b>0</b>            |
| Development of Cemetery                                 | 2,600        | 0                 | 0                  | 0                              | 0                   |
| 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.

**COMMENT ON THE PERFORMANCE OF CEMETERIES & CREMATORIUMS OVERALL:**

Burial space is fast becoming scarce. EIAs are being done on the new site. The dispute regarding land in Hollingwood needs to be resolved. Two Crematoriums are operational. To acquire two new crematoriums once funds are available.

**3.4 BIODIVERSITY & LANDSCAPE**

**INTRODUCTION BIODIVERSITY AND LANDSCAPE**

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

**SERVICE STATISTICS FOR BIODIVERSITY AND LANDSCAPE**

| DESCRIPTION          | NUMBER                  | AREA (M2)  |
|----------------------|-------------------------|------------|
| PARKS                | 16                      | 1 913 800  |
| OPEN SPACES          | 133                     | 4 002 000  |
| TOWNLANDS AREA       | -                       | 730 000    |
| 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 METRES | -          |
| NORTH                | 6 882 420 SQUARE METRES | -          |
| WEST                 | 2 150 000 SQUARE METRES | -          |

| HORTICULTURE, BIODIVERSITY, LANDSCAPE & CONSERVATION POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                   |                                           |                                    |                                                                    |                                                                                                                                                |                                            |                       |                      |                                                                                                                                 |
|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------|--------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                                                      | 2017/2018                                                                                                                         |                                           |                                    | 2018/2019                                                          |                                                                                                                                                |                                            | 2019/2020             |                      |                                                                                                                                 |
|                                                                                           | ANNUAL TARGET                                                                                                                     | ANNUAL PROGRESS - ACTUAL                  | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                               | CORRECTIVE MEASURE                                                                                                                             | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT       | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                   |
| COM DEV 01                                                                                | Grass cut once per month in 29 wards a season as per grass cutting schedule (September 2017 to May 2018) by the 30th of June 2018 | 80% of 29 wards Cut                       | 2 (70% - 99%)                      | Challenges with slasher-mower and constant break-downs of tractors | Repair slasher-mower and tractors, budget for the purchase of 9 slasher-mowers in 2109/2020 financial year to be implemented in September 2019 | 30-Sep-19                                  | Grass-cutting slats   | 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 |
| COM DEV 02                                                                                | 10 islands and 10 main entrances into the CBD maintained monthly as per maintenance schedule by the 30th of June 2018             | 5 islands and 5 main entrances maintained | 2 (70% - 99%)                      | Late delivery of brush-cutters                                     | New delivery of 50 Brushcutters to be implemented in new financial year 2019/2020                                                              | 30-Sep-19                                  | Maintenance schedules | R & F 02             | 10 islands and 11 main entrances into CBD maintained monthly as per maintenance schedule by the 30th of June 2020               |

| EMPLOYEE: BIODIVERSITY AND LANDSCAPE |               |            |               |                                     |                                     |
|--------------------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level                            | 2017/2018     |            | 2018/2019     |                                     |                                     |
|                                      | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03                              | 195           | 354        | 184           | 170                                 | 48                                  |
| T04-T08                              | 59            | 131        | 58            | 73                                  | 56                                  |
| T09-T13                              | 6             | 7          | 4             | 3                                   | 43                                  |
| T14-T18                              | 1             | 1          | 0             | 1                                   | 100                                 |
| T19-T22                              | 1             | 1          | 0             | 1                                   | 100                                 |
| T23-T25                              | 0             | 0          | 0             | 0                                   | 0                                   |
| <b>Total</b>                         | <b>262</b>    | <b>493</b> | <b>246</b>    | <b>247</b>                          | <b>50</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: BIODIVERSITY AND LANDSCAPE<br>R'000 |               |                 |                   |               |                                |
|----------------------------------------------------------------------|---------------|-----------------|-------------------|---------------|--------------------------------|
| Details                                                              | 2017/2018     |                 | 2018/2019         |               |                                |
|                                                                      | Actual        | Original Budget | Adjustment Budget | Actual        | Variances to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                     | -1            | 0               | 0                 | 0             | 0                              |
| Expenditure:                                                         |               |                 |                   |               |                                |
| Employees                                                            | 34,022        | 48,807          | 48,416            | 48,917        | 1                              |
| Repairs and Maintenance                                              | 10,044        | 8,135           | 6,767             | 6,931         | 2                              |
| Other                                                                | 2,825         | 10,918          | 10,046            | 5,284         | -47                            |
| <b>Total Operational Expenditure</b>                                 | <b>46,891</b> | <b>67,860</b>   | <b>62,229</b>     | <b>61,132</b> | <b>-2</b>                      |
| <b>Net operational (Service) Expenditure</b>                         | <b>46,890</b> | <b>67,860</b>   | <b>62,229</b>     | <b>61,132</b> | <b>-2</b>                      |

Variances are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

| CAPITAL EXPENDITURE: BIODIVERSITY AND LANDSCAPE<br>R'000 |            |                   |                    |                                |                     |
|----------------------------------------------------------|------------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                                  | 2018/2019  |                   |                    |                                |                     |
|                                                          | Budget     | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                         | <b>200</b> | <b>200</b>        | <b>200</b>         | <b>100</b>                     |                     |
| Fencing: Bisley Nature Reserve                           | 200        | 200               | 200                | 100                            |                     |
| 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.

#### COMMENTS ON THE PERFORMANCE OF BIODIVERSITY; LANDSCAPE OVERALL:

Beautification projects have been initiated on all council gardens, islands, and city entrance to enhance the aesthetics of the city and is ongoing. Grass cutting program and tree felling program is ongoing. In the process of purchasing new slasher mowers and 50 Brushcutters.

### 3.5 TRAFFIC & PUBLIC SAFETY

#### INTRODUCTION TO TRAFFIC, SAFETY & SECURITY

The Department of Public Safety helps to ensure a safe environment and improve the quality of life through effective Traffic Policing combined with the efficient use of Driver Licence Testing Centre and Registration, Security personnel and the newly established Rapid Response Unit.

- Control and regulate all forms of traffic, promote education and training of traffic and road safety.
- Attend scenes of motor vehicle collisions and assist with traffic control, removal of accident damaged vehicles to ensure the free passage of vehicular traffic.
- Eliminate points of congestion, obstructions, hindrances, interferences or danger to vehicles and pedestrians.
- Driver licence Test Centre and Registration helps to provide effective issuing of valid driver's licences and Professional Drivers permits.
- 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 and including responding to the volatile situations.

#### SERVICE STATISTICS FOR TRAFFIC, SAFETY & SECURITY

| SERVICE STATISTICS FOR TRAFFIC, SAFETY & SECURITY |                                                          |              |            |              |              |
|---------------------------------------------------|----------------------------------------------------------|--------------|------------|--------------|--------------|
| Details                                           | 2016/2017                                                |              | 2017/2018  |              | 2018/2019    |
|                                                   | Actual No.                                               | Estimate No. | Actual No. | Estimate No. | Estimate No. |
| 1                                                 | Number of road traffic accidents during the year         | 630          | 651        | 585          | 610          |
| 2                                                 | Number of by-law infringements attended                  | 31 500       | 32 000     | 3 218        | 33 000       |
| 3                                                 | Number of police officers in the field on an average day | 92           | 100        | 89           | 324          |
| 4                                                 | Number of police officers on duty on an average day      | 36           | 70         | 36           | 195          |

REFERENCE IS MADE TO ITEM 3 OF THE TABLE ABOVE WHERE TRAFFIC AND SECURITY ARE COMBINED AS POLICE OFFICERS.

| No. | DESCRIPTION                                                        | NUMBER |
|-----|--------------------------------------------------------------------|--------|
| 1   | SECURITY personnel in the field on an average day                  | 114    |
| 2   | OPERATIONAL personnel per day                                      | 102    |
| 3   | SUPPORT personnel                                                  | 05     |
| 4   | ADMINISTRATION personnel                                           | 07     |
| 5   | TRAFFIC personnel in the field on an average day:                  |        |
|     | Traffic Officers                                                   | 78     |
|     | Traffic Wardens                                                    | 04     |
|     | Scholar Patrols                                                    | 78     |
| 7   | SUPPORT personnel ( Charge Office and public Education & Training) | 08     |
| 8   | ADMINISTRATION personnel ( Data Capture Clerks, DLTC& RA Clerks)   | 16     |

| TRAFFIC, SAFETY & SECURITY POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                       |                                                                                                                       |                                    |                      |                                                                                                                       |                                                                                                                       |                                    |                                                                                                                    |                                                                                                           |                                            |                                       |                      |                                                                                                                                                  |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| 2017/2018                                                       |                                                                                                                       |                                                                                                                       |                                    |                      | 2018/2019                                                                                                             |                                                                                                                       |                                    |                                                                                                                    |                                                                                                           |                                            |                                       |                      |                                                                                                                                                  |
| SDBIP / OP REFERENCE                                            | ANNUAL TARGET                                                                                                         | ANNUAL PROGRESS - ACTUAL                                                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                         | ANNUAL PROGRESS - ACTUAL                                                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                               | CORRECTIVE MEASURE                                                                                        | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                       | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                    |
| PSDM 05                                                         | 156 x road safety awareness sessions conducted by the 30th of June 2018                                               | 175 x road safety awareness sessions conducted by the 30th of June 2018                                               | 3 (100% - 129%)                    | PS, ES & E 01        | 168 x Number of road safety awareness sessions conducted by 30th of June 2019                                         | 232 x Number of road safety awareness session conducted by the 30th of June 2019                                      | 5 (150% - 167%)                    | N/A                                                                                                                | N/A                                                                                                       | N/A                                        | School Road Safety & Education Report | PSDM 01              | 156 x road safety awareness sessions conducted in the 19/20 FY by the 30th of June 2020                                                          |
| PSDM 06                                                         | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2018                      | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2018                      | 3 (100% - 129%)                    | PS, ES & E 02        | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2019                      | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2019                      | 3 (100% - 129%)                    | N/A                                                                                                                | N/A                                                                                                       | N/A                                        | Monthly Fire Arm Audit Report         | PSDM 02              | 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 2020 |
| PSDM 07                                                         | 2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2018 | 2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2018 | 3 (100% - 129%)                    | PS, ES & E 03        | 2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019 | 1 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019 | 1 (69% & below)                    | Awaiting service level agreement for shooting range to be signed by (A) Municipal Manager as from: 1 November 2018 | Service level agreement for shooting range to be signed by (A) Municipal Manager as from: 1 November 2018 | 1 MONTH                                    | Service Level agreement               | PSDM 04              | 2 x Fire Arm Training / Fire Arm Refresher Courses for all municipal fire arm holders conducted by the 30th of June 2020                         |

EMPLOYEE: TRAFFIC, SAFETY & SECURITY

| Job Level    | 2017/2018     |            | 2018/2019     |                                                       | Vacancies (as a % of total posts) % |
|--------------|---------------|------------|---------------|-------------------------------------------------------|-------------------------------------|
|              | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents No. of total posts) % |                                     |
| T01-T03      | 3             | 3          | 3             | 0                                                     | 0                                   |
| T04-T08      | 133           | 222        | 245           | 77                                                    | 24                                  |
| T09-T13      | 156           | 221        | 73            | 148                                                   | 67                                  |
| T14-T18      | 16            | 20         | 16            | 4                                                     | 20                                  |
| T19-T22      | 1             | 1          | 1             | 1                                                     | 100                                 |
| T23-T25      | 0             | 0          | 0             | 0                                                     | 0                                   |
| <b>Total</b> | <b>309</b>    | <b>467</b> | <b>337</b>    | <b>130</b>                                            | <b>28</b>                           |

## FINANCIAL PERFORMANCE 2018/2019: TRAFFIC, SAFETY & SECURITY R'000

| Details                                          | 2017/2018      | 2018/2019       |                   |                |                                 |
|--------------------------------------------------|----------------|-----------------|-------------------|----------------|---------------------------------|
|                                                  | Actual         | Original Budget | Adjustment Budget | Actual         | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>-5,713</b>  | <b>-21,263</b>  | <b>-21,263</b>    | <b>-14,052</b> | <b>-34</b>                      |
| Expenditure:                                     |                |                 |                   |                |                                 |
| Police Officers                                  |                |                 |                   |                |                                 |
| Other Employees                                  | 103,731        | 131,023         | 131,023           | 135,717        | 4                               |
| Repairs and Maintenance                          | 797            | 1,022           | 1,012             | 641            | -37                             |
| Other                                            | 97,500         | 91,989          | 91,381            | 82,494         | -10                             |
| <b>Total Operational Expenditure</b>             | <b>202,028</b> | <b>224,034</b>  | <b>223,416</b>    | <b>218,852</b> | <b>-2</b>                       |
| <b>Net operational (Service) Expenditure</b>     | <b>196,315</b> | <b>202,771</b>  | <b>202,153</b>    | <b>204,800</b> | <b>1</b>                        |

Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

## CAPITAL EXPENDITURE: TRAFFIC, SAFETY & SECURITY R'000

| Details                      | 2018/2019    |                   |                    |                                 | Total Project Value |
|------------------------------|--------------|-------------------|--------------------|---------------------------------|---------------------|
|                              | Budget       | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % |                     |
| <b>Total All</b>             | <b>6,600</b> | <b>5,223</b>      | <b>3,360</b>       | <b>3,260</b>                    |                     |
| Machinery & Equipment        | 2,020        | 1,323             | 1,243              | <b>1,143</b>                    |                     |
| Shooting Range               | 3,300        | 3,300             | 1,809              | <b>1,709</b>                    |                     |
| Furniture & Office Equipment | 280          | 0                 | 0                  | <b>0</b>                        |                     |
| Market Offices               | 1,000        | 600               | 308                | <b>208</b>                      |                     |

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)  
Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

### COMMENT ON THE PERFORMANCE OF TRAFFIC & PUBLIC SAFETY OVERALL:

Performance of Traffic and Security personnel are on par as per the Service delivery and budget implementation plan. The lack of Satellite Traffic Stations servicing the remote areas of Municipality is a cause for concern due to the risks attached to the delayed response times from existing Traffic and Security Stations which are located in the Central Business District. This is further exacerbated by the time of their response (peak hours etc.) and could have an impact on the ability to respond to road accidents. With the 10% reduction in road traffic accidents over the previous years, the estimated of 22% can be achieved.

## 3.6 FIRE SERVICES

### INTRODUCTION TO FIRE SERVICES

The Fire Services unit is responsible for as per below:

#### 1. FIGHT OR EXTINGUISH A FIRE AND RESCUE OF LIFE OR PROPERTY FROM A FIRE OR OTHER DANGER:

Early and timeous response to fire and rescue incidents is critical for life and property saving measures to be effective. In order to improve turnout times to incidents the Municipality has started the process which should see two more fire stations opened in the vast Vulindlela area and Northdale suburb of the City, however due to financial constraints these projects have been placed on hold. Whilst staff shortages are a challenge this is combated by a constant attempt to ensure that a minimum manning standard is complied with on a daily basis, even at the expense of overtime costs.

#### 2. PREVENT THE OUTBREAK AND SPREAD OF FIRE AND THE PROTECTION OF LIFE OR PROPERTY FROM FIRE OR OTHER THREATENING DANGER:

The dedicated Fire Prevention officers ensure that all new building development applications are in compliance with the City by-laws, National Building Regulations and SANS 0400 codes of practice for fire safety in buildings. Existing infrastructure is also subject of daily scheduled and ad hoc inspections for fire safety compliance.

#### 3. BASIC FIRE AND LIFE SAFETY TRAINING:

The Fire Prevention Officers undertake regular scheduled training with hospitals, commerce and industry in order to impart basic fire safety training in the use of first aid firefighting equipment.

The Public Education Section engages schools and communities in a drive to ensure basic fire and life safety awareness and skills are imparted at a rudimentary scale, mostly by meetings, attendance to community structures and visitations to schools, and, of schools to fire stations. Whilst this basic intervention is still not enough it is imperative that communities are aware of the fire service and services it offers, how to access these services, and what it is that they can do to provide basic first aid fire safety protection to themselves.



| FIRE SERVICE DATA                                         |            |              |            |              |              |
|-----------------------------------------------------------|------------|--------------|------------|--------------|--------------|
| Details                                                   | 2017/2018  |              | 2018/2019  |              | 2019/2020    |
|                                                           | Actual No. | Estimate No. | Actual No. | Estimate No. | Estimate No. |
| 1 Total fires attended in the year                        | 1243       | N/A          | 1688       | N/A          | N/A          |
| 2 Total of other incidents attended in the year           | 521        | N/A          | 731        | N/A          | N/A          |
| 3 Average turnout time – urban areas                      | 17         | N/A          | 17         | 17           | 17           |
| 4 Average turnout time – rural areas                      | 33         | N/A          | 33         | 33           | 33           |
| 5 Fire fighters in post at year end                       | 102        | 141          | 88         | 141          | 141          |
| 6 Total fire appliances at year end                       | 14         | 14           | 14         | 14           | 14           |
| 7 Average number fire appliances off the road at year end | 5          | 0            | 5          | 5            | 2            |

| FIRE SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                      |                                                                                       |                                    |                      |                                                                                            |                                                                                            |                                    |                                                           |                                      |                                            |                                |                      |                                                                                                     |
|----------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------------|--------------------------------------|--------------------------------------------|--------------------------------|----------------------|-----------------------------------------------------------------------------------------------------|
| SDBIP / OP REFER-                                  | 2017/2018                                                                            |                                                                                       |                                    |                      |                                                                                            | 2018/2019                                                                                  |                                    |                                                           |                                      |                                            | 2019/2020                      |                      |                                                                                                     |
|                                                    | ANNUAL TARGET                                                                        | ANNUAL PROGRESS - ACTUAL                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                              | ANNUAL PROGRESS - ACTUAL                                                                   | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                      | CORRECTIVE MEASURE                   | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                       |
| PSDM 01                                            | 46 X Major Hazard Visitation conducted by the 30th of June 2018                      | 48 X Major Hazard Visitation conducted by the 30th of June 2018                       | 3 (100% - 129%)                    | PS, ES & E 08        | 46 Major Hazard Visitation conducted by the 30th of June 2019                              | 45 Major Hazard Visitation conducted by the 30th of June 2019                              | 2 (70% - 99%)                      | Staff shortages/ response to incidents- grass fire season | Nil                                  | 30 days                                    | daily schedule                 | PSDM 10              | 46 x Major Hazard Visitation conducted in the 19/20 FY by the 30th of June 2020                     |
| PSDM 02                                            | 800 X fire prevention inspections conducted by the 30th of June 2018                 | 813 X fire prevention inspections conducted by the 30th of June 2018                  | 3 (100% - 129%)                    | PS, ES & E 09        | 800 fire inspections conducted by the 30th of June 2019                                    | 838 fire inspections conducted by the 30th of June 2019                                    | 3 (100% - 129%)                    | N/A                                                       | N/A                                  | N/A                                        | daily schedules                | PSDM 11              | 800 x fire prevention inspections conducted in the 19/20FY by the 30th of June 2020                 |
| PSDM 03                                            | 1 x fire engine purchased & delivered by the 30th of June 2018                       | 1 x fire engine purchased & delivered by the 30th of June 2018                        | 3 (100% - 129%)                    | PS, ES & E 10        | 1 x AIRPORT fire engine purchased in accordance to SACCAS standard by the 31st of May 2019 | 0 x AIRPORT fire engine purchased in accordance to SACCAS standard by the 31st of May 2019 | 1 (69% & below)                    | NO BUDGET ALLOCATED DURING MID YEAR REVIEW PROCESS        | REQUEST BUDGET IN NEW FINANCIAL YEAR | 2019/20                                    | Mid-Year review Capital Budget | PSDM 12              | 1 x fire engine for the Msunduzi Airport purchased in the 19/20 FY by the 31st of May 2020          |
| PSDM 04                                            | 60 x Fire & Rescue public awareness presentations conducted by the 30th of June 2018 | 132 x Fire & Rescue public awareness presentations conducted by the 30th of June 2018 | 3 (100% - 129%)                    | PS, ES & E 11        | 60 Fire & Rescue public awareness presentations conducted by the 30th of June 2019         | 124 Fire & Rescue public awareness presentations conducted by the 30th of June 2019        | 5 (150% - 167%)                    | N/A                                                       | N/A                                  | N/A                                        | Daily schedules                | PSDM 13              | 60 x Fire & Rescue public awareness presentations conducted in the 19/20FY by the 30th of June 2020 |

| EMPLOYEE: FIRE SERVICES |               |            |               |                                      |                                     |
|-------------------------|---------------|------------|---------------|--------------------------------------|-------------------------------------|
| Job Level               | 2017/2018     |            | 2018/2019     |                                      |                                     |
|                         | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| T01-T03                 | 3             | 7          | 3             | 4                                    | 57                                  |
| T04-T08                 | 4             | 7          | 5             | 2                                    | 29                                  |
| T09-T13                 | 99            | 178        | 98            | 80                                   | 45                                  |
| T14-T18                 | 8             | 9          | 8             | 1                                    | 11                                  |
| T19-T22                 | 0             | 0          | 0             | 0                                    | 0                                   |
| T23-T25                 | 0             | 0          | 0             | 0                                    | 0                                   |
| <b>Total</b>            | <b>114</b>    | <b>201</b> | <b>114</b>    | <b>87</b>                            | <b>43</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: FIRE SERVICES   |               |                   |                 |               |                               |
|--------------------------------------------------|---------------|-------------------|-----------------|---------------|-------------------------------|
| R'000                                            |               |                   |                 |               |                               |
| Details                                          | 2017/2018     |                   | 2018/2019       |               |                               |
|                                                  | Actual        | Adjustment Budget | Original Budget | Actual        | Variance to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>-270</b>   | <b>0</b>          | <b>0</b>        | <b>0</b>      | <b>0</b>                      |
| Expenditure:                                     |               |                   |                 |               |                               |
| Fire Officers                                    |               |                   |                 |               |                               |
| Other Employees                                  | 68,125        | 77,333            | 77,333          | 76,891        | -1                            |
| Repairs and Maintenance                          | 1,782         | 1,406             | 1,067           | 356           | -67                           |
| Other                                            | 9,483         | 6,301             | 5,524           | 3,497         | -37                           |
| <b>Total Operational Expenditure</b>             | <b>79,390</b> | <b>85,040</b>     | <b>83,924</b>   | <b>80,714</b> | <b>-4</b>                     |
| <b>Net operational (Service) Expenditure</b>     | <b>79,120</b> | <b>85,040</b>     | <b>83,924</b>   | <b>80,714</b> | <b>-4</b>                     |

Variance are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

## CAPITAL EXPENDITURE: FIRE SERVICES R'000

| Details               | 2018/2019    |                   |                    |                                | Total Project Value |
|-----------------------|--------------|-------------------|--------------------|--------------------------------|---------------------|
|                       | Budget       | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % |                     |
| <b>Total All</b>      | <b>8,750</b> | <b>2,000</b>      | <b>107</b>         | <b>7</b>                       |                     |
| Transport Assets      | 4,800        | 0                 | 0                  | 0                              |                     |
| Machinery & Equipment | 3,776        | 1,826             | 107                | 7                              |                     |
| Computer Equipment    | 174          | 174               | 0                  | 0                              |                     |
| 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.

### COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

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.

Vehicles repair and maintenance is negatively impacted by poor supply chain processes which fail to recognize emergency fire vehicle repairs as emergency/urgent in terms of MFMA SCM. This leads to long turnaround times and delays for vehicle repairs.

## 3.7 DISASTER MANAGEMENT

### INTRODUCTION TO 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.

Disaster Management provides a culture of risk avoidance amongst communities through education and public awareness. Disaster Management has two components to it-the proactive component that alerts the community to the problem, highlights practices to prevent problems and work with other departments and entities to avoid problems and to lessen the impact of problems.

Under the leadership of the Environmental Management section, significant progress has been made towards determining how climate change projections would affect communities and individuals within the Msunduzi Municipality. It is clear from this work that the impact of existing climate variability and likely future climatic changes will be cross-sectorial and necessitate adaptation planning by the majority of municipal departments.

It is a legal requirement for the Local Authority to develop an off- site plan for every Major Hazard Installation. The MHI Legislation prescribes that the local authority develops a site-specific plan for each individual MHI. It is the intention of Disaster Management together with the Fire Rescue Services to involve all relevant stakeholders and critical departments that need to play a significant role in the implementation of the Off-Site emergency plan as per the MHI regulation.

During the 2018/2019 period a total of 24 Disaster Awareness programmes we undertaken in various wards of Msunduzi. These programmes are effective and help in Disaster risk reduction within the various wards. Relief supplies and assistance were given to those who were affected by storm fires and other disasters. Relief provided in the form of temporary accommodation (tents), food parcels, mattresses and blankets, and in many instances plastic sheeting used as waterproofing. Assistance is sometimes offered by other parties e.g. NGOS.

Disaster Management is also involved in event safety and forms part of the safety and security cluster that oversees and monitors all events within the Msunduzi area of jurisdiction. Also participates in planning meetings prior to various types of events. Disaster Management is also responsible for the Emergency Communications Centre (ECC). The Emergency Communications Centre (ECC) is charged with the responsibility within Public Safety of providing prompt, courteous, and professional handling of all emergency calls from the public and subsequent dispatch of appropriate emergency service responders.

### SERVICE STATISTICS FOR DISASTER MANAGEMENT

During the 2018/2019 financial year a number of incidents of various types of disasters was attended to and as per below:

- Total number of incidents: 229
- Cost of relief in relation to emergency supplies: R 921 503
- Total Number of Events attended: 116
- Total number of people monitored: 4997

| DISASTER MANAGEMENT POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                |                                                                                                                                                |                                    |                      |                                                                                                                                                |                                                                                                                                                |                                    |                      |                    |                                            |                                                        |                      |                                                                                                                                                |
|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------|--------------------------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| 2017/2018                                                |                                                                                                                                                |                                                                                                                                                |                                    |                      | 2018/2019                                                                                                                                      |                                                                                                                                                |                                    |                      |                    | 2019/2020                                  |                                                        |                      |                                                                                                                                                |
| SDBIP / OP REFERENCE                                     | ANNUAL TARGET                                                                                                                                  | ANNUAL PROGRESS - ACTUAL                                                                                                                       | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                  | ANNUAL PROGRESS - ACTUAL                                                                                                                       | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                        | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                  |
| PSDM 08                                                  | 4 x quarterly Disaster Management Advisory Forums meetings facilitated by the 30th of June 2018                                                | 4 x quarterly Disaster Management Advisory Forums meetings facilitated by the 30th of June 2018                                                | 3 (100% - 129%)                    | PS, ES & E 04        | 4 x quarterly Disaster Management Advisory Forums meetings facilitated by the 30th of June 2019                                                | 4 x quarterly Disaster Management Advisory Forums meetings facilitated by the 30th of June 2019                                                | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | attendance register, minutes of advisory forum meeting | PSDM 06              | 4 x quarterly Disaster Management Advisory Forums meetings facilitated by the 30th of June 2020                                                |
| PSDM 09                                                  | 24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2018 | 24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2018 | 3 (100% - 129%)                    | PS, ES & E 05        | 24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019 | 24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019 | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | INCIDENT REPORT/ BENEFICIARY LIST                      | PSDM 07              | 24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2020 |
| PS, ES & E 10                                            | Reviewed Disaster Management Plan prepared and submitted to SMC for approval by Council by the 31st of December 2017                           | Reviewed Disaster Management Plan prepared and submitted to SMC for approval by Council by the 31st of December 2017                           | 3 (100% - 129%)                    | PS, ES & E 06        | Reviewed Disaster Management Plan prepared and submitted to SMC for approval by Council by the 31st of December 2018                           | Reviewed Disaster Management Plan prepared and submitted to SMC                                                                                | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | S.M.C. RESOLUTION                                      | PSDM 08              | Reviewed Disaster Management Plan prepared and submitted to SMC for approval by Council by the 31st of March 2020                              |
| PS, ES & E 11                                            | 8 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2018                                           | 8 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2018                                           | 3 (100% - 129%)                    | PS, ES & E 07        | 12 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2019                                          | 12 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 30th of June 2019                                          | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | ATTENDANCE REGISTER, M.H.F.FORM                        | PSDM 09              | 24 x Disaster awareness Campaigns (1 campaign per high risk areas, 1 public education campaign) conducted by the 30th of June 2020             |

| EMPLOYEE: DISASTER MANAGEMENT |               |           |               |                                     |
|-------------------------------|---------------|-----------|---------------|-------------------------------------|
| Job Level                     | 2017/2018     |           | 2018/2019     |                                     |
|                               | Employees No. | Posts No. | Employees No. | Vacancies (as a % of total posts) % |
| T01-T03                       | 1             | 1         | 1             | 0                                   |
| T04-T08                       | 0             | 3         | 0             | 3                                   |
| T09-T13                       | 15            | 25        | 16            | 9                                   |
| T14-T18                       | 2             | 3         | 3             | 0                                   |
| T19-T22                       | 0             | 0         | 0             | 0                                   |
| T23-T25                       | 0             | 0         | 0             | 0                                   |
| <b>Total</b>                  | <b>18</b>     | <b>32</b> | <b>20</b>     | <b>12</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: DISASTER MANAGEMENT          |              |                   |              |                                 |
|---------------------------------------------------------------|--------------|-------------------|--------------|---------------------------------|
| R'000                                                         |              |                   |              |                                 |
| Details                                                       | 2017/2018    |                   | 2018/2019    |                                 |
|                                                               | Actual       | Adjustment Budget | Actual       | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs) Expenditure:</b> | <b>0</b>     | <b>0</b>          | <b>0</b>     | <b>0</b>                        |
| Employees                                                     | 640          | 1,017             | 1,017        | -16                             |
| Repairs and Maintenance                                       | 10           | 11                | 9            | -78                             |
| Other                                                         | 1,056        | 1,043             | 796          | -11                             |
| <b>Total Operational Expenditure</b>                          | <b>1,706</b> | <b>2,071</b>      | <b>1,822</b> | <b>-14</b>                      |
| <b>Net Operational (Service) Expenditure</b>                  | <b>1,706</b> | <b>2,071</b>      | <b>1,822</b> | <b>-14</b>                      |

Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

| CAPITAL EXPENDITURE: DISASTER MANAGEMENT<br>R'000 |           |                   |                    |                                 |                     |
|---------------------------------------------------|-----------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                           | 2018/2019 |                   |                    |                                 |                     |
|                                                   | Budget    | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                  |           |                   |                    |                                 |                     |
| Project A                                         |           |                   |                    |                                 |                     |
| 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.

**COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT**

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 Incwadi/Vulindlela area which will further enhance service delivery thereby improving performance.

Whilst we received capital budget for the relocation and upgrading of the Emergency Communications Centre (ECC) we were unable to start our project due to various internal processes that did not happen. The buildings section assisted us and due to the non-approval and delay in the SS22 contract being awarded the project did not start. ITC dealt with the replacement of our PABX and Voice Logging equipment project and due to unforeseen circumstances the service provider Telkom did not honour their part and the project came to a standstill and as a result was not completed

**3.8 SPORT & RECREATION**

**INTRODUCTION TO 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.

**SERVICE STATISTICS FOR SPORT AND RECREATION**

Total number of Sports Facilities - 65

Total number of pools – 7

| SDBIP / OP REFERENCE | 2017/2018                                                                                   |                                                                                        |                                    | 2018/2019                                                                   |                                    |                                                                      | 2019/2020                     |                                            |                                          |                      |               |
|----------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------|-------------------------------|--------------------------------------------|------------------------------------------|----------------------|---------------|
|                      | ANNUAL TARGET                                                                               | ANNUAL PROGRESS - ACTUAL                                                               | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL                                                    | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                 | CORRECTIVE MEASURE            | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                          | SDBIP / OP REFERENCE | ANNUAL TARGET |
| R & F 12             | 4 Sports Facilities Repaired as per repairs & maintenance schedule by the 30th of June 2018 | 4 Sports Facilities currently being upgraded in Wards 19 and 7, Copesville and Sobantu | 3 (100% - 129%)                    | Full Upgrade of Buchanan Swimming Pool completed by the 30th of June 2019 - | 1 (69% & below)                    | Report submitted late for approval SS 72 of 2015 not approved by BAC | Mid-term review for 2019/2020 | 31-Jan-20                                  | BOQs, Letter of award                    | N/A                  | N/A           |
| N/A                  | N/A                                                                                         | N/A                                                                                    | N/A                                | Fencing of Blesley Valley Nature Reserve completed by the 30th of June 2019 | 5 (150% - 167%)                    | N/A                                                                  | N/A                           | N/A                                        | Invoices, Orders, Completion Certificate | N/A                  | N/A           |

| EMPLOYEE: SPORT AND RECREATION |               |            |               |                                     |                                     |
|--------------------------------|---------------|------------|---------------|-------------------------------------|-------------------------------------|
| Job Level                      | 2017/2018     | 2018/2019  |               |                                     |                                     |
|                                | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents No. | Vacancies (as a % of total posts) % |
| T01-T03                        | 66            | 97         | 64            | 33                                  | 34                                  |
| T04-T08                        | 22            | 46         | 21            | 25                                  | 54                                  |
| T09-T13                        | 6             | 12         | 6             | 6                                   | 50                                  |
| T14-T18                        | 2             | 2          | 1             | 1                                   | 50                                  |
| T19-T22                        | 0             | 0          | 0             | 0                                   | 0                                   |
| T23-T25                        | 0             | 0          | 0             | 0                                   | 0                                   |
| <b>Total</b>                   | <b>96</b>     | <b>157</b> | <b>92</b>     | <b>65</b>                           | <b>41</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: SPORT AND RECREATION<br>R'000 |                |                 |                   |               |                                 |
|----------------------------------------------------------------|----------------|-----------------|-------------------|---------------|---------------------------------|
| Details                                                        | 2017/2018      | 2018/2019       |                   |               |                                 |
|                                                                | Actual         | Original Budget | Adjustment Budget | Actual        | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>               | <b>-18,950</b> | <b>0</b>        | <b>0</b>          | <b>0</b>      | <b>0</b>                        |
| Expenditure:                                                   |                |                 |                   |               |                                 |
| Employees                                                      | 49,735         | 37,083          | 36,936            | 40,662        | 10                              |
| Repairs and Maintenance                                        | 5,156          | 4,626           | 3,890             | 3,710         | -4                              |
| Other                                                          | 108,992        | 18,462          | 17,388            | 17,161        | -1                              |
| <b>Total Operational Expenditure</b>                           | <b>163,883</b> | <b>60,171</b>   | <b>58,214</b>     | <b>61,553</b> | <b>6</b>                        |
| <b>Net operational (Service) Expenditure</b>                   | <b>144,933</b> | <b>60,171</b>   | <b>58,214</b>     | <b>61,553</b> | <b>6</b>                        |

Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

| CAPITAL EXPENDITURE: SPORT AND RECREATION<br>R'000 |               |                   |                    |                                 |                     |
|----------------------------------------------------|---------------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                            | 2018/2019     |                   |                    |                                 |                     |
|                                                    | Budget        | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                   | <b>13,208</b> | <b>11,558</b>     | <b>8,017</b>       | <b>7,917</b>                    |                     |
| Athletic Track: MIG                                | 3,348         | 3,348             | 3,145              | 3,045                           |                     |
| Construct Parkhome                                 | 1,000         | 400               | 388                | 288                             |                     |
| Machinery & Equipment                              | 1,897         | 1,597             | 483                | 383                             |                     |
| Dual Purpose Sports Center: MIG                    | 3,133         | 3,133             | 2,611              | 2,511                           |                     |
| Upgrade Swimming Pools                             | 2,900         | 2,900             | 1,262              | 1,162                           |                     |
| Upgrade Buchanan St. Pool                          | 930           | 180               | 128                | 28                              |                     |

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)  
Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

## COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

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.

## 3.9 LIBRARY SERVICES

### INTRODUCTION TO LIBRARY SERVICES

There are eleven libraries within the Msunduzi Municipal Library services which include the main Bessie Head Library, eleven branch libraries and three mobile library services. The Bessie Head Library offers a wide range of resources which includes books, large print books, newspapers, periodicals, audio books, DVD's, music CD's, scores and CD-ROM's for all age groups. We offer specialised services to the visually impaired.

Within the Branch Libraries, three large libraries are identified which includes the Northdale, Georgetown and Eastwood Libraries and seven smaller libraries which include, Woodlands, Sobantu, Ashdown, Ashburton, Alexandra, Mafunze, Slangspruit and Elandskop. The Branch libraries offer a smaller range of materials than is available at the main library. However, they make every effort to meet the needs of the communities that they serve. A limited Adult Reference service is available at Northdale, Georgetown, and Eastwood Libraries. These libraries also offer a study space for tertiary learners.

Libraries have traditionally been one of the primary sources of information for citizens. Technology and the Internet has liberated much of the information that was controlled by physical artefacts. Msunduzi Municipal Library Services remains relevant and adapts to the changing environment in meeting the information and recreational needs of the community and the patrons by providing unique curation, expert advice and services that our patrons demand and which the library is well equipped to provide. The role of the library is to provide access to knowledge and resources to help people learn the skills needed to participate in and accomplish work/tasks in this changing landscape. Our Libraries aim to address all the needs of the community including the 17 Sustainable development Goals. We aim at promoting literacy, providing free access to information, and prove to be welcoming spaces.

Library Services has purchased a total of 24 668 books for all libraries. Our comprehensive collection aspires to fulfil all information and recreational needs of the communities that we serve.

The Elandskop and Eastwood Libraries were renovated and there is need for more attention in certain areas for delivering the best service. The following services were also covered through the DAC grant: License and connectivity fees to enable the Library services to have access to the SLIMS and SABINET systems, Staffing, Capacity building and training and Maintenance of all libraries.

## SERVICE STATISTICS FOR LIBRARY SERVICES

| MEMBERSHIP STATISTICS JULY 2018 – JUNE 2019 |               |               |               |
|---------------------------------------------|---------------|---------------|---------------|
| LIBRARY                                     | ADULT         | CHILDREN      | YOUNG ADULT   |
| BESSIE HEAD                                 | 48 492        | 27 413        | 10 029        |
| NORTHDALE                                   | 7 863         | 7 808         | 4 319         |
| EASTWOOD                                    | 3 770         | 5 410         | 1 852         |
| WOODLANDS                                   | 2 672         | 4 778         | 1 422         |
| SOBANTU                                     | 1 156         | 1 924         | 1 017         |
| ALEXANDRA                                   | 1 239         | 1 509         | 633           |
| ASHDOWN                                     | 748           | 1 392         | 603           |
| GEORGETOWN                                  | 1 198         | 2 937         | 1 337         |
| ASHBURTON                                   | 2 012         | 1 939         | 1 022         |
| MAFUNZE                                     | 398           | 822           | 357           |
| SLANGSPRUIT                                 | 440           | 835           | 341           |
| ELANDSKOP                                   | 442           | 1 289         | 274           |
| <b>TOTAL</b>                                | <b>70 430</b> | <b>58 056</b> | <b>23 206</b> |

| ISSUE STATISTICS JULY 2018 – JUNE 2019 |                |
|----------------------------------------|----------------|
| LIBRARY                                | TOTAL          |
| BESSIE HEAD                            | 122 426        |
| MOBILE SERVICES                        | 65 506         |
| NORTHDALE                              | 176 183        |
| EASTWOOD                               | 59 486         |
| WOODLANDS                              | 52 822         |
| SOBANTU                                | 16 822         |
| ALEXANDRA                              | 31 949         |
| ASHDOWN                                | 9 283          |
| GEORGETOWN                             | 21 055         |
| ASHBURTON                              | 18 845         |
| MAFUNZE                                | 1 123          |
| SLANGSPRUIT                            | 9 883          |
| ELANDSKOP                              | 8 897          |
| <b>TOTAL</b>                           | <b>594 280</b> |

| USER STATISTICS JULY 2018- JUNE 2019 |                |
|--------------------------------------|----------------|
| LIBRARY                              | TOTAL          |
| BESSIE HEAD                          | 230 939        |
| NORTHDALE                            | 150 484        |
| EASTWOOD                             | 55 767         |
| WOODLANDS                            | 38 284         |
| SOBANTU                              | 15 641         |
| ALEXANDRA                            | 5 790          |
| ASHDOWN                              | 11 987         |
| GEORGETOWN                           | 13 783         |
| ASHBURTON                            | 998            |
| SLANGSPRUIT                          | 988            |
| ELANDSKOP                            | 3 136          |
| <b>TOTAL</b>                         | <b>527 797</b> |

| CATALOGING STATISTICS JULY 2018- JUNE 2019 |              |
|--------------------------------------------|--------------|
| <b>TOTAL</b>                               | <b>5 442</b> |

| LIBRARIES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                  |                                                                                                  |                                    | 2018/2019                                                                                                                                                                                      |                                                                                   | 2019/2020                                  |                                  |                      |                                                                                                  |
|------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------|----------------------------------|----------------------|--------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                           | ANNUAL TARGET                                                                                    | ANNUAL PROGRESS - ACTUAL                                                                         | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                           | CORRECTIVE MEASURE                                                                | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                  | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                    |
|                                                |                                                                                                  |                                                                                                  |                                    |                                                                                                                                                                                                |                                                                                   |                                            |                                  |                      |                                                                                                  |
| COM DEV 03                                     | Grass-cut at 11 libraries every month as per the grass-cutting schedule by the 30th of June 2018 | Grass-cut at 11 libraries every month as per the grass-cutting schedule by the 30th of June 2019 | 3 (100% - 129%)                    | Late delivery of brush-cutters                                                                                                                                                                 | New delivery of 60 brushcutters to be implemented in new financial year 2019/2020 | 30-Sep-19                                  | Maintenance Schedules            | R & F 03             | Grass cut at 11 libraries every month as per the grass-cutting schedule by the 30th of June 2020 |
| COM DEV 05                                     | 3500 Library Books purchased by 30th of April 2018                                               | 13 916 Library books purchased                                                                   | 5 (150% - 167%)                    | Cannot project savings at the beginning of the financial year and the business plan stipulates that all savings remaining in the budget must be utilised for book buying in the fourth quarter | N/A                                                                               | N/A                                        | Invoices, Delivery Notes, Orders | R & F 04             | 5000 X Books purchased from Provincial Arts and Culture by the 31st of May 2020                  |

| Job Level    | EMPLOYEE: LIBRARIES |            |               |                                      |                                     |
|--------------|---------------------|------------|---------------|--------------------------------------|-------------------------------------|
|              | 2017/2018           |            | 2018/2019     |                                      |                                     |
|              | Employees No.       | Posts No.  | Employees No. | Vacancies (fulltime equivalents No.) | Vacancies (as a % of total posts) % |
| T01-T03      | 1                   | 3          | 0             | 3                                    | 100                                 |
| T04-T08      | 81                  | 95         | 82            | 13                                   | 14                                  |
| T09-T13      | 28                  | 32         | 28            | 4                                    | 13                                  |
| T14-T18      | 3                   | 4          | 4             | 0                                    | 0                                   |
| T19-T22      | 0                   | 0          | 0             | 0                                    | 0                                   |
| T23-T25      | 0                   | 0          | 0             | 0                                    | 0                                   |
| <b>Total</b> | <b>113</b>          | <b>134</b> | <b>114</b>    | <b>20</b>                            | <b>15</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: LIBRARIES                                 |                |                 |                   |                |
|----------------------------------------------------------------------------|----------------|-----------------|-------------------|----------------|
| Details                                                                    | R'000          |                 |                   |                |
|                                                                            | 2017/2018      |                 | 2018/2019         |                |
|                                                                            | Actual         | Original Budget | Adjustment Budget | Actual         |
| <b>Total Operational Revenue (excl. tariffs)</b>                           | <b>-41,846</b> | <b>-20,000</b>  | <b>-20,000</b>    | <b>-13,332</b> |
| Expenditure:                                                               |                |                 |                   |                |
| Employees                                                                  | 30,127         | 42,741          | 42,741            | 41,399         |
| Repairs and Maintenance                                                    | 413            | 400             | 321               | 926            |
| Other(Incl Grant Funding)                                                  | 25,749         | 24,106          | 17,223            | 11,859         |
| <b>Total Operational Expenditure</b>                                       | <b>56,289</b>  | <b>67,247</b>   | <b>60,285</b>     | <b>54,184</b>  |
| <b>Net operational (Service) Expenditure</b>                               | <b>14,443</b>  | <b>47,247</b>   | <b>40,285</b>     | <b>40,852</b>  |
| Variances are calculated as follows:                                       |                |                 |                   |                |
| Actual expenditure – Adjusted budget divided by the Adjusted budget x 100. |                |                 |                   |                |

| CAPITAL EXPENDITURE: LIBRARIES                                                                                                                 |              |                   |                    |                                |                     |
|------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------|--------------------|--------------------------------|---------------------|
| R'000                                                                                                                                          |              |                   |                    |                                |                     |
| Details                                                                                                                                        | 2018/2019    |                   |                    |                                |                     |
|                                                                                                                                                | Budget       | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                                                                                                               | <b>6,649</b> | <b>6,649</b>      | <b>2,112</b>       | <b>2,012</b>                   |                     |
| Computer Equipment: Grant                                                                                                                      | 415          | 415               | 146                | 46                             |                     |
| Furniture & Office Equipment: Grant                                                                                                            | 289          | 289               | 0                  | 0                              |                     |
| Machinery & Equipment: Grant                                                                                                                   | 60           | 60                | 0                  | 0                              |                     |
| Transport Assets: Grant                                                                                                                        | 985          | 985               | 0                  | 0                              |                     |
| Alexander Library Renovations: Grant                                                                                                           | 4,900        | 4,900             | 1,966              | 1,866                          |                     |
| 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 LIBRARY SERVICES

The expectations for 2018/19 were partially met even though there were challenges such as DAC Grant expenditure was completed on time due to the budget allocation, which required the library to wait for Mid-Year Budget Review. The council approved the allocation but it was when BAC did not approve the section 72 contractors in March/April and that affected the renovations and maintenance of the libraries.

Currently the library is focusing on building Copesville Library together with AfriSam and Imbali Library through Department of Arts and Culture and renovations and extension of Alexandra Library to take place soon.

## 3.10 WASTE MANAGEMENT – LANDFILL SITE

### INTRODUCTION TO WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE)

The New England Landfill Site is the largest licensed disposal facility in the District region. The facility is owned and operated by the Msunduzi Municipality and services the Pietermaritzburg and surrounding areas as well as other District Municipalities. The Site is managed and operated within the prescripts of the Permit issued by the Department of Economic Development, Tourism and Environmental Affairs. The Site has complied with the Permit but has had insufficient Budget for the year. A few vehicles were purchased in the previous financial year and is now operational. Even though vehicles were purchased there was still a backlog resulting in problems, which was partly machinery reliant, weather related and so forth. This was overcome by hiring in vehicles and assistance by CoGTA.

The Site needs to have sufficient Budget to address the challenges it faces, as well as improve the Security measures to control the activities of Waste-pickers, to promote order at the Facility and to enhance Service Delivery.

| WASTE DISPOSAL SERVICES STATISTICS |                |                |                |                |
|------------------------------------|----------------|----------------|----------------|----------------|
| DESCRIPTION                        | 2015/2016      | 2016/2017      | 2017/2018      | 2018/2019      |
|                                    | TONS           | TONS           | TONS           | TONS           |
| <b>Waste Disposal per Category</b> |                |                |                |                |
| Builders Rubble                    | 45 239         | 66 448         | 42 854         | 16 216         |
| Bulk Food Waste                    | 547            | 476            | 321            | 195            |
| Garden Refuse                      | 18 025         | 8 175          | 10 759         | 12 854         |
| General Domestic Waste             | 36 600         | 26 702         | 28 138         | 25 351         |
| Industrial Waste                   | 33 827         | 33 219         | 35 423         | 38 686         |
| Sawdust                            | 66             | 0              | 125            | 140            |
| Cover Material                     | 33 136         | 16 554         | 55 352         | 64 749         |
| Wood waste                         | 5 302          | 97             | 70             | 0              |
| <b>TOTAL</b>                       | <b>172 832</b> | <b>151 671</b> | <b>173 042</b> | <b>158 181</b> |



| SDBIP / OP REFERENCE | ANNUAL TARGET                                                                          | 2017/2018                                                                        |                                   |                                                | 2018/2019     |                          |                                   | 2019/2020            |                    |                                            |                 |                                                                                                     |
|----------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------|------------------------------------------------|---------------|--------------------------|-----------------------------------|----------------------|--------------------|--------------------------------------------|-----------------|-----------------------------------------------------------------------------------------------------|
|                      |                                                                                        | ANNUAL PROGRESS - ACTUAL (1,2,3,4,5 Not Applicable)                              | ACTUAL (1,2,3,4,5 Not Applicable) | SDBIP / OP REFERENCE                           | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT | SDBIP / OP REFERENCE                                                                                |
| LS02                 | Installation of 1 x leachate pump completed by the 31st of May 2018                    | Installation of 1 x leachate pump completed                                      | 3 (100% - 129%)                   | No KPIs included in the SDBIP for the 18/19 FY | 18/19 FY      | NOT APPLICABLE           | N/A                               | N/A                  | N/A                | N/A                                        | WM 03           | 100% compliance with the Landfill Site License maintained for the 19/20 FY by the 30th of June 2020 |
| LS03                 | 50,000sqm of Landfill Site reshaped by the 30th of June 2018                           | 0 sqm of Landfill Site reshaped by the 30th of June 2018                         | 1 (0% & below)                    | No KPIs included in the SDBIP for the 18/19 FY | 18/19 FY      | NOT APPLICABLE           | N/A                               | N/A                  | N/A                | N/A                                        | PMO 17          | Construction of Berm to 165m completed at the landfill site by the 30th of June 2020                |
| WM 08                | 100 metres of concrete palisade fencing for the Landfill Site by the 30th of June 2018 | 228 m of concrete palisade fencing for the Landfill Site by the 31st of May 2018 | 5 (150% - 167%)                   | No KPIs included in the SDBIP for the 18/19 FY | 18/19 FY      | NOT APPLICABLE           | N/A                               | N/A                  | N/A                | N/A                                        | N/A             | N/A                                                                                                 |
| WM 09                | 100% Stormwater dam for Landfill site concrete lined by the 30th of June 2018          | 100% Stormwater dam for Landfill site concrete lined                             | 3 (100% - 129%)                   | No KPIs included in the SDBIP for the 18/19 FY | 18/19 FY      | NOT APPLICABLE           | N/A                               | N/A                  | N/A                | N/A                                        | N/A             | N/A                                                                                                 |

| EMPLOYEE: LANDFILL SITE - WASTE DISPOSAL SERVICES |               |           |               |                                     |
|---------------------------------------------------|---------------|-----------|---------------|-------------------------------------|
| Job Level                                         | 2017/2018     |           | 2018/2019     |                                     |
|                                                   | Employees No. | Posts No. | Employees No. | Vacancies (as a % of total posts) % |
| T01-T03                                           | 10            | 14        | 8             | 6                                   |
| T04-T08                                           | 7             | 11        | 9             | 2                                   |
| T09-T13                                           | 6             | 6         | 6             | 0                                   |
| T14-T18                                           | 1             | 1         | 1             | 0                                   |
| T19-T22                                           | 0             | 0         | 0             | 0                                   |
| T23-T25                                           | 0             | 0         | 0             | 0                                   |
| <b>Total</b>                                      | <b>24</b>     | <b>32</b> | <b>24</b>     | <b>8</b>                            |

| FINANCIAL PERFORMANCE 2018/2019: LANDFILL SITE   |                |                 |                   |                                 |
|--------------------------------------------------|----------------|-----------------|-------------------|---------------------------------|
| Details                                          | 2017/2018      |                 | 2018/2019         |                                 |
|                                                  | Actual         | Original Budget | Adjustment Budget | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>-26,258</b> | <b>0</b>        | <b>0</b>          | <b>-5</b>                       |
| Expenditure:                                     |                |                 |                   |                                 |
| Employees                                        | 5,325          | 0               | 0                 | 356                             |
| Repairs and Maintenance                          | 2,488          | 2,817           | 2,206             | 1,799                           |
| Other                                            | 11,274         | 17,153          | 14,502            | 8,206                           |
| <b>Total Operational Expenditure</b>             | <b>19,087</b>  | <b>19,970</b>   | <b>16,718</b>     | <b>10,361</b>                   |
| <b>Net operational (Service) Expenditure</b>     | <b>-7,171</b>  | <b>19,970</b>   | <b>16,718</b>     | <b>10,356</b>                   |

Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

| CAPITAL EXPENDITURE: LANDFILL SITE |              |                   |                    |                                 |
|------------------------------------|--------------|-------------------|--------------------|---------------------------------|
| Details                            | 2018/2019    |                   | 2018/2019          |                                 |
|                                    | Budget       | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % |
| <b>Total All</b>                   | <b>1,425</b> | <b>675</b>        | <b>512</b>         | <b>412</b>                      |
| New Machinery & Equipment          | 836          | 86                | 0                  | 0                               |
| MIG – Landfill Upgrade             | 589          | 589               | 512                | 397                             |
| 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)  
Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

**COMMENT ON WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE) OVERALL**

The Site is mandated via the Permit to conduct an annual infrastructure upgrade to meet compliance standards and to maintain operations. The Budget required for this project varies depending on Operational needs and the required Budget is short of what is required. This shortfall of the Budget makes it difficult to pro-actively address challenges and mitigate against potential risks.

Operating Budgets are also insufficient to sustain daily operations and maintenance in an environmentally and socially acceptable manner.

Capital and MIG budgets need to be increased to meet the requirements of the Unit, the projected requirements for the next 3 years are:

- 2019/2020 Required R 25 000 000
- 2020/2021 Required R 30 000 000
- 2021/2022 Required R 35 000 000

The landfill site is fast running out of airspace. The waste minimisation and diversion programme is expected to reduce the demand for airspace and the increase in lifespan. The extent of both will be clearer once the programme is underway. The percentage of waste recycled has not been quantified as yet but this will be attended to as part of the waste minimisation and diversion programme.

## COMPONENT D: BUDGET & TREASURY

This component includes: Indigents (Free Basic Services), Financial Services and Supply Chain Management.

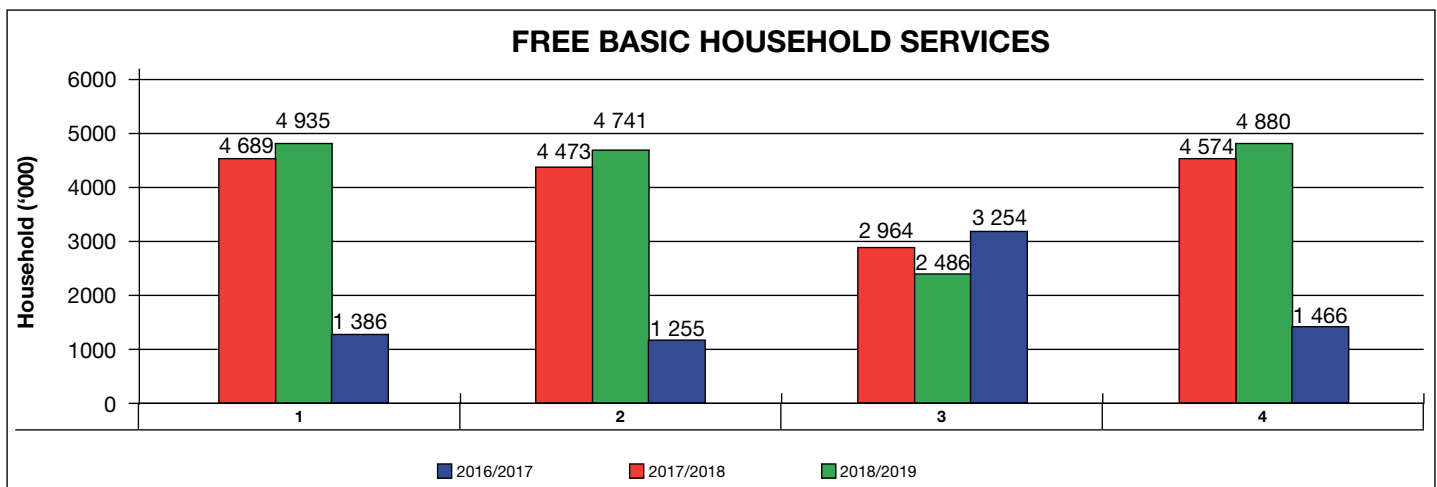
### 4.1 INDIGENTS (FREE BASIC SERVICES)

#### 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 R4 000.00.
2. That the prescribed application forms be completed annually.



| FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS |                      |                                                  |                       |                        |                   |
|----------------------------------------------|----------------------|--------------------------------------------------|-----------------------|------------------------|-------------------|
|                                              | Number of households |                                                  |                       |                        |                   |
|                                              | Total                | Households earning less than R4 260.00 per month |                       |                        |                   |
|                                              |                      | Free basic water                                 | Free basic sanitation | Free Basic Electricity | Free Basic Refuse |
| 2016/2017                                    | 16700                | 4689                                             | 4473                  | 2964                   | 4574              |
| 2017/2018                                    | 17042                | 4935                                             | 4741                  | 2486                   | 4880              |
| 2018/2019                                    | 7361                 | 1386                                             | 1255                  | 3254                   | 1466              |

| FINANCIAL PERFORMANCE 2018/2019: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED |                   |                    |                    |                    |                      |
|----------------------------------------------------------------------------------------|-------------------|--------------------|--------------------|--------------------|----------------------|
| Services Delivered                                                                     | 2017/2018         | 2018/2019          |                    |                    |                      |
|                                                                                        | Actual            | Budget             | Adjustment Budget  | Actual             | Variance to Budget % |
| Water                                                                                  | 7 012 266         | 3 474 332          | 3 474 332          | 5 640 881          | 63                   |
| Waste Water (Sanitation)                                                               | 4 894 449         | 5 550 784          | 5 550 784          | 10 551 150         | 90                   |
| Electricity                                                                            | 2 596 950         | 2 407 457          | 2 407 457          | 2 407 457          | 0                    |
| Waste Management (Solid Waste)                                                         | 2 904 229         | 151 612 052        | 151 612 052        | 151 612 052        | 0                    |
| <b>Total:</b>                                                                          | <b>17 407 894</b> | <b>163 044 625</b> | <b>163 044 625</b> | <b>170 211 540</b> | <b>5</b>             |

| FREE BASIC SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                   |                                                                                                                                                   |                                    |                      |                                                                                                                                                  |                                                                                                                                                  |                                    |                                                                                                                                   |                                                          |                                            |                                      |                      |                                                                                                                                                                         |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------|--------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                     | 2017/2018                                                                                                                                         |                                                                                                                                                   |                                    | 2018/2019            |                                                                                                                                                  |                                                                                                                                                  | 2019/2020                          |                                                                                                                                   |                                                          |                                            |                                      |                      |                                                                                                                                                                         |
|                                                          | ANNUAL TARGET                                                                                                                                     | ANNUAL PROGRESS - ACTUAL                                                                                                                          | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                    | ANNUAL PROGRESS - ACTUAL                                                                                                                         | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                              | CORRECTIVE MEASURE                                       | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                      | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                           |
| RPI 08                                                   | 7000 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2018        | 6340 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2018        | 2 (70% - 99%)                      | RPI 08               | 6000 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2019       | 4210 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2019       | 2 (70% - 99%)                      | Customers are not applying as expected. Wards are visited by Finance staff to assist them to apply but the turnaround is not good | Some of the flats with indigent customers are not meters | Infrastructure                             | Indigent register and SMC resolution | 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                              |
| REV 01                                                   | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2018 for approval by Council | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st March 2018 for approval by Council | 3 (100% - 129%)                    | REV 01               | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and approved during MAY 2019 for approval by Council FOR 2019/2020 | Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and approved during MAY 2019 for approval by Council FOR 2019/2020 | 3 (100% - 129%)                    | N/A                                                                                                                               | N/A                                                      | N/A                                        | Budget Resolution                    | 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 |

#### COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

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 4 000.00 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 2018/2019 was R2 407 457 , spent on water 2018/2019 R 151 612 052 , spent on sewerage for 2018/2019 R 10 551 150, spent on refuse 2018/2019 R 5 640 881.

## 4.2 FINANCIAL SERVICES

### INTRODUCTION TO FINANCIAL SERVICES

The Financial Services Business Unit comprises with the following sections, namely:

- BUDGET
- EXPENDITURE
- REVENUE MANAGEMENT
- SUPPLY CHAIN MANAGEMENT, &
- ASSETS & LIABILITIES
- MSCOA
- SAP
- FINANCIAL GOVERNANCE & PERFORMANCE MANAGEMENT

The National Key Performance Areas for this business unit is Financial Viability & Management. Programmes pertaining to the sections are as follows:

- Budget & Treasury-Compliance and Annual Financial Statements.
- Expenditure-Trade and Sundry Payments, Payment of all invoices within 30 days, management of general insurance fund, remuneration management.
- Revenue Management-Credit Control and billing, policies.
- Supply Chain & Supply Chain management, and
- Asset Management

## DEBT RECOVERY

| DEBT RECOVERY<br>R'000                               |                                    |                                                                       |                |                                    |                                                                       |                |                                    |                                                                       |
|------------------------------------------------------|------------------------------------|-----------------------------------------------------------------------|----------------|------------------------------------|-----------------------------------------------------------------------|----------------|------------------------------------|-----------------------------------------------------------------------|
| Details of the types of account raised and recovered | 2016/2017                          |                                                                       | 2017/2018      |                                    |                                                                       | 2018/2019      |                                    |                                                                       |
|                                                      | 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                                       | 798 728                            | 798 728                                                               | 849 846        | 863 739                            | 102                                                                   | 860 715        | 756 609                            | 88%                                                                   |
| Electricity - B                                      | 401 649                            | 401 649                                                               | 401 649        | 401 649                            |                                                                       | 401649         | 401 649                            |                                                                       |
| Electricity - C                                      | 1 606 549                          | 16 006 597                                                            | 2 053 529      | 1 903 600                          | 93                                                                    | 1 587 948      | 2 073 920                          | 130%                                                                  |
| Water - B                                            | 18 696                             | 18 696                                                                | 18 696         | 18 696                             |                                                                       | 18 696         | 18 696                             |                                                                       |
| Water - C                                            | 604 492                            | 604 492                                                               | 612 836        | 562 991                            | 92                                                                    | 626 816        | 452 308                            | 72%                                                                   |
| Sanitation                                           | 147 839                            | 147 839                                                               | 129 313        | 142 280                            | 100                                                                   | 152 241        | 133 176                            | 88%                                                                   |
| Refuse                                               | 99 557                             | 99 557                                                                | 100 260        | 100 292                            | 100                                                                   | 85 809         | 70 059                             | 83%                                                                   |
| Other                                                | 276 433                            | 83 339                                                                | 186 157        | 30 757                             | 17                                                                    | 140 967        | 21 882                             | 15%                                                                   |

- **Electricity – B Consumption based charge**
- **Electricity – C Fixed Charge**
- \* **Water – B Consumption based charge**
- \* **Water – C Fixed Charge**

The above figures provided for 2018 – 2019 financial year have not been audited and are as per the annual financial statement, however the figures are from table A4 of the budgeted financial performance.

### 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. We have also improved our indigent registration in order to better manage the accounts of low income earners such that the income threshold was increased to R4000.00 so that the majority of the poorest of the poor are catered for and those who cannot afford to settle their debts in excess of the free basic service, their meters are being changed to prepaid.

### GRANT PERFORMANCE

#### GRANT PERFORMANCE & GRANTS RECEIVED FROM SOURCES OTHER THAN DIVISION OF REVENUE ACT (DORA)

|                                                                                  | 2017               | 2018               | Original Budget      | Adjusted budget      | 2019                 |
|----------------------------------------------------------------------------------|--------------------|--------------------|----------------------|----------------------|----------------------|
| <b>GRANTS AND SUBSIDIES - REVENUE</b>                                            |                    |                    |                      |                      |                      |
| <b>NATIONAL GRANTS</b>                                                           |                    |                    |                      |                      |                      |
| Equitable Share                                                                  | 432,307,000        | 468,430,000        | 505,853,000          | 505,853,000          | 505,852,849          |
| Electricity Side Demand Management/Integrated National Electrification Programme | 2,114,506          | -                  | -                    | -                    | -                    |
| Finance Management Grant                                                         | 1,625,000          | 1,700,000          | 1,700,000            | 1,700,000            | 1,700,000            |
| Expanded Public Works Programme                                                  | 3,912,513          | 8,022,000          | 2,867,000            | 2,867,000            | 2,890,000            |
| Municipal Infrastructure Grant                                                   | 189,553,124        | 195,337,074        | 193,316,001          | 193,316,000          | 177,835,131          |
| Neighborhood Development Partnership Grant                                       | 1,955,150          | 37,492,217         | 42,360,000           | 14,900,000           | 1,071,555            |
| Municipal Water Infrastructure Services Grant                                    | 1,299,742          | -                  | -                    | -                    | -                    |
| Public Transportation Infrastructure Grant                                       | 200,031,000        | 131,366,737        | 199,104,000          | 199,104,000          | 199,104,000          |
| Water Services Infrastructure Grant                                              | 36,721,000         | 38,191,000         | 40,000,000           | 40,000,000           | 42,760,000           |
| <b>PROVINCIAL GRANTS</b>                                                         |                    |                    |                      |                      |                      |
| Pietermaritzburg Airport                                                         | 2,537,473          | -                  | -                    | 54,118               | 54,118               |
| Greater Edendale Development Initiative                                          | 8,735,027          | 15,725,820         | -                    | 5,528,936            | 15,619,464           |
| Housing                                                                          | 20,551             | 151,416            | -                    | -                    | -                    |
| Library                                                                          | 23,984,238         | 21,130,829         | 19,559,000           | 19,559,000           | 13,332,254           |
| Market / Tourism Hub - COGTA                                                     | -                  | 77,653             | -                    | 603,295              | 446,650              |
| Tatham Art Gallery                                                               | 26,969             | 126,533            | 441,000              | 1,148,279            | 685,301              |
| Housing Accreditation                                                            | 17,445,394         | 9,550,546          | 8,281,000            | 96,525,608           | 10,504,327           |
| Manaye Area Precinct Upgrade                                                     | 799,519            | 488,702            | -                    | 4,622,148            | 2,058,275            |
| Youth Enterprise Park                                                            | 217,757            | 336,656            | -                    | 9,911,904            | 1,809,558            |
| Development of a Single Scheme                                                   | -                  | 350,000            | -                    | 728,432              | 650,000              |
| Beneficiary Audit and Transfers                                                  | -                  | -                  | -                    | -                    | 3,328,710            |
| Jika Joe Community Residential Units                                             | -                  | -                  | -                    | -                    | 27,087,046           |
| Oribi Village                                                                    | -                  | -                  | -                    | -                    | 689,836              |
| Other                                                                            | -                  | -                  | -                    | 261,400              | -                    |
| <b>Total Grant And Subsidies</b>                                                 | <b>933,285,961</b> | <b>928,477,182</b> | <b>1,013,481,001</b> | <b>1,096,683,120</b> | <b>1,007,479,073</b> |

### COMMENT ON GRANTS, CONDITIONAL GRANTS AND GRANT 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 2015/2016 the municipality had spent 61.38% of the grants received during the year and grants rolled over from the prior year, in 2016/2017 the percentage has increased to 86.19%, in 2017/2018 the percentage decreased to 78.99% and in 2018/2019 the percentage increased to 79.68%. 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.

| FINANCIAL SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                         |                                                                                                                                                          |                                    |                      |                                                                                                                                                         |                                                                                                                                                         |                                    |                                                                                                                                                                                                                                          |                                                                                                                    |                                                                                                     |                                               |                      |                                                                                                                                                          |
|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2017/2018                                               |                                                                                                                                                         |                                                                                                                                                          |                                    |                      | 2018/2019                                                                                                                                               |                                                                                                                                                         |                                    |                                                                                                                                                                                                                                          |                                                                                                                    | 2019/2020                                                                                           |                                               |                      |                                                                                                                                                          |
| SDBIP / OP REFERENCE                                    | ANNUAL TARGET                                                                                                                                           | ANNUAL PROGRESS - ACTUAL                                                                                                                                 | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                           | ANNUAL PROGRESS - ACTUAL                                                                                                                                | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                     | CORRECTIVE MEASURE                                                                                                 | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES                                                          | SOURCE DOCUMENT                               | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                            |
| B & T 01                                                | Final Draft budget for 2018/19 FY & two outer years prepared & submitted to SMC by the 28th of February 2018                                            | Final Draft budget for 2018/19 FY & two outer years prepared & submitted to SMC by the 28th of February 2018                                             | 3 (100% - 129%)                    | B & T 01             | Final Draft budget for 2019/20 FY & two outer years prepared & submitted to SMC by the 31st of March 2019                                               | Final Draft budget for 2019/20 FY & two outer years prepared & submitted to SMC by the 31st of March 2019                                               | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                | N/A                                                                                                 | SMC Resolution                                | B & T 01             | Final Draft budget for 2020/21 FY & two outer years prepared & submitted to SMC by the 31st of March 2020                                                |
| B & T 02                                                | Summary of the approved budget and tariff of charges for the 2018/2019 FY advertised by the 30th of June 2018                                           | Summary of the approved budget and tariff of charges for the 2018/2019 FY advertised by the 30th of June 2018                                            | 3 (100% - 129%)                    | B & T 02             | Summary of the approved budget and tariff of charges for the 2019/20 FY advertised by the 30th of June 2019                                             | Summary of the approved budget and tariff of charges for the 2019/20 FY advertised by the 30th of June 2019                                             | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                | N/A                                                                                                 | Copy of Advert                                | B & T 03             | Summary of the approved budget and tariff of charges for the 2020/21 FY advertised by the 30th of June 2020                                              |
| B & T 03                                                | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2018                              | 12 x S71 reports were produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2018                          | 3 (100% - 129%)                    | B & T 03             | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2019                              | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2019                              | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                | N/A                                                                                                 | SMC Minutes                                   | B & T 04             | 12 x S71 reports produced and submitted to SMC by the 30th of June 2020                                                                                  |
| B & T 04                                                | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2018     | 4 x Quarterly reports on Section 52(d) were produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2018 | 3 (100% - 129%)                    | B & T 04             | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2019     | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter by the 30th of April 2019     | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                | N/A                                                                                                 | SMC Minutes                                   | B & T 05             | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC by the 30th of April 2020                                                           |
| EXP 02                                                  | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2018                                       | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2018                                        | 3 (100% - 129%)                    | EXP 01               | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2019                                       | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2019                                       | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                | N/A                                                                                                 | SMC                                           | EXP 01               | 12 x monthly reports on Fruitless and Wasteful Expenditure for 19/20 FY prepared and submitted to SMC by the 30th of June 2020                           |
| EXP 03                                                  | 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 2018 | 92% of all creditors were paid within 30 days from date of receipt of invoice by Expenditure Management Unit from suppliers by the 30th of June 2018     | 3 (100% - 129%)                    | EXP 02               | 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 2019 | 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 2019 | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                | N/A                                                                                                 | Creditors Age Analysis                        | EXP 03               | 100% 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 |
| EXP 04                                                  | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 31st of May 2018                                                  | Reviewed and prepared however not submitted timeously                                                                                                    | 2 (70% - 99%)                      | EXP 03               | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 31st of March 2019                                                | Nil information received from the unit                                                                                                                  | 1 (69% & below)                    | Nil information received from the unit                                                                                                                                                                                                   |                                                                                                                    |                                                                                                     |                                               | EXP 04               | Annual Review of Procedures Manuals (Payment of Creditors & Payroll Manual) completed and submitted to Council for approval by the 30th of June 2020     |
| REV 02                                                  | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2018                                                                     | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2018                                                                      | 3 (100% - 129%)                    | REV 02               | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2019                                                                     | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2019                                                                     | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                      | N/A                                                                                                                | N/A                                                                                                 | Age Analysis Report and SMC resolution        | REV 02               | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2020                                                                      |
| REV 03                                                  | 90% Monthly collection rate of current debt by the 30th of June 2018                                                                                    | 90% Monthly collection rate of current debt by the 30th of June 2018                                                                                     | 3 (100% - 129%)                    | REV 03               | 90% Monthly collection rate of current debt by the 30th of June 2019                                                                                    | 87% Monthly collection rate of current debt by the 30th of June 2019                                                                                    | 2 (70% - 99%)                      | The collection rate should be higher than 59% for the Month of June which would have resulted in an overall collection rate of 90% at year end. This is being investigated.                                                              | Water restriction must be fully implemented and replace all Municipal Flats meters with prepaid electricity meters | Electricity must implement the resolution of the Full Council to replace credit meters with prepaid | Age Analysis Report and SMC resolution        | REV 03               | 90% Monthly collection rate of current debt by the 30th of June 2020                                                                                     |
| REV 04                                                  | 10% Monthly collection rate of current debt by the 30th of June 2018                                                                                    | 7% Monthly collection rate of current debt by the 30th of June 2018                                                                                      | 2 (70% - 99%)                      | REV 04               | 10% Monthly collection rate of current debt by the 30th of June 2019                                                                                    | 0% Monthly collection rate of current debt by the 30th of June 2019                                                                                     | 1 (69% & below)                    | Customers are not paying as expected and also the unbilled accounts which amounts to R40M also contribute to the low collection rate. None restriction of water in Imball area and unpaid accounts for Vulindlela.                       | Water restriction must be fully implemented and replace all Municipal Flats electricity meters.                    | Electricity must implement the resolution of the Full Council to replace credit meters with prepaid | Age Analysis Report and SMC resolution        | REV 04               | 10% Monthly collection rate of arrears debt by the 30th of June 2020                                                                                     |
| REV 05                                                  | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2018                                                                | 67% of all electricity and water meters read on a monthly basis by the 30th of June 2018                                                                 | 2 (70% - 99%)                      | REV 05               | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2019                                                                | 70% of all electricity and water meters read on a monthly basis by the 30th of June 2019                                                                | 2 (70% - 99%)                      | Changing of readings and system implementation on captured meters also causes the estimation of meters to increase. Slow pace of replacing of faulty meters. Validation staff estimating meters without the code(reasons for estimating) | SAP requires some further developments. Faulty meters must also be replaced.                                       | July 2019-SAP development                                                                           | Meter Reading stats report and SMC resolution | REV 05               | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2020                                                                 |

# Msunduzi Annual Report 2018/2019

| FINANCIAL SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                       |                                                                                                                                                       |                                    |                                                                                                                                                       |                                                                                                                                                       |                                    |                      |                    |                                            |                                                       |                      |                                                                                                                                                |
|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------|-------------------------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                    | 2017/2018                                                                                                                                             |                                                                                                                                                       |                                    | 2018/2019                                                                                                                                             |                                                                                                                                                       |                                    | 2019/2020            |                    |                                            |                                                       |                      |                                                                                                                                                |
|                                                         | ANNUAL TARGET                                                                                                                                         | ANNUAL PROGRESS - ACTUAL                                                                                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET                                                                                                                                         | ANNUAL PROGRESS - ACTUAL                                                                                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                       | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                  |
| A & LM01                                                | Asset management Policy reviewed and submitted to Council for approval by the 28 February 2018 for approval by Council                                | Asset Management Policy Reviewed                                                                                                                      | 3 (100% - 129%)                    | Asset management Policy reviewed and submitted to SMC for approval by the 31st of March 2019                                                          | Asset management Policy reviewed and submitted to SMC for approval by Council by the 31st of March 2019                                               | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | Asset Management Policy                               | A & LM01             | Asset management Policy reviewed and submitted to SMC for approval by Council by the 31st of March 2020                                        |
| A & LM02                                                | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2018                              | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2018                              | 3 (100% - 129%)                    | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2019                              | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2019                              | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | Review of assets useful life report                   | A & LM02             | 1 x report prepared and submitted to SMC on the review of all Council assets' useful lives by the 30th of June 2020                            |
| A & LM03                                                | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2018         | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2018         | 3 (100% - 129%)                    | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2019         | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2019         | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | Investment Property Valuation Report                  | A & LM03             | 1 x report prepared and submitted to SMC on the valuation of all Council Investment Property Assets at year end by the 30th of June 2020       |
| A & LM04                                                | 1 x report prepared and submitted to OMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2018   | 1 x report prepared and submitted to OMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2018   | 3 (100% - 129%)                    | 1 x report prepared and submitted to OMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2019   | 1 x report prepared and submitted to OMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2019   | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | Land fill site Rehabilitation Report                  | A & LM04             | 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 |
| EXP 01                                                  | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2018 | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2018 | 3 (100% - 129%)                    | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2019 | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th of June 2019 | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | Reports on acquisition of financial management system | SAP 01               | 4 x Quarterly Reports on the implementation of the SAP ERP system prepared and submitted to SMC by the 30th of June 2020                       |
| FG & PM 01                                              | Annual financial statements for the 16/17 FY prepared and submitted to AG by the 31st of August 2017                                                  | Annual financial statements for the 16/17 FY prepared and submitted to AG by the 31st of August 2017                                                  | 3 (100% - 129%)                    | Annual financial statements for the 17/18 FY prepared and submitted to AG by the 31st of August 2018                                                  | Annual financial statements for the 17/18 FY prepared and submitted to AG by the 31st of August 2018                                                  | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | 2017/18 financial statements, Acknowledgement letter  | 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                 |
| FG & PM 02                                              | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of June 2018                                                                 | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of June 2018                                                                 | 3 (100% - 129%)                    | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of June 2019                                                                 | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of June 2019                                                                 | 3 (100% - 129%)                    | N/A                  | N/A                | N/A                                        | Monthly cash flow reports, SMC resolutions            | 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                                       |

## EMPLOYEE: FINANCE BUSINESS UNIT

| Job Level    | 2017/2018     |            | 2018/2019     |            | 2018/2019         |                                     |
|--------------|---------------|------------|---------------|------------|-------------------|-------------------------------------|
|              | Employees No. | Posts No.  | Employees No. | Posts No.  | Adjustment Budget | Vacancies (as a % of total posts) % |
| T01-T03      | 2             | 2          | 1             | 1          |                   | 50                                  |
| T04-T08      | 304           | 440        | 304           | 136        |                   | 31                                  |
| T09-T13      | 47            | 92         | 47            | 45         |                   | 49                                  |
| T14-T18      | 11            | 28         | 14            | 14         |                   | 50                                  |
| T19-T22      | 4             | 5          | 4             | 1          |                   | 20                                  |
| T23-T25      | 1             | 1          | 1             | 0          |                   | 0                                   |
| <b>Total</b> | <b>369</b>    | <b>567</b> | <b>371</b>    | <b>196</b> |                   | <b>35</b>                           |

## FINANCIAL PERFORMANCE 2017/2018: FINANCIAL SERVICES

| Details                                          | 2017/2018      |                 | 2018/2019         |                | Variances to Budget% |
|--------------------------------------------------|----------------|-----------------|-------------------|----------------|----------------------|
|                                                  | Actual         | Original Budget | Adjustment Budget | Actual         |                      |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>6,831</b>   | <b>8,908</b>    | <b>8,908</b>      | <b>8,394</b>   | <b>-5.77%</b>        |
| Expenditure:                                     |                |                 |                   |                |                      |
| Employees                                        | 170,940        | 185,340         | 172,794           | 176,365        | 2.07%                |
| Repairs and Maintenance                          | 3,371          | 3,007           | 3,157             | 2,214          | -29.87%              |
| Other                                            | 158,827        | 225,318         | 246,194           | 176,289        | -28.39%              |
| <b>Total Operational Expenditure</b>             | <b>333,138</b> | <b>413,665</b>  | <b>422,145</b>    | <b>354,868</b> | <b>-15.94%</b>       |
| <b>Net operational (Service) Expenditure</b>     | <b>326,307</b> | <b>404,757</b>  | <b>413,237</b>    | <b>346,474</b> | <b>-16.16%</b>       |

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: FINANCIAL SERVICES

| Details                 | R'000         |                   |                    |                        |                     |
|-------------------------|---------------|-------------------|--------------------|------------------------|---------------------|
|                         | 2018/2019     |                   |                    |                        |                     |
|                         | Budget        | Adjustment Budget | Actual Expenditure | Variations to Budget % | Total Project Value |
| <b>Total All</b>        | <b>33,214</b> | <b>17,236</b>     | <b>7,045</b>       | <b>-59.13%</b>         |                     |
| Financial System        | 26,124        | 8,006             | 800                | -90.01%                | +90000              |
| Renovation Offices      | 0             | 70                | 0                  | -100.00%               |                     |
| Plant and Equipment     | 30            | 881               | 123                | -86.04%                | 123                 |
| Furniture               | -             | 345               | 104                | -69.86%                | 104                 |
| Computer Equipment      | 330           | 504               | 367                | -27.18%                | 367                 |
| Transport Assets        | 5,030         | 5,030             | 4,444              | -11.65%                | 4444                |
| Call Centre Mgmt System | 0             | 700               | 0                  | -100.00%               |                     |
| Security Fencing Stores | 200           | 200               | 0                  | -100.00%               |                     |
| Stores Change Rooms     | 300           | 300               | 153                | -49.00%                | 153                 |
| Fuel Management System  | 1,000         | 1,000             | 914                | -8.60%                 | 914                 |
| Security Cameras Stores | 200           | 200               | 140                | -30.00%                | 140                 |

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

### COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

The process leading to the approval of the budget was in line with the approved budget process plan. The Budget was adopted within the MFMA legislated timeframes and the approved budget was informed by the Long-Term Financial Plan (LTFP). All relevant budgets related policies are in place and some of the critical procedure manuals were adopted during the year. Staff shortages/vacancies were also addressed within the financial year.

## 4.3 SUPPLY CHAIN MANAGEMENT

### INTRODUCTION TO SUPPLY CHAIN MANAGEMENT

The Msunduzi Municipality's Supply Chain Management unit is a support function for all business units within the council to ensure provision of efficient, transparent, fair, equitable and cost effective procurement services hence assisting the business units to implement their service delivery priorities. Msunduzi SCM consist of three components being demand management and acquisition management, contract management, and Logistics. SCM section has 82 staff compliment in total and currently we are seating at approximately 25% vacancy rate, each component is under a leadership of a manager. Over the years the section has improved from where it was since the previous administration, some of the triggers of improvements were the administration itself, internal Audit, Auditor general etc. Each component within SCM performances certain function that linked to the operational plan of the SCM section.

### FOCUS AREAS FOR 18/19 FY

#### MONITORING AND CONTRACT MANAGEMENT

In terms of section 116 (2) of the MFMA the accounting officer of a municipality must - "Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced; monitor on a monthly basis the performance of the contractor under the contract or agreement; establish capacity in the administration of the municipality to assist the accounting officer in carrying out the duties and to oversee the day-to-day management of the contractor under the contract or agreement;" therefore we have established a Contract management Office(monitring) within the Supply chain management unit in order to adhere to the above act.

#### 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.

#### CHALLENGES

- There are challenges in Integrating of project management and Contract management

#### 1. SUPPLIERS DATABASE (FRONT DESK) & INFORMATION MANAGEMENT

- The exercise of data clean-up was also conducted in light of SCM regulation 44, regarding the prohibition of awards to persons in the service of the state which had been a serious concern as per the Auditors General's findings from the last report.
- For the current financial period, much attention would be given Business Process implementation interventions as part SAP system to ensure that information management is catered regarding the analysis of historical procurement spending. This would assist in the demand management processes to ensure that Msunduzi Municipality factors in cost effectiveness as it procures goods, services and/or works as outlined through S217 of the RSA Constitution.



## 2. CHALLENGES: SUPPLIER DATABASE

- Turnaround times for capturing information of the database forms, within the set period of thirty (30) days, has been a challenge due to high volumes.
- Supplier Records missing i.e. some database forms cannot be accountable for in the filing system.
- Poor document management system i.e. the filing system is not user friendly when it comes to retrieving data.
- Lack of understanding the SCM legislative reforms i.e. Suppliers that do not understand the rationale behind submission of original documents when submitting Database forms.

## 3. CHALLENGES: INFORMATION DESK

- Frustrated Suppliers who expect to be given work opportunities irrespective of the evaluation outcomes applicable
- Suppliers who buy tender documents 30 minutes before the Tender briefing meeting.
- Collusive practices between Suppliers and Officials that create expectations e.g. suppliers will receive information from municipal officials pertaining to Bids before the advertisements are released for print media.

## SERVICE STATISTICS FOR SUPPLY CHAIN MANAGEMENT

12 Monthly reports on tenders awarded were submitted during the year 2018/2019 financial year. Eighty-six (86) requests between R30 000 and R200 000 were received, fifty (50) were finalized, thirty-two (32) were cancelled and Four (4) are still in the pipeline. Eighty-six (86) Open Tenders (> R200 000) were advertised by Supply Chain Management Fifty (50) Awards were made, thirty-two (32) were cancelled and Four (4) are still in the pipeline, four (5) objections were received and one was resolved; and there were three court application.

It should be noted that the overlap in terms of numbers is caused by the request emanating from 17/18 financial year that were still in the pipeline and were finalized in the 18/19 financial year.

## LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

| LONG TERM CONTRACTS (20 LARGEST CONTRACTS ENTERED INTO 2018/19)<br>R' 000 |                                                                                                                                                                                                                                |                        |                         |                                                          |                 |
|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------|----------------------------------------------------------|-----------------|
| Name of Service Provider (Entity or Municipal Department)                 | Description of Services Rendered by the Service Provider                                                                                                                                                                       | Start Date of Contract | Expiry date of Contract | Project manager                                          | Contract Value  |
| INGEROP SOUTH AFRICA(PTY) LTD                                             | APPOINTMENT OF AN IMPLEMENTING AGENT TO UNDERTAKE THE CONSTRUCTION OF SERVICES AND TOP STRUCTURES OF THE GLENWOOD NORTH EAST SECTOR 2 HOUSING PROJECT COMPRISING OF 279 UNITS SITUATED IN WARD 38 OF THE MSUNDUZI MUNICIPALITY | 01/08/2018             | 31/07/2021              | Y NAIDOO<br>HUMAN SETTLEMENT                             | R 30 954 213.00 |
| MASEKO HLONGWA AND ASSOCIATES CC                                          | APPOINTMENT OF AN IMPLEMENTING AGENT TO UNDERTAKE THE DETAILED FEASIBILITY STUDIES INCLUDING PLANNING, DESIGN AND CONSTRUCTION FOR THE HAREWOOD HUMAN SETTLEMENT PROJECT COMPRISING OF APPROXIMATELY 1000 UNITS                | 30/08/2018             | 29/08/2021              | Y NAIDOO<br>HUMAN SETTLEMENT                             | R138 700 000.00 |
| SLB CONSULTING/BMK CONSULTING                                             | SIGNAL HILL/PEACE VALLEY 3 INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME                                                                                                                                                        | 8/7/2017               | 3/2/2019                | Y NAIDOO<br>HUMAN SETTLEMENT                             | R812,515,746.00 |
| HISSCO                                                                    | X-RAY SECURITY SCREENING EQUIPMENT AND CONVEYOR BELT EQUIPMENT                                                                                                                                                                 | 1/1/2018               | 12/31/2021              | AMANDA BARNARD<br>ECONOMIC DEVELOPMENT                   | R1,241,039.00   |
| EOH MTHOMBO (PTY) LTD                                                     | SAP IMPLEMENTATION SUPPORT                                                                                                                                                                                                     | 7/1/2018               | 2/8/2019                | N. NGCOBO<br>FINANCIAL SERVICES                          | 15,246,000.00   |
| METGOVIS (PTY)LTD                                                         | THE VALUATION ROLL MANAGEMENT SOFTWARE(METVAL) AND METVAL SYSTEM SUPPORT                                                                                                                                                       | 9/23/2018              | 1/22/2019               | FINANCIAL SERVICES                                       | 1,604,817.83    |
| OLIX                                                                      | PROVIDE SAP CONSULTING SERVICES DURING THE AUDIT                                                                                                                                                                               | 10/1/2018              | 12/31/2018              | FINANCIAL SERVICES                                       | 3,625,130.00    |
| EGXENI ENGINEERING                                                        | VULINDLELA RES.12 BULK WATER SUPPLY PROJ                                                                                                                                                                                       | 3/18/2019              | 6/30/2019               | BRANDEN SIVRAAPAD<br>WATER INFRASTRUCTURE AND SANITATION | 54,884,246.19   |
| ZAMISANANI PROJECTS                                                       | EVALUATION OF THE 18/19 MID YR PERFORMANCE RPT 17/18 ADJ BUDGET & 18/19 BUDGET                                                                                                                                                 | 4/12/2019              | 4/30/2019               | FINANCIAL SERVICES                                       | 12,600,760.00   |

| PUBLIC PRIVATE PARTNERSHIPS ENTERED INTO 2018/19<br>R' 000 |                    |                 |             |                 |               |
|------------------------------------------------------------|--------------------|-----------------|-------------|-----------------|---------------|
| Name And Description Of Project                            | Name Of Partner(S) | Initiation Date | Expiry Date | Project Manager | Value 2018/19 |
| No Public Private Partnerships entered into in 2018/2019.  | N/A                | N/A             | N/A         | N/A             | N/A           |

| SUPPLY CHAIN MANAGEMENT POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                                                                                |                                                                                                                                                                                                                |                                    |                                                                                                                                                                                                                |                                                                                                                                                                                                                |                                    |                                                          |                                                    |                                            |                    |                      |                                                                                                                                                                                                                      |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------|----------------------------------------------------|--------------------------------------------|--------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                         | 2017/2018                                                                                                                                                                                                      |                                                                                                                                                                                                                |                                    | 2018/2019                                                                                                                                                                                                      |                                                                                                                                                                                                                |                                    | 2019/2020                                                |                                                    |                                            |                    |                      |                                                                                                                                                                                                                      |
|                                                              | ANNUAL TARGET                                                                                                                                                                                                  | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                       | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET                                                                                                                                                                                                  | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                       | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                     | CORRECTIVE MEASURE                                 | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT    | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                                                        |
| SCM 01                                                       | Supply chain management Policy reviewed and submitted to SMC for approval by Council by the 28th of February 2018 for approval by Council                                                                      | Supply chain management Policy reviewed                                                                                                                                                                        | 3 (100% - 129%)                    | Supply chain management Policy reviewed and submitted to SMC by the 28th of February 2019                                                                                                                      | Supply chain management Policy reviewed and submitted to SMC for approval by Council by the 28th of February 2019                                                                                              | 3 (100% - 129%)                    | N/A                                                      | N/A                                                | N/A                                        | Council resolution | SCM 01               | Supply chain management Policy 2019/2020 reviewed and submitted to SMC for approval by Council by the 28th of February 2020                                                                                          |
| SCM 02                                                       | 2018/2019 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2018                                                                                                               | 2018/2019 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2018                                                                                                               | 3 (100% - 129%)                    | 2019/2020 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2019                                                                                                               | Procurement plan circulated to Business unit, there are delays in terms of response                                                                                                                            | 1 (69% & below)                    | There are delays from business unit in terms of response | Visits will be conducted to fast track the process | 7/31/2019                                  | SMC resolution     | SCM 02               | 2020/2021 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2020                                                                                                                     |
| SCM 03                                                       | 4 x quarterly reports produced and submitted to SMC on the implementation of the 18/19FY approved procurement plan by the 30th of June 2018                                                                    | Report being finalised                                                                                                                                                                                         | 2 (70% - 99%)                      | 4 x quarterly reports produced and submitted to SMC on the implementation of the 18/19FY approved procurement plan by the 30th of June 2019                                                                    | 4 x quarterly reports produced and submitted to SMC on the implementation of the 18/19FY approved procurement plan by the 30th of June 2019                                                                    | 3 (100% - 129%)                    | N/A                                                      | N/A                                                | N/A                                        | SMC resolution     | 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                                                                       |
| SCM 04                                                       | 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 2018 | 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 2018 | 3 (100% - 129%)                    | 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 2019 | 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 2019 | 3 (100% - 129%)                    | N/A                                                      | N/A                                                | N/A                                        | OMC Resolution     | 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 OMC by the 30th of June 2019 |

### SUPPLY CHAIN MANAGEMENT IMPLEMENTATION CHECKLIST

| IMPLEMENTATION CHECKLIST                                  |                                   |
|-----------------------------------------------------------|-----------------------------------|
| Supply Chain Management                                   |                                   |
| Municipality Details                                      | Answers                           |
| Name of Municipality                                      | KZ225 Msunduzi                    |
| Contact Person (name):                                    | Sikelela Ndzalela                 |
| Email address:                                            | sikelela.ndzalela@msunduzi.gov.za |
| Phone:                                                    | 033 392 2678                      |
| Name of the Head of the SCM Unit (if different to above): | N/A                               |

| 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, i.e. waiting for an appointment? (full time equivalent)                                                                               | 22     | 22 post still vacant the effort of filling them is being undertaken by HR | 2019/20             | GM:CS                          |
| 2.2 Has a job description been developed for each position within the SCM Unit?                                                                                            | Yes    | N/A                                                                       | N/A                 | GM:CS                          |
| 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)) SCM Processes:                           | Yes    | N/A                                                                       | N/A                 | Head: SCM                      |
| 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   |

| Question |                                                                                                                                                                                                                | Answer | Comment on progress                                                                                 | Date for completion | Official(s) responsible         |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------------------------------------------------------------------------------------------------|---------------------|---------------------------------|
| 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    |
| 9        | Regulation 46 requires the SCM Policy to establish a code of conduct.                                                                                                                                          |        |                                                                                                     |                     |                                 |
| 9.1      | Is the Code of Conduct issued by NT in MFMA Circular No 22 utilised?                                                                                                                                           | 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 person's 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       | Please confirm if records are kept of the following:                                                                                                                                                           |        |                                                                                                     |                     |                                 |
| 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 publicly 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 |
| 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       | Training SCM practitioners                                                                                                                                                                                     |        |                                                                                                     |                     |                                 |
| 17.1     | Has a training strategy for SCM practitioners been developed?                                                                                                                                                  | Yes    | N/A                                                                                                 | N/A                 | HR                              |
| 17.2     | What is the 2018/2019 budget for the training of SCM practitioners?                                                                                                                                            | Yes    | R280 000                                                                                            | N/A                 | SM:SCM                          |
| 17.3     | Has the municipality or entity used an outsourced training provider for SCM, other than SAMDI?                                                                                                                 | Yes    | SCM35 of 14/15 Bantu Banye Skills                                                                   | N/A                 | SM:SCM                          |
| 17.4     | If "yes" to 17.3 please list below the names of training provider(s) used to date (expand this box if necessary)                                                                                               |        | Bantubanye Skills                                                                                   | N/A                 | SM:SCM                          |
| 17.5     | Indicate the number of officials who have attended the SCM training conducted by SAMDI?                                                                                                                        |        | None                                                                                                | N/A                 | N/A                             |
| 17.6     | Indicate the number of officials who have attended SCM training conducted by training providers other than SAMDI?                                                                                              |        | 52                                                                                                  | N/A                 | N/A                             |
| 18       | Has an 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       | Bid Committee membership:                                                                                                                                                                                      |        |                                                                                                     |                     |                                 |
| 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                          |
| 19.3     | Does the Bid Adjudication Committee membership comply with regulation 29?                                                                                                                                      | Yes    | N/A                                                                                                 | N/A                 | SM:SCM                          |

| Question | Answer                                        | Comment on progress | Date for completion | Official(s) responsible |
|----------|-----------------------------------------------|---------------------|---------------------|-------------------------|
| 19.4     | No                                            | N/A                 | N/A                 | SM:SCM                  |
| 20       | Procurement of IT related goods and services: |                     |                     |                         |
| 20.1     | Yes                                           | N/A                 | N/A                 | SM:ICT                  |
| 20.2     | Yes                                           | N/A                 | N/A                 | SM:ICT                  |
| 21       | Yes                                           | N/A                 | N/A                 | SM:SCM                  |

## PERFORMANCE MANAGEMENT OF CONTRACTS FOR THE PERIOD 1 JULY 2018 – 30 JUNE 2019

### INTRODUCTION TO PERFORMANCE MANAGEMENT OF CONTRACTS

#### MONITORING AND CONTRACT MANAGEMENT

In terms of section 116 (2) of the MFMA the accounting officer of a municipality must -

“Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced; monitor on a monthly basis the performance of the contractor under the contract or agreement; establish capacity in the administration of the municipality to assist the accounting officer in carrying out the duties and to oversee the day-to-day management of the contractor under the contract or agreement;” therefore we have established a Contract management Office(monitors) within the Supply chain management unit in order to adhere to the above act.

#### PERFORMANCE MANAGEMENT OF CONTRACTS

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.

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.

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. Firstly, is the engagement with all relevant stakeholders to ascertain the complexity and experience within the contractual obligations.

### MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS JULY 2018 – JUNE 2019 – CONTRACTS OVER R200 000.00

#### JULY 2018

| DATE       | CONTRACT NO.    | DESCRIPTION                                                                                                                                                                                                                    | SERVICE PROVIDER              | CONTRACT VALUE  | CONTACT PERIOD |
|------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------|----------------|
| 09/07/2018 | SCM 26 of 17/18 | Appointment of a facilities Management company to manage, maintain and repair the Msunduzi Rental Housing                                                                                                                      | Olympus Enterprise (pty) ltd  | Rates based     | 3 years        |
| 01/08/2018 | SCM 2 of 17/18  | Appointment of an implementing agent to undertake the construction of services and top structures of the Glenwood North East Sector 2 housing project comprising of 279 units situated in ward 38 of the Msunduzi Municipality | Ingerop South Africa(Pty) Ltd | R 30 954 213.00 | 3 years        |
| 01/08/2018 | SCM 42 of 17/18 | Construction of sanitation infrastructure in the Shenstone- ambleton areas (CIDB grading (6CE PE)                                                                                                                              | Akwande Civils cc             | R 4 875 163.40  | 7 Months       |

#### AUGUST 2018

| DATE       | CONTRACT NO.    | DESCRIPTION                                                                            | SERVICE PROVIDER     | CONTRACT VALUE | CONTACT PERIOD |
|------------|-----------------|----------------------------------------------------------------------------------------|----------------------|----------------|----------------|
| 31/07/2018 | SCM 50 of 17/18 | Supply and delivery of 100 heavy duty brush-cutters with safety harnesses              | Ignition oil and Gas | R619 500.00    | 3weeks         |
| 08/08/2018 | 4/S36 of 18/19  | Provision of the valuation roll management software (metval) and metval system support | Metgovis (Pty)Ltd    | R1 604 817.83  | 5 months       |

#### SEPTEMBER 2018

| DATE       | CONTRACT NO.   | DESCRIPTION                                                                                                                                                                                                      | SERVICE PROVIDER                 | CONTRACT VALUE (Excl Vat) | CONTRACT PERIOD |
|------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------|-----------------|
| 30/08/2018 | SCM 9 of 16/17 | Appointment of an Implementing Agent to undertake the detailed feasibility studies including planning, Design and construction for the Harewood Human Settlement Project Comprising of Approximately 1000 units. | Maseko Hlongwa and Associates cc | R138 700 000.00           | 36 Months       |

- OCTOBER 2018

| DATE       | CONTRACT NO.    | DESCRIPTION                                                                                                                                             | SERVICE PROVIDER                | CONTRACT VALUE  | CONTACT PERIOD |
|------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------|----------------|
| 19/10/2018 | SCM 28 of 17/18 | Provision of SAP Support, Maintenance Services and New Implementations for the Msunduzi Municipality and its Entities for a Period of Thirty Six Months | Nambithi Technologies (Pty) Ltd | R67, 354 482.28 | 36 months      |
| 04/10/2018 | SCM 47 of 17/18 | Provision of Short Term Insurance Broking Services for the Msunduzi Municipality                                                                        | Serenity Insurance Brokers cc   | Rate based      | 36 months      |

- NOVEMBER 2018

| CONTRACT NO.    | DESCRIPTION                    | SERVICE PROVIDER          | CONTRACT VALUE | CONTACT PERIOD |
|-----------------|--------------------------------|---------------------------|----------------|----------------|
| 17/S36 OF 17/18 | Upgrade of Moses Mabhidia road | Martin and East (Pty) Ltd | R703 680.03    | Once off       |

- DECEMBER 2018 - No contracts for December 2018

- JANUARY 2019

| DATE       | CONTRACT NO.    | DESCRIPTION                                                                                                                              | SERVICE PROVIDER     | CONTRACT VALUE | CONTACT PERIOD |
|------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------|----------------|
| 14/01/2019 | SCM 10 OF 18/19 | CONSTRUCTION OF A 5.0ML RESERVOIR 10A AND ASSOCIATED PUMP STATION IN WARD 7 AND UPGRADE OF WATER RETICULATION WITHIN WARD 39, VULINDLELA | Egxen Engineering CC | R54,884,246.19 | 30 Months      |

- FEBRUARY 2019 - No contracts for February 2019

- MARCH 2019

| DATE       | CONTRACT NO.           | DESCRIPTION                                                                 | SERVICE PROVIDER                          | CONTRACT VALUE | CONTACT PERIOD |
|------------|------------------------|-----------------------------------------------------------------------------|-------------------------------------------|----------------|----------------|
| 14/01/2019 | SS no 5 of 2018        | Suppliers and Services contract no 5 of 2018:Section 2                      | Dia Champion Trading cc T/A DIA Petroleum | Rate based     | 3 Years        |
|            | SS no 5 of 2018        | Suppliers and Services contract no 5 of 2018:Section 3                      | Dia Champion Trading cc T/A DIA Petroleum | Rate based     | 3 Years        |
|            | SS 7 of 2018 section 3 | Supply and Delivery of Liquidified Petroleum Gas in bulk and cylinders..... | Airflies Industrial Gases                 | Rate based     | 3 years        |

- APRIL 2019

| DATE       | CONTRACT NO.    | DESCRIPTION                                                                                                                                | SERVICE PROVIDER                            | CONTRACT VALUE                         | CONTACT PERIOD |
|------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------------------|----------------|
| 15/04/2019 | SCM 48 OF 16/17 | PROVISION OF Ad hoc PROFESSIONAL ENGINEERING SERVICES TO BE LISTED ON TO THE MSUNDUZI MUNICIPALITY'S SUPPLY CHAIN MANAGEMENT DATABASE      | TLS Engineers and projects managers         | Panel                                  | 3 Years        |
| 15/04/2019 | SCM 48 OF 16/17 | PROVISION OF Ad hoc PROFESSIONAL ENGINEERING SERVICES TO BE LISTED ON TO THE MSUNDUZI MUNICIPALITY'S SUPPLY CHAIN MANAGEMENT DATABASE      | Henwood and Nxumalo Consulting Engineers cc | Panel                                  | 3 Years        |
| 15/04/2019 | SCM 48 OF 16/17 | PROVISION OF Ad hoc PROFESSIONAL ENGINEERING SERVICES TO BE LISTED ON TO THE MSUNDUZI MUNICIPALITY'S SUPPLY CHAIN MANAGEMENT DATABASE      | upw consulting                              | Panel                                  | 3 years        |
| 15/04/2019 | SCM 48 OF 16/17 | PROVISION OF Ad hoc PROFESSIONAL ENGINEERING SERVICES TO BE LISTED ON TO THE MSUNDUZI MUNICIPALITY'S SUPPLY CHAIN MANAGEMENT DATABASE      | Emzansi Engineer                            | Panel                                  | 3 years        |
| 15/04/2019 | SCM 48 OF 16/17 | PROVISION OF Ad hoc PROFESSIONAL ENGINEERING SERVICES TO BE LISTED ON TO THE MSUNDUZI MUNICIPALITY'S SUPPLY CHAIN MANAGEMENT DATABASE      | Makhoatse, Narasimulaa and Associates       | Panel                                  | 3 years        |
| 15/04/2019 | SCM52 OF 17/18  | APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE MAINTENANCE OF TRAFFIC SIGNALS WITHIN THE MSUNDUZI MUNICIPALITY'S AREA OF JURISDICTION | sonkem construction projects                | Panel                                  | 3 years        |
|            | SCM52 OF 17/18  | APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE MAINTENANCE OF TRAFFIC SIGNALS WITHIN THE MSUNDUZI MUNICIPALITY'S AREA OF JURISDICTION | Rates based                                 | imbawula technical services & supplies | 3 years        |
|            | SCM52 OF 17/18  | APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE MAINTENANCE OF TRAFFIC SIGNALS WITHIN THE MSUNDUZI MUNICIPALITY'S AREA OF JURISDICTION | Rate based                                  | ATC Industries (pty) ltd               | 3 years        |

- MAY 2019 - No contracts for May 2019

- JUNE 2019

| DATE       | CONTRACT NO.    | DESCRIPTION                                                                                                   | SERVICE PROVIDER                | CONTRACT VALUE | CONTACT PERIOD |
|------------|-----------------|---------------------------------------------------------------------------------------------------------------|---------------------------------|----------------|----------------|
| 14/06/2019 | SCM 32 of 18/19 | Appointment of service provider to undertake the revision Msunduzi Informal Economy and street trading policy | Isibuko Development planners CC | R 724,500.00   | 10 Months      |

- BELOW IS AN EXTRACT OF ALL CONTRACTS MONITORED MONTHLY AND REPORTED TO COUNCIL

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE

### MONTHLY REPORTS FOR THE PERIOD 1 JULY 2018 - 30 JUNE 2019

| MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019 |                 |                                                                                          |                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------------------------------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NUMBER                                                                                                                                      | CONTRACT NUMBER | DESCRIPTION                                                                              | CONTRACT 'S NAME                       | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>JULY 2018- REPORT</b>                                                                                                                    |                 |                                                                                          |                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 1                                                                                                                                           | SCM 64 OF 12/13 | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE                               | ACTUS INTERGRATED MANAGEMENT (PTY) LTD | <ul style="list-style-type: none"> <li>* The performance of a contractor meets all the contractual requirements of the contract for the project.</li> <li>* On Area H, I, J and K there is approximately 18468.9 m of pipes laid and tested, Accumulative length of erf connection installed from the commencement date is 2286.94 m the number of Erf connections is 741 and 665 of Terminal manholes that have been constructed, as at 13th of June 2018.</li> <li>* The Contractor's contractual performance thus far remains satisfactory.</li> <li>* The project is on Schedule when compared to a revised programme of works 11.</li> <li>* Expenditure is on 95% as at the 3rd of July 2018</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2                                                                                                                                           | SCM 6 of 15/16  | UPGRADE OF ROADS IN ASHBURTON                                                            | KULU CIVILS                            | <ul style="list-style-type: none"> <li>The contractor has abandon the project.</li> <li>* As at the 6th of July 2018. The overall progress on site was at 99%.</li> <li>* The performance of a contractor did not meets all the contractual requirements of the contract for the project.</li> <li>* The works were ceded to West mead Houliers. The appointed contractor Kulu Civils failed to complete the project due to the fact that the contractor had financial difficulties.</li> <li>* Practical completion was made possible in January 2018 by the project manager's negotiations with a subcontractor to carry out the remaining work (surfacing of the 400m, sideways, speed humps, minor kerbing, road marking and signage) via a cession agreement.</li> <li>* All the ceded work has been carried out successfully by West mead, However the Main contract is still failing to complete the remaining work (Snags). As a result the Cessionary could not be paid.</li> <li>* Without the help of cession, these project would still be unpaved and susceptible to damage from the elements and from the municipal perspective we would have been worse off.</li> <li>* The Project manager from the roads department and SCM have been sending emails urging the contractor to finish all the outstanding works, however the contractor is non-responsive. This project is closely monitored by all parties. Expenditure remains at 90%.</li> </ul> |
| 3                                                                                                                                           | SCM 10 of 15/16 | BASIC WATER SUPPLY WARD 1 UPGRADE OF EXISTING PIPELINES AND BPT VULINDLELA (EPHAYIPHINI) | AFROSTRUCTURES                         | <ul style="list-style-type: none"> <li>* The performance of a contractor met all the contractual requirements of the contract for the project.</li> <li>* Approximately 3.5 km of 160mm diameter pipe and approximately 2.8 of 110mm diameter of pipe was constructed.</li> <li>* As at the 07th of May 2018, 1935m of 160mm diameter piper has been laid, tested and backfield, 400m of 110mm diameter pipe has been laid, tested and backfield.</li> </ul> <p>Expenditure and physical progress is at 100%.</p> <ul style="list-style-type: none"> <li>* The Project has been completed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 4                                                                                                                                           | SCM 9 of 15/16  | UPGRADE OF SELBY MSIMANG ROAD 5.5 TO 6.5                                                 | MARTIN AND EAST                        | <ul style="list-style-type: none"> <li>* The performance of a contractor meets all the contractual requirements of the contract for the project.</li> <li>* As at 19th of July 2018, the Construction works on site are.</li> <li>* Phase 1 (Mixed Traffic LHS) – 98% complete</li> <li>* Phase 2 (BRT) – 98% Complete</li> <li>* Phase 3 (Mixed Traffic RHS) – 97% complete</li> <li>* Phase 4 (Mixed Traffic RHS) 98% Complete</li> <li>* Overall percentage complete remains at is 98. %</li> <li>* The contract has been extended for 12months.</li> <li>* The new completion date is 30 June 2018.</li> <li>* V.O No.1 R20 655 287.78</li> <li>* V.O No.2 R59 468 716.94</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019**

| NUMBER | CONTRACT NUMBER  | DESCRIPTION                                                                                                                                                                                                                   | CONTRACT 'S NAME                                   | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5      | SCM 32 of 15/16  | UPGRADING OF DISTRICT ROAD D2069 IN VULINDLELA                                                                                                                                                                                | KULU CIVILS                                        | <p>The contractor has abandon the project.</p> <ul style="list-style-type: none"> <li>* As at the 6th of July 2018. The overall progress on site was at 98%.</li> <li>* The performance of a contractor did not meets all the contractual requirements of the contract for the project.</li> <li>* The works were ceded to West mead Houliers. The appointed contractor Kulu Civils failed to complete the project due to the fact that the contractor had financial difficulties.</li> <li>* Practical completion was made possible in December 2017 by MSA's negotiations with a subcontractor to carry out the remaining work (surfacing, sideways, speed humps, minor kerbing, road marking and signage) via a cession agreement.</li> <li>* All the ceded work has been carried out successfully by West mead, However the Main contract is still failing to complete the remaining work (Snags). As a result the Cessionary could not be paid.</li> <li>* Without the help of cession, these project would still be unpaved and susceptible to damage from the elements and from the municipal perspective we would have been worse off.</li> <li>* The Project manager from the roads department, Engineer MSA and SCM have been sending emails urging the contractor to finish all the outstanding works, however the contractor is non-responsive.</li> <li>* This project is closely monitored by all parties. Expenditure remains at 90%.</li> </ul> <p>Practical completed.</p> |
| 6      | SCM 103 of 14/15 | CONSTRUCTION OF VIP TOILETS                                                                                                                                                                                                   | ACTUS INTEGRATED MANAGEMENT AND RIVER WALK TRADING | <ul style="list-style-type: none"> <li>* There are approximately 780 VIP toilets to be constructed for 17/18 financial year.</li> <li>* To date there are 1190 VIP toilets have been constructed, For ward 1, 2, 3, 4, 5, 6, 7, 8, 9, 20 and 38 in Vulindlela.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 7      | SCM 32 of 17/18  | CONSTRUCTION OF WATER AND SEWER RETICULATION PIPELINES IN IMBALI UNIT 18, WARD 15.                                                                                                                                            | NAGENI CIVILS CC                                   | <ul style="list-style-type: none"> <li>* As at the 10th of July 2018 the overall progress on site was at 53.14%. To date only 396M of 160mm diameter of pipes laid. Which is not yet tested of 800M= 49.5% only 0% of 50mm diameter of pipe laid.</li> <li>* Water piper is still at 50/500</li> <li>* The contractor is 100% established.</li> <li>* Water setting out is 100%</li> <li>* Water bulk pipe laid is at 3.6%</li> <li>* Sewer Setting out is 100%</li> <li>* Sewer pipe laying complete 100%.</li> <li>* Sewer manholes are at 29.3%</li> <li>* Sewer house connections are still at 0%</li> <li>* The performance of a contractor meets all the contractual requirements of the contract for the project.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 8      | SCM 33 of 17/18  | CONSTRUCTION OF WATER RETICULATION PIPELINES IN WARD 3 VULINDLELA AND UPGRADE OF BULK WATER PIPELINE                                                                                                                          | PHUMELELA KARA JV                                  | <ul style="list-style-type: none"> <li>* As at the 27th of June 2018 the contractor has excavated, laid and reinstated 605M of 50mmpipe diameter and 640M of 110 diameter pipe laid and tested of water.</li> <li>* 160mm diameter 2625 of 3km pipe laid.</li> <li>* 75mm diameter 300M complete of 300m pipe laid</li> <li>* Water piper is at 50% 605 m of 940%</li> <li>* The overall progress is at 65%</li> <li>* The contractor is 100% established.</li> <li>* Water setting out is 100%</li> <li>* The performance of a contractor meets all the contractual requirements of the contract for the project</li> </ul> <p>On schedule</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 9      | SCM 37 OF 2016   | Repositioning of poles at Sweetwater's and KwaMpumuza                                                                                                                                                                         | Dusi and Bytech                                    | <ul style="list-style-type: none"> <li>* Contractors were appointed to reposition/ erect street poles due to road works.</li> <li>* The performance of a contractor meets all the contractual requirements of the contract for the project</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 10     | 10/S32 of 14/15  | PARTICIPATION IN THE CONTRACT FOR THE DEVELOPMENT AND PROJECT MANAGEMENT OF INTELLIGENT TRANSPORTATION SYSTEM (ITS) AND INTERGRATED FARE MANAGEMENT SYSTEMS (IFMS) FOR THE NITERGRATED RAPID PUBLIC TRANSPORT NETWORK (IRPTN) | AURECON SOUTH AFRICA PTY LTD                       | <ul style="list-style-type: none"> <li>* No change from last month report on project</li> <li>* BAC resolved for business unit to obtain an external legal comment as business unit requires extension of a section 32 contract;</li> <li>* Awaiting confirmed minutes in order to source services of the legal advisor as resolved by the BAC</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER | CONTRACT NUMBER | DESCRIPTION                                                                                                                                                                                            | CONTRACT 'S NAME                                              | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11     | SLA             | MAINTENANCE AND REPAIR SERVICES FOR THE PROFESSOR NYEMBEZI BUILDING, THE TATHAM                                                                                                                        | SCHINDLER LIFTS PTY LTD                                       | * The contract is on -going and no issues reported by business unit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 12     | SS76 of 2017    | REFURBISHMENT OF UPS IN MUNICIPAL FACILITIES                                                                                                                                                           | LONDACORP TRADING CC                                          | * The contract is on -going and no issues reported by business unit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 13     | SCM 52 OF 16/17 | HOUSE P15 ASHDOWN EMBARKMENT PROTECTION, EDENDALE                                                                                                                                                      | AFRO-COM GROUP 7777 PTY LTD                                   | * Excavation for foundation in progress<br>* Contractor to send in extension of time application as contract expired 19 May 2018<br>* Contractor to submit dated program                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 14     | SCM 37 OF 14/15 | LESTER BROWN ROAD LINK UPGRADE                                                                                                                                                                         | FYNNS CONSTRUCTION                                            | * Reached practical completion, certificate submitted to SCM to claim guarantees<br>* Contractor currently working on the snags list<br>* 90sq meters of asphalt damaged by water to be installed at intersection section 2 to complete works on intersection.<br>* Bollards to be installed on the left hand side from Truda snacks gate to the top of intersection 1, right hand side complete<br>* Retaining wall to be complete by 25th July 2018 and then commence installation of v-drains<br>* A couple of manholes are broken contractor to replace broken covers<br>* Concrete bus shelter to be installed once retaining wall is complete<br>* Contractor anticipates completion of works on site mid-August<br>Practical completed |
| 15     | SCM 42 OF 17/18 | CONSTRUCTION OF SANITATION INFRASTRUCTURE IN THE SHENSTONE-AMBLETON AREAS                                                                                                                              | AKWANDE CIVILS CC                                             | * New appointment made to Akwande Civils cc<br>* Handover meeting held 20 July 2018<br>* Contractor to commence site establishment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 16     | SCM 10 OF 17/18 | APPOINTMENT OF COOPERATIVE FOR THE REMOVAL OF ILLEGAL ADVERTISING SIGNS FOR THE PERIOD OF 36 MONTHS                                                                                                    | ZIBAMBELE WASTE AND CLEANING SERVICES                         | * Cleanup for duration 11/06-11/07<br>* Ground signs-55<br>* Size -0m2_ 2m2 10<br>* Size- 2m2 _ 5m2 43<br>* Flags-16<br>* Posters-1273<br>* Banners -14<br>* Portable boards- 98<br>* Estate agents boards-101<br>* Cleaning ( pasted walls, boxes, Streetlight poles)-827<br>* Areas cleaned:<br>• Mayors Walk<br>• Northdale<br>• Chasevalley<br>• Napierville<br>• Prestbury<br>• Slangspruit<br>• Alexandra road<br>• Richmond road<br>• Scottsville<br>• Cascades                                                                                                                                                                                                                                                                        |
| 17     | SCM 6 OF 17/18  | ELECTRICITY INFRASTRUCTURE SPECIALISE IN CONSULTANCY SERVICES                                                                                                                                          | HAMSA<br>ZML AFRICA<br>NKANYEZI CONSULTING<br>ROYAL HASKONING | * The rotation is equally divided amongst the panel<br>* No allocations have been done thus far.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 18     | SCM 13 OF 16/17 | APPOINTMENT OF AN IMPLEMENTING AGENT FOR THE PLANNING AND CONSTRUCTION OF 233 LOW COST HOUSING UNITS AND 25 TEMPORARY STRUCTURES AND DEMOLITION OF EXISTING STRUCTURES FOR THE SITE 11 HOUSING PROJECT | MAKHAOTSE, NARASIMULU AND ASSOCIATES (PTY) LTD                | * Business unit advised that the project is a Provincial Housing Settlement project<br>* In process of getting the contract between Msunduzi Municipality and PHS signed prior to commencement of contract<br>* Currently performing beneficiary verification at site 11 and identification of challenges that may hinder progress of project and resolutions of such<br>* Advised that the MEC approval in terms of numbers differs from the Msunduzi award and are currently in process of making the correction                                                                                                                                                                                                                            |



**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019**

| NUMBER                      | CONTRACT NUMBER     | DESCRIPTION                                                                                                                                              | CONTRACT 'S NAME                                       | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 19                          | SCM 31 OF 17/18     | APPOINTMENT OF TRAINING SERVICE PROVIDER TO PROVIDE PEACE OFFICER TRAINING-NQF LEVEL ALIGNED                                                             | MOLOA ACADEMY CC                                       | <ul style="list-style-type: none"> <li>* Contract expired</li> <li>* Certificates and reports all submitted to business unit on time</li> <li>* Business unit is happy with service provided by the awarded service provider</li> </ul> Expired                                                                                                                                                                                                                                                                                               |
| 20                          | 14/S36 OF 17/18     | THE APPOINTMENT OF A CO-OPERATION TO PROVIDE DOMESTIC REFUSE COLLECTION IN PREVIOUSLY PHB HOUSING AREAS CURRENT INFORMAL AREAS FOR MSUNDUZI MUNICIPALITY | SAMBULO CATERING AND GENERAL SERVICES CO-OPERATIVE LTD | <ul style="list-style-type: none"> <li>* Contract expired end June 2018</li> <li>* Currently re-advertised new contract</li> <li>* Business unit happy with service provided by awarded service provider</li> </ul>                                                                                                                                                                                                                                                                                                                           |
| 21                          | E30 Of 2015         | DESIGN, SUPPLY, DELIVERY, OFF LOADING, INS FIXED PARTEN DOOR AND OUTDOOR GAS INSULATION                                                                  | ACTOM (PTY) LTD                                        | <ul style="list-style-type: none"> <li>* The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 22                          | Q12/182-RR OF 17/18 | SUPPLY AND DELIVERY OF VINYL CLEAR ADHESIVE TO THE BESSIE HEAD LIBRARY                                                                                   | SBONGINDABUKO CONSTRUCTION                             | <ul style="list-style-type: none"> <li>* Clear adhesive delivered to business unit</li> <li>* Business unit satisfied with the quality of adhesive</li> <li>* No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                                                                              |
| 23                          | Q12/222 OF 17/18    | SUPPLY DELIVERY AND INSTALLATION OF THIRTEEN (13) FILING CABINETS                                                                                        | REGENCY OFFICE FURNITURE                               | <ul style="list-style-type: none"> <li>* Cabinets delivered 28 June 2018</li> <li>* Business unit not happy with the quality but chooses to keep the cabinets</li> </ul>                                                                                                                                                                                                                                                                                                                                                                      |
| 24                          | Q12/223 OF 17/18    | SUPPLY AND DELIVERY OF POLE PRUNNERS, CHAIN SAWS AND PUSH MOWERS                                                                                         | PIETERMARITZBURG POWERE PRODUCT                        | <ul style="list-style-type: none"> <li>* Pole pruners, chain saws and push mowers delivered</li> <li>* Business unit happy with quality of goods delivered</li> <li>* No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                                                                      |
| 25                          | SS 72 OF 2015       | FJ SITHOLE URBAN RENEWAL – MANAYE PRECINCT – CONSTRUCTION OF AMPHITHEATRE                                                                                | MAWALA PROPERTY MAINTENANCE                            | <ul style="list-style-type: none"> <li>* Works are currently underway however, some administration delays were encountered.</li> <li>* First site meeting was held on 16 July 2018.</li> <li>* CLO has not been appointed as at 16 July 2018.</li> </ul>                                                                                                                                                                                                                                                                                      |
| <b>AUGUST 2018 - REPORT</b> |                     |                                                                                                                                                          |                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 1                           | SS 72 OF 2015       | FJ SITHOLE URBAN RENEWAL – MANAYE PRECINCT – CONSTRUCTION OF AMPHITHEATRE                                                                                | MAWALA PROPERTY MAINTENANCE                            | <ul style="list-style-type: none"> <li>* Works are currently underway however, some administration delays were encountered.</li> <li>* First site meeting was held on 16 July 2018.</li> <li>* CLO has not been appointed as at 16 July 2018.</li> <li>* CLO has been appointed.</li> <li>* Compliance issues have been noted and are being attended to.</li> <li>* Contractor has failed to attend progress meetings.</li> <li>* Project is far behind schedule.</li> <li>* Business Unit is looking to take corrective measures.</li> </ul> |
| 2                           | SS 72 OF 2015       | REPAIRS TO OTTO STREET CHANGEROOMS                                                                                                                       | OMALUME TRADING                                        | Work has not started due to administration delays.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 3                           | SS 72 OF 2015       | WOODLANDS FORESTRY OFFICES REPAIRS                                                                                                                       | SABELA PROJECTS                                        | * Work has been successfully completed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 4                           | SCM 67 OF 14/15     | REQUEST FOR QUANTITY SURVEYOR AT EASTWOOD LIBRARY ROOF RENOVATION                                                                                        | NCM QUANTITY SURVEYORS                                 | Work has been successfully carried out.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 5                           | SS 72 OF 2015       | REPAIRS TO AIRPORT TOILETS                                                                                                                               | CF THOMPSON                                            | Contractor appointed as at 12/07/2018.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 6                           | SS 72 OF 2015       | REPAIRS TO TOILETS & ROOF AT GEVDI OFFICES                                                                                                               | OLYMPUS ENTERPRISES                                    | Work has not started due to administration delays.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 7                           | SS 72 OF 2015       | REPAIRS TO CRACKED & FALLING WALLS AT ELECTRICITY STORES                                                                                                 | BRUCE Z TRADING                                        | Work has been successfully carried out.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 8                           | SS 72 OF 2015       | MAFUNZE PITCH                                                                                                                                            | NELA KAHLE CONSTRUCTION                                | Works are currently underway.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 9                           | SS 72 OF 2015       | REPAIRS & MAINTENANCE TO DRAINAGE DEPOTS                                                                                                                 | 4 GEE U TRADING                                        | Work has been successfully carried out.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 10                          | SS 72 OF 2015       | SUPPLY AND INSTALL PERIMETER FENCING AT PMB AIRPORT                                                                                                      | MZA CONSTRUCTION                                       | Work has not started due to administration delays.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 11                          | SS 72 OF 2015       | RENOVATIONS OF SECURITY RAPID RESPONSE UNIT                                                                                                              | DILMAR INVESTMENTS                                     | Work has not started due to administration delays.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 12                          | SS 72 OF 2015       | REPAIRS AND MAINTENANCE TO SONGONZIMA HALL-WARD 39                                                                                                       | INTUBAYOLUNTU                                          | Work has not started due to administration delays.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER | CONTRACT NUMBER | DESCRIPTION                                                                                  | CONTRACT 'S NAME                      | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------|-----------------|----------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 13     | SS 72 OF 2015   | REPAIRS AND MAINTENANCE TO SONGONZINI HALL- WARD 39                                          | GABAS CONSTRUCTION                    | <ul style="list-style-type: none"> <li>* Work has been successfully carried out.</li> <li>* The end user has raised no complaints.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 14     | SS 72 OF 2015   | REPAIRS AND MAINTENANCE TO THAMBOVILLE HALL-WARD 38                                          | GABAS CONSTRUCTION                    | <ul style="list-style-type: none"> <li>* Work has been successfully carried out.</li> <li>* The end user has raised no complaints.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 15     | SS 72 OF 2015   | THAMBOVILLE HALL FENCING                                                                     | GABAS CONSTRUCTION                    | <ul style="list-style-type: none"> <li>* Work has been successfully carried out.</li> <li>* The end user has reported no issues.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 16     | SS 72 OF 2015   | CONSTRUCTION OF SHOOTING RANGE                                                               | MAWALA PROPERTY MAINTENANCE           | <ul style="list-style-type: none"> <li>* Many delays have been experienced.</li> <li>* Rain delays have been problematic as the soil in that place is clay and takes longer to dry which delays excavations.</li> <li>* Site office is not up to standard, no air conditioning is available.</li> <li>* Water supply for staff has also been experienced as the site is in an isolated area with no plumbing.</li> <li>* Illegal dumping of rubble at the site has also been an issue, as the site has not been secured.</li> <li>* The safety file is constantly in question.</li> <li>* The engineer, Thoko Consulting is hardly ever on site therefore the level of supervision is questionable.</li> </ul>                              |
| 17     | 10/S32 of 14/15 | PARTICIPATION IN THE CONTRACT FOR THE DEVELOPMENT AND PROJECT MANAGEMENT OF INTELLIGENT TRAN | AURECON SOUTH AFRICA PTY LTD          | <ul style="list-style-type: none"> <li>* No change from last month report on project</li> <li>* BAC resolved for business unit to obtain an external legal comment as business unit require</li> <li>* Awaiting confirmed minutes in order to source services of the legal advisor as resolved by</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 18     | SLA             | MAINTENANCE AND REPAIR SERVICE FOR LIFTS INSTALLATION AT THE PROFESSOR NYEMBEZI BUILDING CAR | SCHINDLER LIFTS PTY LTD               | <ul style="list-style-type: none"> <li>* The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 19     | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE AS CHETTY BUILDING CAR NOS. DE | OTIS PTY LTD                          | <ul style="list-style-type: none"> <li>* The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 20     | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT FREEDOM SQUARE TOURISM HUB, LANGAL | SCHINDLER LIFTS SA (PTY) LTD          | <ul style="list-style-type: none"> <li>* The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 21     | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE BESSIE HEAD LIBRARY CAR NO. 06 | KONE ELEVATORS                        | <ul style="list-style-type: none"> <li>* The contract is on -going and no issues reported by business unit.</li> <li>* The contract is on -going and no issues reported by business unit.</li> <li>* Installation of 10 ten bus shelters at ward 34</li> <li>* Bus stops installed with shelters <ul style="list-style-type: none"> <li>• Next to Eastwood high</li> <li>• Opposite Shisanyama next to Dr Paul Musa</li> <li>• King fisher road next to Eastwood primary</li> <li>• First stop, table mountain road underneath the table</li> <li>• Near Khanyile tuck-shop</li> <li>• Corner of gold way</li> <li>• Near panorama primary school</li> <li>• Asgenno- Panorama</li> <li>• Corner of Nova/ Hlabunzima</li> </ul> </li> </ul> |
| 22     | SCM 37 OF 14/15 | LESTER BROWN ROAD LINK UPGRADE                                                               | FYNNS CONSTRUCTION                    | <ul style="list-style-type: none"> <li>* Contractor on doing final touch ups</li> <li>* Retaining wall complete</li> <li>* Currently installing bus bays</li> <li>* Anticipate completion at month end</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 23     | SCM 42 OF 17/18 | CONSTRUCTION OF SANITATION INFRASTRUCTURE IN THE SHENSTONE-AMBLETON AREAS                    | AKWANDE CIVILS CC                     | <ul style="list-style-type: none"> <li>* Contractor currently establishing site</li> <li>* Concerns have been raised by business unit regarding progress of establishment</li> <li>* It was communicated that delays were due to community unrest on commencement of the project</li> <li>* Engineer and project manager to meet and discuss way forward.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                        |
| 24     | SCM 10 OF 17/18 | APPOINTMENT OF COOPERATIVE FOR THE REMOVAL OF ILLEGAL ADVERTISING SIGNS FOR THE PERIOD OF 36 | ZIBAMBELE WASTE AND CLEANING SERVICES | <ul style="list-style-type: none"> <li>* Work done on roads from 01-03 August</li> <li>* Removed 29 portable boards, 5 banners, 0 flags, 408 posters and 15 ground signs</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019**

| NUMBER                         | CONTRACT NUMBER | DESCRIPTION                                                                                                                                                                 | CONTRACT 'S NAME                                                                                                                                                                   | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 25                             | SCM 30 OF 17/18 | APPOINTMENT OF A SERVICE PROVIDER EPWP DATA COLLECTION CAPTURING REPORTING                                                                                                  | SN JV (SMEC AND NAIDU JV)                                                                                                                                                          | <ul style="list-style-type: none"> <li>* Service provider has not commenced work on contract</li> <li>* Awaiting purchase order</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>SEPTEMBER 2018 - REPORT</b> |                 |                                                                                                                                                                             |                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1.                             | SCM 5 OF 12/13  | DESIGN AND CONTRACT ADMINISTRATION FOR WATER BORNE SANITATION                                                                                                               | AURECON SOUTH AFRICA                                                                                                                                                               | <ul style="list-style-type: none"> <li>The Project has been terminated due to both contractor and consultant poor performance</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2.                             | SCM 7 OF 12/13  | DESIGN AND CONTRACT ADMINISTRATION OF WATER BORNE SANITATION INFRASTRUCTURE IN WARD 10                                                                                      | AURECON SOUTH AFRICA (PTY)LTD                                                                                                                                                      | <ul style="list-style-type: none"> <li>Consultants performance is not satisfactory, the business unit not happy with consultant performance</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 3.                             | SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER                                                                                                                                 | ZETHEMBE MAINTENANCE AND GENERAL                                                                                                                                                   | <ul style="list-style-type: none"> <li>The project is not complete and it has been suspended due to lack of funding</li> <li>The project is not complete and it has been suspended due to lack of funding</li> </ul>                                                                                                                                                                                                                                                                                                                                                       |
| 4.                             | 7/S32 OF 14/15  | PARTICIPATION IN THE CONTRACT FOR THE APPOINTMENT OF OUTSOURCED AGENCIES FOR COLLECTION OF OUTSTANDING DEBTORS ACCOUNTS OLDER THAN 60 DAYS                                  | MT MTHIMANDZE PROJECT AND CONSULTING (PTY) LTD                                                                                                                                     | <ul style="list-style-type: none"> <li>The service provider is collecting outstanding debts</li> <li>No complains have been received from the business unit</li> <li>This contract has been extended to the end of December 2018</li> </ul>                                                                                                                                                                                                                                                                                                                                |
| 5.                             | SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5                                                                                                                       | KULU CIVIL'S                                                                                                                                                                       | <ul style="list-style-type: none"> <li>The contractor has been terminated due to non- performance by the contractor</li> <li>A new contract has been advertised, to complete the works</li> <li>The Municipality is preparing a claim to Kulu civils for damages</li> </ul>                                                                                                                                                                                                                                                                                                |
| 6.                             | SCM 48 OF 13/14 | PROVISION OF EVENTS MANAGEMENT SERVICES                                                                                                                                     | <ul style="list-style-type: none"> <li>SANDAKAHLE EVENTS MANAGEMENT</li> <li>CLASSIC EVENTS</li> <li>XOLISIZE TRADING AND PROJECTS</li> <li>ANDIMAHLE</li> <li>ANZOMODE</li> </ul> | <ul style="list-style-type: none"> <li>Service providers performance is satisfactory.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 7.                             | SCM 55 OF 14/15 | MAINTENACE OF SURFACED ROADS AND RELATED INFRASTRUCTURE                                                                                                                     | SINOTHANDO CONSTRUCTION<br>HIGHEND CONTRACTION<br>ELCO                                                                                                                             | <ul style="list-style-type: none"> <li>The contract has expired and currently a new contract is under evaluation.</li> <li>Currently there are road construction project that are ongoing under this contract.</li> </ul>                                                                                                                                                                                                                                                                                                                                                  |
| 8.                             | SCM 75 OF 14/15 | PROVISION OF Ad hoc PROFESSIONAL ARCHITECTURAL SERVICES                                                                                                                     | RUBEN REDDY ARCHITECTS CC<br>ISMAIL CASSIMJEE ARCHITECTS                                                                                                                           | <ul style="list-style-type: none"> <li>This contract has expired</li> <li>The business unit is in the processes of advertising for a new contract.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                              |
| 9.                             | SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE                                                                                                       | FYNNS CONSTRUCTION                                                                                                                                                                 | <ul style="list-style-type: none"> <li>There is a community strike on site</li> <li>The contractor has accordingly moved off site due to community action/intimidation</li> <li>The community is angry that no further local labour is employed even though the contract is NOT finished.</li> <li>The community is angry that NO further funding is available.</li> </ul>                                                                                                                                                                                                 |
| 10.                            | SCM 5 of 16/17  | UPGRADING AND WIDENING OF MT PARTRIDGE ROAD - EDENDALE                                                                                                                      | AFROCON – ISISQU JV                                                                                                                                                                | Contractor is currently busy with the snag list <ul style="list-style-type: none"> <li>Over99% total progress has been achieved</li> <li>Storm water pipes laying has been completed</li> <li>The works on site is delayed due to services that needs to be reallocated by Electricity and water department for Msunduzi Municipality, and Telkom Neotel and DFA</li> <li>The contractor has started works on some sections of the road where there are minimum services that needs to be relocated</li> <li>Progress is 11%</li> <li>7 Months behind schedule.</li> </ul> |
| 12.                            | SCM 22 of 16/17 | APPOINTMENT OF AN IMPLEMENTING AGENT FOR THE PLANNING. DESIGN AND CONSTRUCTION OF APPROXIMATELY 2000 UNITS AS AN INTERIM HOUSING PROJECT FOR THE RESIDENT OF Mkondeni/Sacca | S BALAKISTEN CONSULTING CC T/A SLB CONSULTING                                                                                                                                      | <ul style="list-style-type: none"> <li>This project is in the design stage</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 13.                            | SCM 70 of 14/16 | YOUTH ENTERPRICE PARK                                                                                                                                                       | RUBEN REDDY                                                                                                                                                                        | <ul style="list-style-type: none"> <li>Works is progressing very well on site</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER | CONTRACT NUMBER | DESCRIPTION                                                                                                                                                                                                                   | CONTRACT 'S NAME                               | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14.    | SCM 16 of 15/16 | APPOINTMENT OF CONSULTANT TO PROJECT MANAGE THE UPGRADE OF MOSES MABHIDA ROAD FROM KM6.5 TO KM 7.5                                                                                                                            | MAKHAOSTE, NARASIMULI AND ASSOCIATES           | <ul style="list-style-type: none"> <li>This project is in the BEC process. After the previous contract abandoned the site</li> </ul>                                                                                                                                                                                                                                                                                                 |
| 15.    | SCM 41 of 17/18 | REHABILITATION/ REPLACEMENT OF DEFECTIVE SEWERAGE RETICULATION – PHASE 1                                                                                                                                                      | AKWANDE                                        | <ul style="list-style-type: none"> <li>Contractor is currently behind programme</li> <li>Progress on all the roads is as follows: <ul style="list-style-type: none"> <li>Murree Road 99%</li> <li>Adrian Road 97%</li> <li>Imbali 0%</li> <li>Edendale2%</li> <li>McCarthy drive 0%</li> <li>Liberty Mall 78%</li> <li>Torwood road 0%</li> <li>Collins road 0%</li> <li>Mustang drive 0%</li> <li>Cleland 2%</li> </ul> </li> </ul> |
| 16.    | SCM 29 OF 16-17 | CONSTRUCTION OF WOODHOUSE ROAD PEDESTRIAN BRIDGE                                                                                                                                                                              | GLR PROPS OO1T/A INGONYAMA -NICON              | <ul style="list-style-type: none"> <li>Progress on site is 12%</li> <li>The Business forum from Sobantu township has threatened to stop the project is the contractor does not sub-contract service providers from Sobantu Community.</li> </ul>                                                                                                                                                                                     |
| 17.    | SCM 16 OF 16/17 | APPOINTMENT OF AN INPLEMENTING AGENT FOR THE PLANNING AND CONSTRUCTION OF 416 LOW COST HOUSING UNITS AND 30 TEMPORARY STRUCTURES AND DEMOLITION OF EXISTING STRUCTURES FOR TAMBOVILLE HOUSING PROJECT                         | Makhaotse, Narasimulu and Associates (Pty) Ltd | <ul style="list-style-type: none"> <li>This project has been recently awarded</li> <li>We still waiting for the handover meeting</li> </ul>                                                                                                                                                                                                                                                                                          |
| 18.    | 10/S32 of 14/15 | PARTICIPATION IN THE CONTRACT FOR THE DEVELOPMENT AND PROJECT MANAGEMENT OF INTELLIGENT TRANSPORTATION SYSTEM (ITS) AND INTERGRATED FARE MANAGEMENT SYSTEMS (IFMS) FOR THE NITERGRATED RAPID PUBLIC TRANSPORT NETWORK (IRPTN) | AURECON SOUTH AFRICA PTY LTD                   | <ul style="list-style-type: none"> <li>No change from last month report on project</li> <li>BAC resolved for business unit to obtain an external legal comment as business unit requires extension of a section 32 contract;</li> <li>Awaiting confirmed minutes in order to source services of the legal advisor as resolved by the BAC</li> </ul>                                                                                  |
| 19.    | SLA             | MAINTENANCE AND REPAIR SERVICE FOR LIFTS INSTALLATION AT THE PROFESSOR NYEMBEZI BUILDING CAR No. DE3221, 3222 AND 3223 THE TATHAM ART GALLERY CAR NO. DE 3364                                                                 | SCHINDLER LIFTS PTY LTD                        | <ul style="list-style-type: none"> <li>The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                 |
| 20.    | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE AS CHETTY BUILDING CAR NOS. DE1583, 1584 AND 1585                                                                                                               | OTIS PTY LTD                                   | <ul style="list-style-type: none"> <li>The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                 |
| 21.    | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT FREEDOM SQUARE TOURISM HUB, LANGALIBALELE STREET, CAR NOS 06L5420                                                                                                   | SCHINDLER LIFTS SA (PTY) LTD                   | <ul style="list-style-type: none"> <li>The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                 |
| 22.    | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE BESSIE HEAD LIBRARY CAR NO. 06/L6231 & L6268 AND CITY HALL CAR NO. 06/ L6038 AND HARRY GWALA STADIUM CAR NO. D201089                                            | KONE ELEVATORS                                 | <ul style="list-style-type: none"> <li>The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                 |
| 23.    | SS76 of 2017    | REFURBISHMENT OF UPS IN MUNICIPAL FACILITIES                                                                                                                                                                                  | LONDACORP TRADING CC                           | <ul style="list-style-type: none"> <li>The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                 |

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019**

| NUMBER | CONTRACT NUMBER | DESCRIPTION                                                                                                                                    | CONTRACT 'S NAME   | STATUS                                                                                                                                                                                                                                                                  |
|--------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 24.    | SCM 53 OF 16/17 | FABRICATION, INSTALLATION, REPLACEMENT AND REMOVAL OF STRUCTURAL STEEL PASSENGER SELTERS AT VARIOUS BUS AND MINIBUS TAXI STOPS WITHIN MSUNDUZI | AKEW INVESTMENT CC | <ul style="list-style-type: none"> <li>10 bus shelters installed at ward 34 stops as reported in previous month report</li> <li>Contractor completing works on site</li> <li>No issues reported by business unit</li> <li>Contractor working as per schedule</li> </ul> |
| 25.    | SCM 37 OF 14/15 | LESTER BROWN ROAD LINK UPGRADE                                                                                                                 | FYNNS CONSTRUCTION | <ul style="list-style-type: none"> <li>Project practically complete</li> <li>Contractor awaiting rainy weather in order to commence hydro-seeding</li> <li>Business unit anticipate completion cert anytime soon</li> <li>Awaiting close-out report</li> </ul>          |

**OCTOBER 2018 - REPORT**

|    |                 |                                                                                                                                                                                   |                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | SLA             | MAINTENANCE AND REPAIR SERVICE FOR LIFTS INSTALLATION AT THE PROFESSOR NYEMBEZI BUILDING CAR No. DE3221, 3222 AND 3223 THE TATHAM ART GALLERY CAR NO. DE 3364                     | SCHINDLER LIFTS PTY LTD                     | <ul style="list-style-type: none"> <li>Call-out time gets a bit delayed sometimes.</li> <li>Good quality of work.</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                       |
| 2  | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE AS CHETTY BUILDING CAR NOS. DE1583, 1584 AND 1585                                                                   | OTIS PTY LTD                                | <ul style="list-style-type: none"> <li>Call-out time gets a bit delayed sometimes.</li> <li>Good quality of work.</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                       |
| 3  | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT FREEDOM SQUARE TOURISM HUB, LANGALIBALELE STREET, CAR NOS 06L5420                                                       | SCHINDLER LIFTS SA (PTY) LTD                | <ul style="list-style-type: none"> <li>Call-out time gets a bit delayed sometimes.</li> <li>Good quality of work.</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                       |
| 4  | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE BESSIE HEAD LIBRARY CAR NO. 06/L6231 & L6268 AND CITY HALL CAR NO. 06/L6038 AND HARRY GWALA STADIUM CAR NO. D201089 | KONE ELEVATORS                              | <ul style="list-style-type: none"> <li>Call-out time gets a bit delayed sometimes.</li> <li>Good quality of work.</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                       |
| 5  | SS76 of 2017    | REFURBISHMENT OF UPS IN MUNICIPAL FACILITIES                                                                                                                                      | LONDACORP TRADING CC                        | The contract is on -going and no issues reported by business unit.                                                                                                                                                                                                                                                                                                                                                                                  |
| 6  | SS29 of 2015    | MECHANICAL MAINT & REFURB SECTION A CENTRAL BUSINES DIST AREAS                                                                                                                    | ACTION REFRIGERATION & AIRCONDITIONING      | <ul style="list-style-type: none"> <li>Excellent quality of work done to date.</li> <li>Call-out time gets a bit delayed sometimes.</li> <li>They always advise client</li> <li>No issues reported by business unit</li> </ul>                                                                                                                                                                                                                      |
| 7  | SS29 of 2015    | MECHANICAL MAINT & REFURB SECTION B NORTHERN AREAS                                                                                                                                | INGWENYA YAMSHELEMBE                        | <ul style="list-style-type: none"> <li>Call-out time always on times.</li> <li>Good quality of work.</li> <li>They always advise client</li> <li>Projects completed on time.</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                            |
| 8  | SS29 of 2015    | MECHANICAL MAINT & REFURB SECTION C EDENDALE AREAS                                                                                                                                | UBHAQA AIRCOCONDITIONING & REFRIGERATION CC | <ul style="list-style-type: none"> <li>Excellent quality of work done to date.</li> <li>Always on time.</li> <li>Projects completed on time.</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                            |
| 9  | SCM 53 OF 16/17 | FABRICATION, INSTALLATION, REPLACEMENT AND REMOVAL OF STRUCTURAL STEEL PASSENGER SELTERS AT VARIOUS BUS AND MINIBUS TAXI STOPS WITHIN MSUNDUZI                                    | AKEW INVESTMENT CC                          | <ul style="list-style-type: none"> <li>Moved in to ward 39 – (Mafakatini) Monday 01/10</li> <li>Anticipate installing 10 bus shelters</li> <li>Preparing bases for bus shelters</li> <li>Bus stops as follows                             <ul style="list-style-type: none"> <li>Santi turn off to Maswazini</li> <li>Vulingqondo</li> <li>Ngakadlamini stolo –Songozima</li> <li>Next to Khaundeni</li> <li>Songonzima Hall</li> </ul> </li> </ul> |
| 10 | SCM 37 OF 14/15 | LESTER BROWN ROAD LINK UPGRADE                                                                                                                                                    | FYNNS CONSTRUCTION                          | <ul style="list-style-type: none"> <li>Project complete.</li> <li>Awaiting close-out report</li> </ul>                                                                                                                                                                                                                                                                                                                                              |
| 11 | SCM 42 OF 17/18 | CONSTRUCTION OF SANITATION INFRASTRUCTURE IN THE SHENSTONE-AMBLETON AREAS                                                                                                         | AKWANDE CIVILS CC                           | <ul style="list-style-type: none"> <li>Community issues resolved contractor commenced works on site 15/10/2018</li> <li>Progress meeting to be held 02/11/2018</li> </ul>                                                                                                                                                                                                                                                                           |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER | CONTRACT NUMBER | DESCRIPTION                                                                                                                                                                                            | CONTRACT 'S NAME                                     | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 12     | SCM 10 OF 17/18 | APPOINTMENT OF COOPERATIVE FOR THE REMOVAL OF ILLEGAL ADVERTISING SIGNS FOR THE PERIOD OF 36 MONTHS                                                                                                    | ZIBAMBELE WASTE AND CLEANING SERVICES                | <ul style="list-style-type: none"> <li>Advertising removed 17-21 September 2018</li> <li>38 ground signs</li> <li>233 posters</li> <li>2 banners</li> <li>3 flags               <ul style="list-style-type: none"> <li>Driftside road; o Aloe Road, Willowton road, Highfield road, Old Edendale road, Acacia avenue, Ross road</li> </ul> </li> <li>Huntingdon Pl street, Station road Dambuza, Abella road, Pillay street, Marcom Road, Willowfontein road</li> <li>R103 Ashburton, Copesville drive, Somer road, Georgetown street, Sunset avenue, Cinderella street</li> <li>Athlone road, Advertising removed 25-28 September 2018, 11 portable signs, 88 posters, 4 ground signs</li> </ul> |
| 13     | SCM52 OF 16/17  | HOUSE P15 ASHDOWN EMBANKMENT PROTECTION, EDENDALE                                                                                                                                                      | AFRO-COM GROUP 777 (PTY) LTD                         | <ul style="list-style-type: none"> <li>Project reached practical completion</li> <li>Contractor currently busy with snag list</li> <li>Awaiting practical completion certificate</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 14     | SCM 6 OF 17/18  | ELECTRICITY INFRASTRUCTURE SPECIALISE IN CONSULTANCY SERVICES                                                                                                                                          | HAMSA ZML AFRICA NKANYEZI CONSULTING ROYAL HASKONING | <ul style="list-style-type: none"> <li>The rotation is equally divided amongst the panel</li> <li>No allocations have been through SCM done thus far.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 15     | SCM 42 OF 15/16 | OPERATION SUKUMA SAKHE PHASE 2 PROJECT                                                                                                                                                                 | SIQU GROUP CC                                        | <ul style="list-style-type: none"> <li>Business unit advised by Legal to present cancellation to the Bid Adjudication committee</li> <li>Bid Adjudication committee advised business unit to return to SCM as cancellations are processed through SCM</li> <li>SCM requested meeting with Legal to further discuss the terms of cancellation for the project</li> </ul>                                                                                                                                                                                                                                                                                                                           |
| 16     | SCM 13 OF 16/17 | APPOINTMENT OF AN IMPLEMENTING AGENT FOR THE PLANNING AND CONSTRUCTION OF 233 LOW COST HOUSING UNITS AND 25 TEMPORARY STRUCTURES AND DEMOLITION OF EXISTING STRUCTURES FOR THE SITE 11 HOUSING PROJECT | MAKHAOTSE, NARASIMULU AND ASSOCIATES (PTY) LTD       | <ul style="list-style-type: none"> <li>Application has been made to National Human Settlement for escalation of the subsidy quantum</li> <li>No works anticipated to commence until a response has been received from National for adjustment of the subsidy.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 17     | E30 of 2015     | DESIGN, SUPPLY, DELIVERY, OFF LOADING, INS FIXED PARTEN DOOR AND OUTDOOR GAS INSULATION                                                                                                                | ACTOM (PTY) LTD                                      | <ul style="list-style-type: none"> <li>The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 18     | SS 77 OF 2016   | MAINTENANCE AND GOODS HOIST, HYDRAULIC AND LIFTING EQUIPMENT IN MUNICIPAL FACILITIES                                                                                                                   | OMAP LIFT & REACH (PTY) LTD                          | <ul style="list-style-type: none"> <li>The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019**

| NUMBER | CONTRACT NUMBER  | DESCRIPTION                                                                  | CONTRACT 'S NAME                                  | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------|------------------|------------------------------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 19     | SCM 25 of 17/18  | COMPILATION OF A GENERAL VALUATION ROLL AND SUPPLEMENTARY VALUATION ROLLS 01 | EVALUATION ENHANCED PROPERTY APPRAISALS (PTY) LTD | <ul style="list-style-type: none"> <li>No building plans were received from building survey for this Month.</li> <li>There were 100 revenue clearance certificate applications received from the Rates unit. 99 rates clearance have been processed and returned to the Rates unit. Only 1 rates clearance</li> <li>No building plans were received from building survey for this Month.</li> <li>There were 100 revenue clearance certificate applications received from the Rates unit. 99 rates clearance have been processed and returned to the Rates unit. Only 1 rates clearance application is outstanding as it is still under investigation. Changes in the value of properties triggered by the rates applications will be updated on the roll once the valuation software has been re-installed.</li> <li>The General Manager; Sustainable and enterprise; is delegated the power and authority to sign conveyancing documents as per item 232 of the Msunduzi local municipality delegation register of 31st of March 2015. The (Acting) General Manager for Sustainable and Enterprise is Mr. Radha Gounden who has been signing the conveyancing documents. There were 17 documents received and 13 of them have been signed and returned to respective conveyancing firms. There are 4 documents that are still outstanding. Below is an overview of the conveyancing documents that were processed in the month of August.</li> <li>70% of the posts in the Real Estates and Valuations department are vacant and it is the key Positions that are vacant. The prolonged vacancies in these key positions have a detrimental effect on the productivity levels of the unit; as a result, there are numerous outstanding matters that have been left unattended. These include the implementation of recommendations that were made by the auditor general/ internal auditors</li> <li>The reconciliation of the valuation roll file and the finance file is still ongoing. All the rolls that were submitted to the finance unit for uploading on to SAP have been uploaded and discrepancy reports have been generated.</li> <li>There were 45 valuation certificates that were issued in august. Valuation certificates are issued at a R40.00 fee to the requesting party.</li> <li>No issues regarding performance received from the business unit.</li> </ul> |
| 20     | Q12/309 OF 18/19 | SUPPLY AND DELIVERY OF TRAFFIC LINE PAINTS                                   | SIZWE PAINTS PTY LTD                              | <ul style="list-style-type: none"> <li>Paint delivered timeously</li> <li>Business unit happy with quality</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 21     | SS 72 OF 2015    | FJ SITHOLE URBAN RENEWAL – MANAYE PRECINCT – CONSTRUCTION OF AMPHITHEATRE    | MAWALA PROPERTY MAINTENANCE                       | <ul style="list-style-type: none"> <li>Works are currently underway however, some administration delays were encountered.</li> <li>First site meeting was held on 16 July 2018.</li> <li>CLO has not been appointed as at 16 July 2018.</li> <li>CLO has been appointed.</li> <li>Compliance issues have been noted and are being attended to.</li> <li>Contractor has failed to attend progress meetings.</li> <li>Project is far behind schedule.</li> <li>Business Unit is looking to take corrective measures.</li> <li>Contractor has been given notice of 14 days to complete the project excluding the portion given to the sub-contractor.</li> <li>Issues are being dealt with by the employer's agent and the contractor.</li> <li>First site meeting was held on 16 July 2018.</li> <li>CLO has not been appointed as at 16 July 2018.</li> <li>CLO has been appointed.</li> <li>Compliance issues have been noted and are being attended to.</li> <li>Contractor has failed to attend progress meetings.</li> <li>Project is far behind schedule.</li> <li>Business Unit is looking to take corrective measures.</li> <li>Contractor has been given notice of 14 days to complete the project excluding the portion given to the sub-contractor.</li> <li>Issues are being dealt with by the employers agent and the contractor</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 22     | SS 72 OF 2015    | REPAIRS TO OTTO STREET CHANGEROOMS                                           | OLYMPUS ENTERPRISE                                | <ul style="list-style-type: none"> <li>Work has begun and should be completed quiet promptly.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 23     | SS 72 OF 2015    | WOODLANDS FORESTRY OFFICES REPAIRS                                           | SABELA PROJECTS                                   | <ul style="list-style-type: none"> <li>Work has been successfully completed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 24     | SCM 67 OF 14/15  | REQUEST FOR QUANTITY SURVEYOR AT EASTWOOD LIBRARY ROOF RENOVATION            | NCM QUANTITY SURVEYORS                            | <ul style="list-style-type: none"> <li>Work has been successfully carried out.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 25     | SS 72 OF 2015    | REPAIRS TO AIRPORT TOILETS                                                   | CF THOMPSON                                       | <ul style="list-style-type: none"> <li>Contractor appointed as at 12/07/2018.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER                        | CONTRACT NUMBER  | DESCRIPTION                                                                                                                                | CONTRACT 'S NAME                                   | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NOVEMBER 2018 - REPORT</b> |                  |                                                                                                                                            |                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 1                             | SCM 64 OF 12/13  | INSTALLATION OF WATERBORNE SANITATION IN WARD 10, EDENDALE                                                                                 | ACTUS INTERGRATED MANAGEMENT (PTY) LTD             | <ul style="list-style-type: none"> <li>The contractor has finished all the works and had met all the contractual requirements of the contract for the project.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 2                             | SCM 9 of 15/16   | UPGRADE OF SELBY MSIMANG ROAD 5.5 TO 6.5                                                                                                   | MARTIN AND EAST                                    | <ul style="list-style-type: none"> <li>The performance of a contractor meets all the contractual requirements of the contract for the project.</li> <li>As at the 25th November 2018, the Construction works on site are.</li> <li>Phase 1 (Mixed Traffic LHS) – 100% complete</li> <li>Phase 2 (BRT- LHS ) – 98% Complete</li> <li>Phase 3 (Mixed Traffic RHS) – 99% complete</li> <li>Phase 4 (BRT-RHS) 100% Complete</li> <li>Overall percentage complete remains at is 98. %</li> <li>The contract has been extended for 12months.</li> <li>The new completion date is 25th</li> <li>Of November 2018.</li> <li>V.O No.1 R20 655 287.78</li> <li>V.O No.2 R59 468 716.94</li> </ul>                          |
| 3                             | SCM 103 of 14/15 | CONSTRUCTION OF VIP TOILETS                                                                                                                | ACTUS INTEGRATED MANAGEMENT AND RIVER WALK TRADING | <ul style="list-style-type: none"> <li>There are approximately 1190VIP toilets to be constructed for 18/19 financial year.</li> <li>To date there are 103 VIP toilets have been constructed, For ward 1,2,3,4,5,6,7,8,9,20 and 38 in Vulindlela.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 4                             | SCM 32 of 17/18  | CONSTRUCTION OF WATER AND SEWER RETICULATION PIPELINES IN IMBALI UNIT 18, WARD 15.                                                         | NAGENI CIVILS CC                                   | <ul style="list-style-type: none"> <li>As at the 15th November 2018 the overall progress on site was at 70%. To date only 396M of 160mm diameter of pipes laid. Which is not yet tested of 800M= 49.5% only 0% of 50mm diameter of pipe laid.</li> <li>Water piper is still at 50/500</li> <li>The contractor is 100% established.</li> <li>Water setting out is 100%</li> <li>Water bulk pipe laid is at 61.20%</li> <li>Sewer Setting out is 100%</li> <li>Sewer pipe laying complete 100%.</li> <li>Sewer manholes are at 88.57%</li> <li>Sewer house connections are still at 2%</li> <li>The performance of a contractor meets all the contractual requirements of the contract for the project.</li> </ul> |
| 5                             | SCM 33 of 17/18  | CONSTRUCTION OF WATER RETICULATION PIPELINES IN WARD 3 VULINDLELA AND UPGRADE OF BULK WATER PIPELINE                                       | PHUMELELA KARA JV                                  | <ul style="list-style-type: none"> <li>As at the 28November 2018 the contractor has excavated, laid and reinstated 605M of 50mmpipe diameter and 649M of 110 diameter pipe laid and tested of water.</li> <li>160mm diameter 3567mof 3km pipe laid.</li> <li>75mm diameter 300M complete of 300M(100%) pipe laid</li> <li>Water piper is at 98.12% m of 1045</li> <li>The overall progress is at 80%</li> <li>The contractor is 100% established.</li> <li>Water setting out is 100%</li> <li>The performance of a contractor meets all the contractual requirements of the contract for the project</li> </ul>                                                                                                  |
| 6                             | SCM 22 of 17/18  | PEACE VALLEY III ROAD CONSTRUCTION PHASE 1 UPGRADE                                                                                         | Wonke Amakhosi Construction                        | <ul style="list-style-type: none"> <li>As at the 20 November 2018.</li> <li>The contractor is currently busy with earth works and excavations</li> <li>The performance of a contractor meets all the contractual requirements of the contract for the project.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 7                             | SCM 7 OF 12/13   | DESIGN AND CONTRACT ADMINISTRATION OF WATER BORNE SANITATION INFRASTRUCURE IN WARD 10                                                      | AURECON SOUTH AFRICA (PTY)LTD                      | <ul style="list-style-type: none"> <li>Consultants performance is not satisfactory, the business unit not happy with consultant performance</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 8                             | SCM 75 OF 14/15  | COMPLETION OF MOSES MABIDA COMMUNITY CENTER                                                                                                | ZETHEMBE MAINTENANCE AND GENERAL                   | <ul style="list-style-type: none"> <li>The project is not complete and it has been suspended due to lack of funding.</li> <li>Contractor is considering removing the security on site, and claim damages from the Municipality.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 9                             | 7/S32 OF 14/15   | PARTICIPATION IN THE CONTRACT FOR THE APPOINTMENT OF OUTSOURCED AGENCIES FOR COLLECTION OF OUTSTANDING DEBTORS ACCOUNTS OLDER THAN 60 DAYS | MT MTHIMANDZE PROJECT AND CONSULTING (PTY) LTD     | <ul style="list-style-type: none"> <li>The service provider is collecting outstanding debts.</li> <li>No complains have been received from the business unit.</li> <li>This contract has been extended to the end of December 2018</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |



## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

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|--------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10     | SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5                                                                                                                       | KULU CIVIL'S                                                                                                | <ul style="list-style-type: none"> <li>The contractor has been terminated due to non- performance by the contractor.</li> <li>A new contract has been advertised, to complete the works.</li> <li>The Municipality is preparing a claim to Kulu civils for damages.</li> </ul>                                                                                                                      |
| 11     | SCM 48 OF 15/16 | PROVISION OF EVENTS MANAGEMENT SERVICES                                                                                                                                     | SANDAKAHLE EVENTS MANAGEMENT<br>CLASSIC EVENTS<br>XOLISIZE<br>TRADING AND PROJECTS<br>ANDIMAHLE<br>ANZOMODE | <ul style="list-style-type: none"> <li>Service providers. Performance is satisfactory.</li> </ul>                                                                                                                                                                                                                                                                                                   |
| 12     | SCM 55 OF 2017  | MAINTENANCE OF SURFACED ROADS AND RELATED INFRASTRUCTURE                                                                                                                    | SINOTHANDO CONSTRUCTION<br>HIGHEND CONTRACTION<br>ELCO<br>DALEKA TRADING                                    | <ul style="list-style-type: none"> <li>Contractors performance is satisfactory</li> </ul>                                                                                                                                                                                                                                                                                                           |
| 13     | SCM 75 OF 14/15 | PROVISION OF Ad hoc PROFESSIONAL ARCHITECTURAL SERVICES                                                                                                                     | RUBEN REDDY ARCHITECTS CC<br>ISMAL CASSIMJEE ARCHITECTS                                                     | <ul style="list-style-type: none"> <li>This contract has expired.</li> <li>The business unit is in the processes of advertising for a new contract.</li> </ul>                                                                                                                                                                                                                                      |
| 14     | SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE                                                                                                       | FYNNS CONSTRUCTION                                                                                          | <ul style="list-style-type: none"> <li>There is a community strike on site.</li> <li>The contractor has accordingly moved off site due to community action/intimidation.</li> <li>The community is angry that no further local labour is employed even though the contract is NOT finished.</li> <li>The community is angry that NO further funding is available.</li> </ul>                        |
| 15     | SCM 5 of 16/17  | UPGRADING AND WIDENING OF MT PARTRIDGE ROAD - EDENDALE                                                                                                                      | AFROCON – ISISU JV                                                                                          | <ul style="list-style-type: none"> <li>Contractor is currently busy with the snag list.</li> <li>Over99% total progress has been achieved.</li> <li>Storm water pipes laying has been completed.</li> <li>Road surfacing has been completed.</li> </ul>                                                                                                                                             |
| 16     | SCM 26 of 16/17 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 7.5 TO KM 8.8                                                                                                                       | EGXENI ENGINEERING CC                                                                                       | <ul style="list-style-type: none"> <li>The works on site is delayed due to services that needs to moved</li> <li>The contractor has started works on some sections of the road where there are minimum services that needs to be relocated</li> <li>Progress is 17%.</li> <li>7 Months behind schedule.</li> </ul>                                                                                  |
| 17     | SCM 22 of 16/17 | APPOINTMENT OF AN IMPLEMENTING AGENT FOR THE PLANNING, DESIGN AND CONSTRUCTION OF APPROXIMATELY 2000 UNITS AS AN INTERIM HOUSING PROJECT FOR THE RESIDENT OF MKONDENI/Sacca | S BALAKISTEN CONSULTING CC T/A SLB CONSULTING                                                               | <ul style="list-style-type: none"> <li>This project is in the design stage</li> </ul>                                                                                                                                                                                                                                                                                                               |
| 19     | SCM 16 of 15/16 | APPOINTMENT OF CONSULTANT TO PROJECT MANAGE THE UPGRADE OF MOSES MABHIDA ROAD FROM KM6.5 TO KM 7.5                                                                          | MAKHAOSTE, NARASIMULI AND ASSOCIATES                                                                        | <ul style="list-style-type: none"> <li>This project is in the BEC process. After the previous contract abandoned the site.</li> </ul>                                                                                                                                                                                                                                                               |
| 20     | SCM 41 of 17/18 | REHABILITATION/ REPLACEMENT OF DEFECTIVE SEWERAGE RETICULATION – PHASE 1                                                                                                    | AKWANDE                                                                                                     | <ul style="list-style-type: none"> <li>Contractor is currently behind programme</li> <li>Progress on all the roads is as follows:</li> <li>Murry Road 99%</li> <li>Adrian Road 97%</li> <li>Imbali 0%</li> <li>Edendale2%</li> <li>McCarthy drive 0%</li> <li>Liberty Mall</li> <li>85%</li> <li>Torwood road 0%</li> <li>Collins road 0%</li> <li>Mustang drive 0%</li> <li>Cleland 75%</li> </ul> |
| 21     | SCM 29 OF 16-17 | CONSTRUCTION OF WOODHOUSE ROAD PEDESTRIAN BRIDGE                                                                                                                            | GLR PROPS 001T/A INGONYAMA -NICON                                                                           | <ul style="list-style-type: none"> <li>Progress on site is 18%</li> <li>The Business forum from Sobantu township has threatened to stop the project and, the contractor, does not sub-contract service providers from Sobantu community.</li> </ul>                                                                                                                                                 |

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| NUMBER                        | CONTRACT NUMBER  | DESCRIPTION                                                                                                                                                                                           | CONTRACT 'S NAME                                   | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 22                            | SCM 16 OF 16/17  | APPOINTMENT OF AN IMPLEMENTING AGENT FOR THE PLANNING AND CONSTRUCTION OF 416 LOW COST HOUSING UNITS AND 30 TEMPORARY STRUCTURES AND DEMOLITION OF EXISTING STRUCTURES FOR TAMBOVILLE HOUSING PROJECT | Makhaotse, Narasimulu and Associates (Pty) Ltd     | <ul style="list-style-type: none"> <li>This project has been recently awarded.</li> <li>The handover meeting has yet to take place.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 23                            | SLA              | MAINTENANCE AND REPAIR SERVICE FOR LIFTS INSTALLATION AT THE PROFESSOR NYEMBEZI BUILDING CAR No. DE3221, 3222 AND 3223 THE TATHAM ART GALLERY CAR NO. DE 3364                                         | SCHINDLER LIFTS PTY LTD                            | <ul style="list-style-type: none"> <li>Call-out time gets a bit delayed sometimes.</li> <li>Good quality of work.</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 24                            | SLA              | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE AS CHETTY BUILDING CAR NOS. DE1583, 1584 AND 1585                                                                                       | OTIS PTY LTD                                       | <ul style="list-style-type: none"> <li>Call-out time gets a bit delayed sometimes.</li> <li>Good quality of work.</li> <li>No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 25                            | SLA              | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT FREEDOM SQUARE TOURISM HUB, LANGALIBALELE STREET, CAR NOS 06L5420                                                                           | SCHINDLER LIFTS SA (PTY) LTD                       | <ul style="list-style-type: none"> <li>Call-out time gets a bit delayed sometimes.</li> <li>Good quality of work.</li> <li>No issues reported by the business unit</li> </ul> <p>Next to Khaundeni<br/>Songonzima Hall<br/>Project evaluation with regards to EPWP<br/>Reporting local labour statistics<br/>Offering a helping hand to Project champions</p> <ul style="list-style-type: none"> <li>Current Strategy for November 2018 Month</li> <li>Collect data on all active projects.</li> <li>Ensure that all WO created, are reported on ERS.</li> <li>Service provider satisfactory no issues reported by the business unit.</li> </ul>                                        |
| <b>DECEMBER 2018 - REPORT</b> |                  |                                                                                                                                                                                                       |                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 1                             | SCM 64 OF 12/13  | INSTALLATION OF WATERBORNE SANITATION IN WARD10, EDENDALE                                                                                                                                             | ACTUS INTERGRATED MANAGEMENT (PTY) LTD             | <ul style="list-style-type: none"> <li>The contractor has finished all the works and had met all the contractual requirements of the contract for the project, the contract has expired and the contractor is on penalties, expenditure is on 99% as at 27th of November 2018</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                |
| 2                             | SCM 9 of 15/16   | UPGRADE OF SELBY MSIMANG ROAD 5.5 TO 6.5                                                                                                                                                              | MARTIN AND EAST                                    | <ul style="list-style-type: none"> <li>The performance of a contractor meets all the contractual requirements of the contract for the project.</li> <li>As at the 25th November 2018, the Construction works on site are.</li> <li>Phase 1 (Mixed Traffic LHS) – 100% complete</li> <li>Phase 2 (BRT- LHS ) – 98% Complete</li> <li>Phase 3 (Mixed Traffic RHS) – 99% complete</li> <li>Phase 4 (BRT-RHS) 100% Complete</li> <li>Overall percentage complete remains at is 98. %</li> <li>The contract has been extended for 12months.</li> <li>The new completion date is 25th</li> <li>Of November 2018.</li> <li>V.O No.1 R20 655 287.78</li> <li>V.O No.2 R59 468 716.94</li> </ul> |
| 3                             | SCM 103 of 14/15 | CONSTRUCTION OF VIP TOILETS                                                                                                                                                                           | ACTUS INTEGRATED MANAGEMENT AND RIVER WALK TRADING | <ul style="list-style-type: none"> <li>There are approximately 1190VIP toilets to be constructed for 18/19 financial year.</li> <li>To date there are 103 VIP toilets have been constructed, For ward 1,2,3,4,5,6,7,8,9,20 and 38 in Vulindlela.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 4                             | SCM 32 of 17/18  | CONSTRUCTION OF WATER AND SEWER RETICULATION PIPELINES IN IMBALI UNIT 18, WARD 15.                                                                                                                    | NAGENI CIVILS CC                                   | <ul style="list-style-type: none"> <li>As at the 17th October 2018 the overall progress on site was at 70%. To date only 396M of 160mm diameter of pipes laid. Which is not yet tested of 800M= 49.5% only 0% of 50mm diameter of pipe laid.</li> <li>Water piper is still at 50/500</li> <li>The contractor is 100% established.</li> <li>Water setting out is 100%</li> <li>Water bulk pipe laid is at 61.20%</li> <li>Sewer Setting out is 100%</li> <li>Sewer pipe laying complete 100%.</li> <li>Sewer manholes are at 88.57%</li> <li>Sewer house connections are still at 2%</li> </ul>                                                                                          |

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019**

| NUMBER | CONTRACT NUMBER | DESCRIPTION                                                                                                                                | CONTRACT 'S NAME                                                                                  | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5      | SCM 33 of 17/18 | CONSTRUCTION OF WATER RETICULATION PIPELINES IN WARD 3 VULINDLELA AND UPGRADE OF BULK WATER PIPELINE                                       | PHUMELELA KARA JV                                                                                 | <ul style="list-style-type: none"> <li>* As at the 28 November 2018 the contractor has excavated, laid and reinstated 605M of 50mm pipe diameter and 649M of 110 diameter pipe laid and tested of water.</li> <li>* 160mm diameter 3567m of 3km pipe laid.</li> <li>* 75mm diameter 300M complete of 300M(100%) pipe laid</li> <li>* Water piper is at 98.12% m of 1045</li> <li>* The overall progress is at 80%</li> <li>* The contractor is 100% established.</li> <li>* Water setting out is 100%</li> <li>* The performance of a contractor meets all the contractual requirements of the contract for the project</li> </ul> On schedule |
| 6      | SCM 22 of 17/18 | PEACE VALLEY III ROAD CONSTRUCTION PHASE 1 UPGRADE                                                                                         | Wonke Amakhosi Construction                                                                       | <ul style="list-style-type: none"> <li>* As at the 20 November 2018.</li> <li>* The contractor is currently busy with earth works and excavations</li> <li>* The performance of a contractor meets all the contractual requirements of the contract for the project.</li> </ul> On Schedule                                                                                                                                                                                                                                                                                                                                                    |
| 7      | SCM 7 OF 12/13  | DESIGN AND CONTRACT ADMINISTRATION OF WATER BORNE SANITATION INFRASTRUCTURE IN WARD 10                                                     | AURECON SOUTH AFRICA (PTY)LTD                                                                     | <ul style="list-style-type: none"> <li>* Consultants performance is not satisfactory, the business unit not happy with consultant performance</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 8      | SCM 75 OF 14/15 | COMPLETION OF MOSES MABIDA COMMUNITY CENTER                                                                                                | ZETHEMBE MAINTENANCE AND GENERAL                                                                  | <ul style="list-style-type: none"> <li>* The project is not complete and it has been suspended due to lack of funding.</li> <li>* Contractor is considering removing the security on site, and claim damages from the Municipality.</li> </ul> Projects has been suspended due to financial constraints                                                                                                                                                                                                                                                                                                                                        |
| 9      | 7/S32 OF 14/15  | PARTICIPATION IN THE CONTRACT FOR THE APPOINTMENT OF OUTSOURCED AGENCIES FOR COLLECTION OF OUTSTANDING DEBTORS ACCOUNTS OLDER THAN 60 DAYS | MT MTHIMANDZE PROJECT AND CONSULTING (PTY) LTD                                                    | <ul style="list-style-type: none"> <li>* The service provider is collecting outstanding debts.</li> <li>* No complains have been received from the business unit.</li> <li>* This contract has been extended to the end of December 2018</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                            |
| 10     | SCM 13 of 15/16 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 6,5 TO KM 7,5                                                                                      | KULU CIVIL'S                                                                                      | <ul style="list-style-type: none"> <li>* The contractor has been terminated due to non- performance by the contractor.</li> <li>* A new contract has been advertised, to complete the works.</li> <li>* The Municipality is preparing a claim to Kulu civils for damages.</li> </ul> Terminated                                                                                                                                                                                                                                                                                                                                                |
| 11     | SCM 48 OF 15/16 | PROVISION OF EVENTS MANAGEMENT SERVICES                                                                                                    | CLASSIC EVENTS<br>XOLISIZE<br>TRADING AND PROJECTS<br>ANDIMAHLE<br>ANZOMODE                       | <ul style="list-style-type: none"> <li>* Service providers. Performance is satisfactory.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 12     | SCM 55 OF 2017  | MAINTENANCE OF SURFACED ROADS AND RELATED INFRASTRUCTURE                                                                                   | SINOTHANDO CONSTRUCTION<br>HIGHEND CONTRACTION<br>ELCO<br>DALEKA TRADING<br>JUNOX<br>UMPISI GROUP | <ul style="list-style-type: none"> <li>* Contractors performance is satisfactory</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 13     | SCM 75 OF 14/15 | PROVISION OF Ad hoc PROFESSIONAL ARCHITECTURAL SERVICES                                                                                    | RUBEN REDDY ARCHITECTS CC<br>ISMAIL CASSIMJEE ARCHITECTS                                          | <ul style="list-style-type: none"> <li>* This contract has expired.</li> <li>* The business unit is in the processes of advertising for a new contract.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 14     | SCM 23 of 13/14 | UPGRADING OF STATION ROAD AND CONSTRUCTION OF NEW STATION ROAD BRIDGE                                                                      | FYNNS CONSTRUCTION                                                                                | <ul style="list-style-type: none"> <li>* There is a community strike on site.</li> <li>* The contractor has accordingly moved off site due to community action/intimidation.</li> <li>* The community is angry that no further local labour is employed even though the contract is NOT finished.</li> <li>* The community is angry that NO further funding is available.</li> </ul>                                                                                                                                                                                                                                                           |
| 15     | SCM 5 of 16/17  | UPGRADING AND WIDENING OF MT PARTRIDGE ROAD - EDENDALE                                                                                     | AFROCON - ISISQU JV                                                                               | <ul style="list-style-type: none"> <li>* Contractor is currently busy with the snag list.</li> <li>* Over99% total progress has been achieved.</li> <li>* Storm water pipes laying has been completed.</li> <li>* Road surfacing has been completed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER              | CONTRACT NUMBER | DESCRIPTION                                                                                                                                                                                           | CONTRACT 'S NAME                               | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16                  | SCM 26 of 16/17 | UPGRADING OF MOSES MABHIDA ROAD FROM KM 7.5 TO KM 8.8                                                                                                                                                 | EGXENI ENGINEERING CC                          | <ul style="list-style-type: none"> <li>* The works on site is delayed due to services that needs to moved</li> <li>* The contractor has started works on some sections of the road where there are minimum services that needs to be relocated</li> <li>* Progress is 17%.</li> <li>* 7 Months behind schedule.</li> </ul>                                                                                                     |
| 17                  | SCM 22 of 16/17 | APPOINTMENT OF AN IMPLEMENTING AGENT FOR THE PLANNING. DESIGN AND CONSTRUCTION OF APPROXIMATELY 2000 UNITS AS AN INTERIM HOUSING PROJECT FOR THE RESIDENT OF MKONDENI/Sacca                           | S BALAKISTEN CONSULTING CC T/A SLB CONSULTING  | <ul style="list-style-type: none"> <li>* This project is in the design stage</li> </ul>                                                                                                                                                                                                                                                                                                                                        |
| 18                  | SCM 70 of 14/16 | YOUTH ENTERPRICE PARK                                                                                                                                                                                 | RUBEN REDDY                                    | <ul style="list-style-type: none"> <li>* Works is progressing very well on site</li> </ul>                                                                                                                                                                                                                                                                                                                                     |
| 19                  | SCM 16 of 15/16 | APPOINTMENT OF CONSULTANT TO PROJECT MANAGE THE UPGRADE OF MOSES MABHIDA ROAD FROM KM6.5 TO KM 7.5                                                                                                    | MAKHAOSTE, NARASIMULI AND ASSOCIATES           | <ul style="list-style-type: none"> <li>* This project is in the BEC process. After the previous contract abandoned the site.</li> </ul>                                                                                                                                                                                                                                                                                        |
| 20                  | SCM 41 of 17/18 | REHABILITATION/ REPLACEMENT OF DEFECTIVE SEWERAGE RETICULATION – PHASE 1                                                                                                                              | AKWANDE                                        | <ul style="list-style-type: none"> <li>* Contractor is currently behind programme</li> <li>* Progress on all the roads is as follows:</li> <li>* Murry Road 99%</li> <li>* Adrian Road 97%</li> <li>* Imbali 0%</li> <li>* Edendale 2%</li> <li>* McCarthy drive 0%</li> <li>* Liberty Mall</li> <li>* 85%</li> <li>* Torwood road 0%</li> <li>* Collins road 0%</li> <li>* Mustang drive 0%</li> <li>* Cleland 75%</li> </ul> |
| 21                  | SCM 29 OF 16-17 | CONSTRUCTION OF WOODHOUSE ROAD PEDESTRIAN BRIDGE                                                                                                                                                      | GLR PROPS 001T/A INGONYAMA -NICON              | <ul style="list-style-type: none"> <li>* Progress on site is 18%</li> <li>* The Business forum from Sobantu township has threatened to stop the project is the contractor does not sub-contract service providers from Sobantu. Community.</li> </ul>                                                                                                                                                                          |
| 22                  | SCM 16 OF 16/17 | APPOINTMENT OF AN INPLEMENTING AGENT FOR THE PLANNING AND CONSTRUCTION OF 416 LOW COST HOUSING UNITS AND 30 TEMPORARY STRUCTURES AND DEMOLITION OF EXISTING STRUCTURES FOR TAMBOVILLE HOUSING PROJECT | Makhaotse, Narasimulu and Associates (Pty) Ltd | <ul style="list-style-type: none"> <li>* This project has been recently awarded.</li> <li>* We still waiting for the handover meeting</li> </ul>                                                                                                                                                                                                                                                                               |
| 23                  | SLA             | MAINTENANCE AND REPAIR SERVICE FOR LIFTS INSTALLATION AT THE PROFESSOR NYEMBEZI BUILDING CAR No. DE3221, 3222 AND 3223 THE TATHAM ART GALLERY CAR NO. DE 3364                                         | SCHINDLER LIFTS PTY LTD                        | <ul style="list-style-type: none"> <li>* Call-out time gets a bit delayed sometimes.</li> <li>* Good quality of work.</li> <li>* No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                            |
| 24                  | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE AS CHETTY BUILDING CAR NOS. DE1583, 1584 AND 1585                                                                                       | OTIS PTY LTD                                   | <ul style="list-style-type: none"> <li>* Call-out time gets a bit delayed sometimes.</li> <li>* Good quality of work.</li> <li>* No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                            |
| 25                  | SLA             | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT FREEDOM SQUARE TOURISM HUB, LANGALIBALELE STREET, CAR NOS 06L5420                                                                           | SCHINDLER LIFTS SA (PTY) LTD                   | <ul style="list-style-type: none"> <li>* Call-out time gets a bit delayed sometimes.</li> <li>* Good quality of work.</li> <li>* No issues reported by the business unit</li> </ul>                                                                                                                                                                                                                                            |
| <b>JANUARY 2019</b> |                 |                                                                                                                                                                                                       |                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 1.                  | SS 72 OF 2015   | FJ SITHOLE URBAN RENEWAL – MANAYE PRECINCT – CONSTRUCTION OF AMPHITHEATRE                                                                                                                             | MAWALA PROPERTY MAINTENANCE                    | <ul style="list-style-type: none"> <li>• Works are currently underway however, some administration delays were encountered.</li> </ul>                                                                                                                                                                                                                                                                                         |

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019**

| NUMBER | CONTRACT NUMBER | DESCRIPTION                                              | CONTRACT 'S NAME        | STATUS                                               |
|--------|-----------------|----------------------------------------------------------|-------------------------|------------------------------------------------------|
| 2.     | SS 72 OF 2015   | REPAIRS TO OTTO STREET CHANGEROOMS                       | OLYMPUS ENTERPRISE      | Works have been completed.                           |
| 3.     | SS 72 OF 2015   | WOODLANDS FORESTRY OFFICES REPAIRS                       | SABELA PROJECTS         | • Work has been successfully completed.              |
| 4.     | SS 72 OF 2015   | REPAIRS TO AIRPORT TOILETS                               | CF THOMPSON             | Contractor appointed as at 12/07/2018.               |
| 5.     | SS 72 OF 2015   | REPAIRS TO TOILETS & ROOF AT GEVDI OFFICES               | OLYMPUS ENTERPRISES     | Work has been successfully completed.                |
| 6.     | SS 72 OF 2015   | REPAIRS TO CRACKED & FALLING WALLS AT ELECTRICITY STORES | BRUCE Z TRADING         | Work has been successfully carried out.              |
| 7.     | SS 72 OF 2015   | MAFUNZE PITCH                                            | NELA KAHLE CONSTRUCTION | Work has been completed.                             |
| 8.     | SS 72 OF 2015   | REPAIRS & MAINTENANCE TO DRAINAGE DEPOTS                 | 4 GEE U TRADING         | Work has been successfully carried out.              |
| 9.     | SS 72 OF 2015   | SUPPLY AND INSTALL PERIMETER FENCING AT PMB AIRPORT      | MZA CONSTRUCTION        | Work has commenced and been completed for phase 1.   |
| 10.    | SS 72 OF 2015   | REPAIRS AND MAINTENANCE TO THAMBOVILLE HALL-WARD 38      | GABAS CONSTRUCTION      | • Work has been successfully carried out.            |
| 11.    | SS 72 OF 2015   | THAMBOVILLE HALL FENCING                                 | GABAS CONSTRUCTION      | • Work has been successfully carried out.            |
| 17     | SCM 40 OF 17/18 | ELIMINATION OF CONSERVANCY TANKS IN EDENDALE, WARD 21    | THUMBA PROJECTS CC      | • Notice to Remedy Defaults was issued on 17/07/2018 |

**FEBRUARY 19**

|    |                                                         |                                                                                           |                                     |                                                                                                                                                                                                                                                                                         |
|----|---------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | SS 72 OF 2015                                           | FJ SITHOLE URBAN RENEWAL – MANAYE PRECINCT – CONSTRUCTION OF AMPHITHEATRE                 | MAWALA PROPERTY MAINTENANCE         | • Works are currently underway however, some administration delays were encountered.                                                                                                                                                                                                    |
| 2. | SCM 40 OF 17/18                                         | ELIMINATION OF CONSERVANCY TANKS IN EDENDALE, WARD 21                                     | THUMBA PROJECTS CC                  | • Notice to Remedy Defaults was issued on 17/07/2018                                                                                                                                                                                                                                    |
| 3. | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015: SECTION 1-3 | ROOF WATERPROOFING PUBLIC SAFETY OFFICES: TRURO                                           | 4GEE U TRADING                      | • Risk and Security have sighted the urgency to attend to the dilapidated roofing at their offices in Northdale Truro                                                                                                                                                                   |
| 4. | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015: SECTION 1-3 | ALTERATIONS AND ADDITIONS TO GRANCH HALL                                                  | TURN AROUND TIME TRADING            | • Contractor was allocated works at the Grange Hall                                                                                                                                                                                                                                     |
| 5. | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015: SECTION 1-3 | ROAD REINSTATEMENT; ROAD PATCHING: CENTRAL BUSINESS DISTRICT                              | GABAS CONSTRUCTION                  | • Matrix detailing the roads attended have been received                                                                                                                                                                                                                                |
| 6. | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015: SECTION 1-3 | EASTWOOD COMMUNITY HALL                                                                   | 4GEE U CONSTRUCTION                 | • Works are still underway                                                                                                                                                                                                                                                              |
| 7. | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015: SECTION 1-3 | CONSTRUCTION OF A NEW SHOOTING RANGE                                                      | CATERPILAR TRADING                  | • Buildings is awaiting the BAC's approval minute to be filed so as to produce the order accommodating the additional funds                                                                                                                                                             |
| 8  | SUPPLY AND SERVICES CONTRACT NO.06 OF 2013: SECTION 2   | CLEANING OF MUNICIPAL BUILDINGS: AS CHETTY AND PROFESSOR NYEMBEZI BUILDINGS               | IKHAYELIHLE CLEANING SERVICES       | • Contract expired December 2015 and has been continued on a month to month basis until a new contract is awarded.                                                                                                                                                                      |
| 9  | SCM 50 OF 17/18                                         | SUPPLY AND DELIVERY OF 100 HEAVY DUTY Brushcutters WITH SAFETY HARNESES                   | IGNITION OIL AND GAS (PTY) LTD      | • A meeting between Finance: SCM and Community Services: P&R concluded by suggesting the current awarded contract be cancelled and the second bidder considered.                                                                                                                        |
| 10 | SS 06 OF 2015 SECTION 7                                 | GENERAL CLEANING OF OFFICES AT THE PROJECT MANAGEMENT UNIT OFFICES, PUBLICITY HOUSE       | XOLISISIZWE TRADING AND PROJECTS CC | <ul style="list-style-type: none"> <li>• Contract expired in December 2017</li> <li>• The service provider has not been paid for their services for Seven (7) months since June 2018</li> </ul>                                                                                         |
| 11 | SS6 OF 2014                                             | SECTION 3-SUPPLY AND SERVICE LINEN TOWELSANITERY SHE BIN, AIRFRESHNERS, AUTO SAN (MARKET) | STEINER HYGIENE                     | <ul style="list-style-type: none"> <li>• Service provider delivers sufficient products to the market monthly for the care taker to distribute accordingly</li> <li>• Service Provider sometimes delivers blue cloth towels instead of white as per the engagement provisions</li> </ul> |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER          | CONTRACT NUMBER                                            | DESCRIPTION                                                                                                       | CONTRACT 'S NAME                    | STATUS                                                                                                                                                                                                                           |
|-----------------|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 12.             | SS23 OF 2013:<br>SECTION 1                                 | SECURITY SERVICES AT CERTAIN FACILITIES AND PLACES OF WORK                                                        | KHUSELANI SECURITY AND RISK         | <ul style="list-style-type: none"> <li>Three year period from appointment date was in 2017</li> <li>Contractor is still on-site and paid monthly on a court order</li> </ul>                                                     |
| 13.             | SS23 OF 2013:<br>SECTION 2                                 | PROVISION FOR SECURITY SERVICES TO THE MSUNDUZI MUNICIPALITY'S AS CHETTY BUILDING AND PROFESSOR NYEMBEZI BUILDING | KHUSELANI SECURITY AND RISK         | <ul style="list-style-type: none"> <li>Three year period from appointment date was in 2016</li> <li>Contractor is still on-site and paid monthly on a court order</li> </ul>                                                     |
| 14.             | SCM40-15/16                                                | SUPPLY AND DELIVERY OF DESKTOPS AND LAPTOPS                                                                       | CA COMPUTER SOLUTIONS INTERNATIONAL | <ul style="list-style-type: none"> <li>Hardware is delivered as and when ordered.</li> </ul>                                                                                                                                     |
| 15.             | SS6 OF 2015                                                | SECTION 8-GENERAL CLEANING OF LIBRARY BUILDINGS                                                                   | INSPECT-A-PEST CC                   | <ul style="list-style-type: none"> <li>Service has been rendered annually</li> </ul>                                                                                                                                             |
| 16.             | SS6 OF 2013                                                | SECTION 2-CLEANING OF MUNICIPAL OFFICES                                                                           | IKHAYELIHLE CLEANING SERVICES       | <ul style="list-style-type: none"> <li>Contract expired in 2017</li> </ul>                                                                                                                                                       |
| 17.             | SS6 OF 2015                                                | SUPPLY, SERVICING AND RE-CHARGING OF FIRE BUILDINGS AND VEHICLES AND MAINTENANCE O                                | FIRE CHECK (PTY) LTD                | <ul style="list-style-type: none"> <li>All fire equipment is serviced accordingly and are up to date</li> </ul>                                                                                                                  |
| 18.             | SLA                                                        | FRESHMARK TRADING SYSTEMS AT THE MUNICIPAL MARKET UNDER SOLE SUPPLIER                                             | FRESHMARK SYSTEMS (PTY) LTD         | <ul style="list-style-type: none"> <li>Program has been utilized at the market.</li> </ul>                                                                                                                                       |
| 19.             | SCM44OF14/15                                               | APPOINT MOTOR INSURANCE AND NON-MOTOR INSURANCE ASSESSORS FOR MUNICIPALITY                                        | YUSUF KHAN T/A                      | <ul style="list-style-type: none"> <li>A few claims have been made in the last financial year.</li> </ul>                                                                                                                        |
| 20.             | SS72OF2015                                                 | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY<br>STORES CHANGEROOM REFURBISHMENT                  | BRUCEZ TRADING & PROJECT            | <ul style="list-style-type: none"> <li>A brief was conducted and contractor assessed the site</li> <li>An order has been produced and site handed over to contractor</li> </ul>                                                  |
| 21.             | SS72 OF 2015                                               | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY:<br>AIRPORT REFURBISHMENT                           | KAY KAPAKAN SERVICES                | <ul style="list-style-type: none"> <li>A brief was conducted with the contractor, Building official, SCM Official and Airport Officials</li> <li>Work was elaborated on and a site visit to the airport was conducted</li> </ul> |
| 22.             | SS72 OF 2015                                               | BUILDING REPAIRS, REFURBISHMENT & ALTERATION FOR MSUNDUZI MUNICIPALITY:<br>COMMUNITY HALL                         | SABELA PROJECTS T/A XOLISA BATHANDE | <ul style="list-style-type: none"> <li>Contractor was allocated refurbishment works for the SALGA Games</li> <li>Works were executed accordingly and completed</li> </ul>                                                        |
| 23.             | SS72 OF 2015                                               | BUILDING REPAIRS, REFURBISHMENT & ALTERATION FOR MSUNDUZI MUNICIPALITY:<br>ROAD REINSTATEMENT                     | OLYMPUS ENTERPRISE PTY LTD          | <ul style="list-style-type: none"> <li>Contractor was allocated Road reinstatement works in Northdale</li> </ul>                                                                                                                 |
| 24.             | SS72 OF 2015                                               | BUILDING REPAIRS, REFURBISHMENT & ALTERATION FOR MSUNDUZI MUNICIPALITY                                            | OMALUME MANUFACTURING AND PROJECTS  | <ul style="list-style-type: none"> <li>Contractor is non-compliant with tax matters</li> </ul>                                                                                                                                   |
| 25.             | SCM55-12/13                                                | CONSTRUCTION OF ATHLETIC TRACK STADIUM PHASE 2                                                                    | PLATINUM SPORT CONSULTING (PTY) LTD | <ul style="list-style-type: none"> <li>This is the implementing agent for the construction of the Athletic Track</li> </ul>                                                                                                      |
| <b>MARCH 19</b> |                                                            |                                                                                                                   |                                     |                                                                                                                                                                                                                                  |
| 1               | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015:<br>SECTION 1-3 | ROOF WATERPROOFING PUBLIC SAFETY OFFICES:<br>TRURO                                                                | 4GEE U TRADING                      | <ul style="list-style-type: none"> <li>Works have been completed</li> </ul>                                                                                                                                                      |
| 2               | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015:<br>SECTION 1-3 | ALTERATIONS AND ADDITIONS TO GRANCH HALL                                                                          | TURN AROUND TIME TRADING            | <ul style="list-style-type: none"> <li>Works have been completed</li> </ul>                                                                                                                                                      |
| 3               | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015:<br>SECTION 1-3 | ROAD REINSTATEMENT;<br>ROAD PATCHING: CENTRAL BUSINESS DISTRICT                                                   | GABAS CONSTRUCTION                  | <ul style="list-style-type: none"> <li>Unit stipulates quantities and area to be covered.</li> </ul>                                                                                                                             |
| 4               | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015:<br>SECTION 1-3 | EASTWOOD COMMUNITY HALL                                                                                           | 4GEE U CONSTRUCTION                 | <ul style="list-style-type: none"> <li>Works have been completed</li> </ul>                                                                                                                                                      |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER | CONTRACT NUMBER                                         | DESCRIPTION                                                                                                       | CONTRACT 'S NAME                    | STATUS                                                                                                                                                                                                                                                      |
|--------|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5      | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015: SECTION 1-3 | CONSTRUCTION OF A NEW SHOOTING RANGE                                                                              | CATERPILAR TRADING                  | <ul style="list-style-type: none"> <li>Site is vacant</li> </ul>                                                                                                                                                                                            |
| 6      | SUPPLY AND SERVICES CONTRACT NO.06 OF 2013: SECTION 2   | CLEANING OF MUNICIPAL BUILDINGS: AS CHETTY AND PROFESSOR NYEMBEZI BUILDINGS                                       | IKHAYELIHLE CLEANING SERVICES       | <ul style="list-style-type: none"> <li>Contract expired December 2015 and has been continued on a month to month basis until a new contract is awarded.</li> </ul>                                                                                          |
| 7      | SCM 50 OF 17/18                                         | SUPPLY AND DELIVERY OF 100 HEAVY DUTY Brushcutters WITH SAFETY HARNESSSES                                         | SENZANGAKHONA INDUSTRIAL SUPPLIES   | <ul style="list-style-type: none"> <li>Initial contractor awarded the contract failed to deliver the specified goods</li> </ul>                                                                                                                             |
| 8      | SS6 OF 2014: SECTION 3                                  | SECTION 3-SUPPLY AND SERVICE LINEN TOWEL,SANITERY SHE BIN, AIRFRESHNERS, AUTO SAN (MARKET)                        | STEINER HYGIENE                     | <ul style="list-style-type: none"> <li>Complaints have been received by contract management office regarding the distribution of hygiene products</li> <li>The complaint included that Steiner does not replace defective equipment.</li> </ul>             |
| 9      | SS23 OF 2013: SECTION 1                                 | SECURITY SERVICES AT CERTAIN FACILITIES AND PLACES OF WORK                                                        | KHUSELANI SECURITY AND RISK         | <ul style="list-style-type: none"> <li>Contractor is still on-site and paid monthly on a court order</li> </ul>                                                                                                                                             |
| 10     | SS23 OF 2013: SECTION 2                                 | PROVISION FOR SECURITY SERVICES TO THE MSUNDUZI MUNICIPALITY'S AS CHETTY BUILDING AND PROFESSOR NYEMBEZI BUILDING | KHUSELANI SECURITY AND RISK         | <ul style="list-style-type: none"> <li>Contractor is still on-site and paid monthly on a court order</li> </ul>                                                                                                                                             |
| 11     | SS6 OF 2015                                             | SUPPLY, SERVICING AND RE-CHARGING OF FIRBUILDINGS AND VEHICLES AND MAINTENANCE                                    | FIRE CHECK (PTY) LTD                | <ul style="list-style-type: none"> <li>Fire equipment is due for annual checkup in the month of April</li> </ul>                                                                                                                                            |
| 12     | SS72OF2015                                              | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY: STORES CHANGEROOM REFURBISHMENT                    | BRUCEZ TRADING & PROJECT            | <ul style="list-style-type: none"> <li>Project manager reduced the Bill for works to be conducted</li> </ul>                                                                                                                                                |
| 13     | SS72 OF 2015                                            | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY: AIRPORT REFURBISHMENT                              | KAY KAPAKAN SERVICES                | <ul style="list-style-type: none"> <li>Project Manager has advised that she has concluded with the specification amendment and awaiting airport to undertake the necessary steps for approval and for the end user to create an order.</li> </ul>           |
| 14     | SS72 OF 2015                                            | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY: ROAD REINSTATEMENTS                                | OLYMPUS ENTERPRISE PTY LTD          | <ul style="list-style-type: none"> <li>Contractor has been issued with works for Road Reinstatements in the northern areas</li> <li>End user stipulates the quantities and then identifies the areas to be covered once allocation has occurred.</li> </ul> |
| 15     | SS72 OF 2015                                            | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                     | OMALUME MANUFACTURING AND PROJECTS  | <ul style="list-style-type: none"> <li>Contractor has only been issued a project once in the three years and have never completed any project as they indicated that they have tax issues which they are not prepared to deal with</li> </ul>               |
| 16     | SS72-2015                                               | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                     | JOBE & SELEOANE T/A LOMBEZ          | <ul style="list-style-type: none"> <li>Site has been handed over to contractor to commence with works at the Edendale Offices</li> </ul>                                                                                                                    |
| 17     | SCM55-12/13                                             | CONSTRUCTION OF ATHLETIC TRACK STADIUM PHASE 2                                                                    | PLATINUM SPORT CONSULTING (PTY) LTD | <ul style="list-style-type: none"> <li>Contract was established for the management of the construction of the Athletic Track</li> </ul>                                                                                                                     |
| 18     | SS72 OF 2015                                            | SECTIONS 1-3 BUILDING REPAIRS, REFURBISHFOR THE MSUNDUZI MUNICIPALITY                                             | APAO NDI MIZU                       | <ul style="list-style-type: none"> <li>Contractor has expressed frustration with working within this contract</li> </ul>                                                                                                                                    |
| 19     | SS72 OF 2015                                            | SECTIONS 1-3 BUILDING REPAIRS, REFURBISHFOR THE MSUNDUZI MUNICIPALITY                                             | CF THOMPSON                         | <ul style="list-style-type: none"> <li>Contractor was allocated works at a Garden site, to do the water connection for the site.</li> </ul>                                                                                                                 |
|        | SS72 OF 2015                                            | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                     | ITHEMBALETHU CONSTRUCTION &         | <ul style="list-style-type: none"> <li>Contractor produced shoddy defective works at the market</li> </ul>                                                                                                                                                  |
| 20     | SS72 OF 2015                                            | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                     | 4 GEE U TRADING ENTERPRISE          | <ul style="list-style-type: none"> <li>Contractor was allocated road reinstatement works at Edendale areas</li> </ul>                                                                                                                                       |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER          | CONTRACT NUMBER  | DESCRIPTION                                                                                                                                                                       | CONTRACT 'S NAME                                                                                                                            | STATUS                                                                                                                                                                                                                     |
|-----------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 21              | SS72 OF 2015     | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                                                                                     | TURN AROUND TIME TRADING                                                                                                                    | <ul style="list-style-type: none"> <li>Contractor was allocated works for change room construction</li> </ul>                                                                                                              |
| 22              | SS 72-2015       | SECTIONS 1-3 BUILDING REPAIRS, REFURBISHFOR THE MSUNDUZI MUNICIPALITY                                                                                                             | SAKHUBUNTU CO-OPERATIVE LIMITED                                                                                                             | <ul style="list-style-type: none"> <li>Contractor has not received allocation on this contract for two years</li> </ul>                                                                                                    |
| 23              | SS72OF2015       | BUILDING REPAIRS, REFURB AND LTERATIONS                                                                                                                                           | THULA AND CINDYS TRADING ENTERPRISE                                                                                                         | <ul style="list-style-type: none"> <li>Contractor communicated with Project Manager stated that the required material for the lift floor refurb is more expensive on the market than stipulated on the contract</li> </ul> |
| 24              | SCM42-17/18      | AVAIATION SECURITY COMPANY TO PROVIDE AVIATION SECURITY AT THE AIRPORT                                                                                                            | RESHEBILE AVIATION AND PROTECTION                                                                                                           | <ul style="list-style-type: none"> <li>Contractor has not signed SLA previously sent</li> </ul>                                                                                                                            |
| 25              | SCM 67-14/15     | Ad hoc PROFESSIONAL QUANTITY SURVEYING SERVICES                                                                                                                                   | AKHA IZWE CONSULTANTS                                                                                                                       | <ul style="list-style-type: none"> <li>End user is awaiting SLA approvals from Legal to upload the works for order creation.</li> </ul>                                                                                    |
| <b>APRIL 19</b> |                  |                                                                                                                                                                                   |                                                                                                                                             |                                                                                                                                                                                                                            |
| 1               | SCM 9 of 15/16   | UPGRADE OF SELBY MSIMANG ROAD 5.5 TO 6.5                                                                                                                                          | MARTIN AND EAST                                                                                                                             | <ul style="list-style-type: none"> <li>As at the 08th of April 2019.</li> </ul>                                                                                                                                            |
| 2               | SCM 103 of 14/15 | CONSTRUCTION OF VIP TOILETS                                                                                                                                                       | ACTUS INTEGRATED MANAGEMENT AND RIVER WALK TRADING                                                                                          | <ul style="list-style-type: none"> <li>As at the 08th of April 2019.</li> </ul>                                                                                                                                            |
| 3               | SCM 22 of 17/18  | PEACE VALLEY III ROAD CONSTRUCTION PHASE 1 UPGRADE                                                                                                                                | Wonke Amakhosi Construction                                                                                                                 | <ul style="list-style-type: none"> <li>As at the 08th of April 2019.</li> </ul>                                                                                                                                            |
| 4               | Agreement        | Mobile Telephone fee                                                                                                                                                              | Mobile Telephone Networks Pty Ltd                                                                                                           | <ul style="list-style-type: none"> <li>The performance of a contractor meets all the contractual requirements of the contract for the project.</li> </ul>                                                                  |
| 5               | SCM 10 OF 18/19  | Egxen Engineering T/A Umpisi                                                                                                                                                      | The construction of 5,0 ML Reservoir 10A and Associated Pump station in ward 7 and upgrade of water reticulation within ward 39, Vulindlela | <ul style="list-style-type: none"> <li>As the 16th of April 2019.</li> </ul>                                                                                                                                               |
| 6               | SLA              | MAINTENANCE AND REPAIR SERVICE FOR LIFTS INSTALLATION AT THE PROFESSOR NYEMBEZI BUILDING CAR No. DE3221, 3222 AND 3223 THE TATHAM ART GALLERY CAR NO. DE 3364                     | SCHINDLER LIFTS PTY LTD                                                                                                                     | Professor Nyembezi                                                                                                                                                                                                         |
| 7               | SLA              | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE AS CHETTY BUILDING CAR NOS. DE1583, 1584 AND 1585                                                                   | OTIS PTY LTD                                                                                                                                | Car D1583 and 1584                                                                                                                                                                                                         |
| 8               | SLA              | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT FREEDOM SQUARE TOURISM HUB, LANGALIBALELE STREET, CAR NOS 06L5420                                                       | SCHINDLER LIFTS SA (PTY) LTD                                                                                                                | <ul style="list-style-type: none"> <li>Always on time for call-outs.</li> </ul>                                                                                                                                            |
| 9               | SLA              | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE BESSIE HEAD LIBRARY CAR NO. 06/L6231 & L6268 AND CITY HALL CAR NO. 06/L6038 AND HARRY GWALA STADIUM CAR NO. D201089 | KONE ELEVATORS                                                                                                                              | Bessie Head Library                                                                                                                                                                                                        |
| 10              | SLA              | MAINTENANCE AND REPAIR OF LIFTS AT THE MSUNDUZI GALLEWAY HOUSE                                                                                                                    | MELCO ELEVATOR SOUTH AFRICA                                                                                                                 | <ul style="list-style-type: none"> <li>Lift in good working condition</li> </ul>                                                                                                                                           |
| 11              | SS76 of 2017     | REFURBISHMENT OF UPS IN MUNICIPAL FACILITIES                                                                                                                                      | LONDACORP TRADING CC                                                                                                                        | <ul style="list-style-type: none"> <li>After performance review with SCM LONDACORP has since become responsive to the business unit.</li> </ul>                                                                            |
|                 | SS78 of 2016     | PROVISION OF HEALTH CARE RISK WASTE DISPOSAL                                                                                                                                      | ECOCYCLE WASTE SOLUTIONS                                                                                                                    | <ul style="list-style-type: none"> <li>No issues of performance reported on this contract</li> </ul>                                                                                                                       |
| 12              | SS70 of 2016     | REPAIRS AND MAINTENANCE TO FOUNTAINS AND IRRIGATION SYSTEMS WITHIN THE MSUNDUZI MUNIIPALITY'S AREA OF JURISDITITION                                                               | DUSI ELECTRICAL CC                                                                                                                          | <ul style="list-style-type: none"> <li>Call out times are delayed at times but services delivered is of an acceptable standard</li> </ul>                                                                                  |



## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER        | CONTRACT NUMBER                                         | DESCRIPTION                                                                                                                                                                                            | CONTRACT 'S NAME                                              | STATUS                                                                                                                                                                                                                                                                                 |
|---------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 13            | SS29 of 2015                                            | MECHANICAL MAINT & REFURB SECTION A CENTRAL BUSINES DIST AREAS                                                                                                                                         | ACTION REFRIGERATION & AIRCONDITIONING                        | <ul style="list-style-type: none"> <li>Action charge Council for visiting site for quotes needed</li> </ul>                                                                                                                                                                            |
| 14            | SS29 of 2015                                            | MECHANICAL MAINT & REFURB SECTION B NORTHERN AREAS                                                                                                                                                     | INGWENYA YAMSHELEMBE                                          | <ul style="list-style-type: none"> <li>Contract to be suspended pending internal audit investigation</li> </ul>                                                                                                                                                                        |
| 15            | SS29 of 2015                                            | MECHANICAL MAINT & REFURB SECTION C EDENDALE AREAS                                                                                                                                                     | UBHAQA AIRCOCNDITIONING &REFRIGERATION CC                     | <ul style="list-style-type: none"> <li>Service provider responds to call outs on time</li> </ul>                                                                                                                                                                                       |
| 16            | SCM 53 OF 16/17                                         | FABRICATION, INSTALLATION, REPLACEMENT AND REMOVAL OF STRUCTURAL STEEL PASSENGER SELTERS AT VARIOUS BUS AND MINIBUS TAXI STOPS WITHIN MSUNDUZI                                                         | AKEW INVESTMENT CC                                            | <ul style="list-style-type: none"> <li>Total of 9 bus shelters installed</li> </ul>                                                                                                                                                                                                    |
| 17            | SCM 42 OF 17/18                                         | CONSTRUCTION OF SANITATION INFRASTRUCTURE IN THE SHENSTONE-AMBLETON AREAS                                                                                                                              | AKWANDE CIVILS CC                                             | <ul style="list-style-type: none"> <li>Current progress on site has been slow due to ongoing community issues</li> </ul>                                                                                                                                                               |
| 18            | SCM 30 OF 17/18                                         | APPOINTMENT OF A SERVICE PROVIDER EPWP DATA COLLECTION CAPTURING REPORTING                                                                                                                             | SN JV (SMEC AND NAIDU JV)                                     | <ul style="list-style-type: none"> <li>There are still challenges in collecting statistical data from the Project Managers responsible for implementing projects, there are participants in some instances but there has been no information reported to the relevant unit.</li> </ul> |
| 19            | SCM 25 OF 17/18                                         | COMPILATION OF A GENERAL VALUATION ROLL AND SUPPLEMENTARY VALUATION ROLLS 01                                                                                                                           | EVALUATION ENHANCED PROPERTY APPRAISALS (PTY) LTD             | <ul style="list-style-type: none"> <li>March report; reports only received on the 8th of each new month</li> </ul>                                                                                                                                                                     |
| 20            | SCM 6 OF 17/18                                          | ELECTRICITY INFRASTRUCTURE SPECIALISE IN CONSULTANCY SERVICES                                                                                                                                          | HAMSA<br>ZML AFRICA<br>NKANYEZI CONSULTING<br>ROYAL HASKONING | <ul style="list-style-type: none"> <li>The rotation is equally divided amongst the panel</li> <li>No allocations have been done through SCM done thus far.</li> </ul>                                                                                                                  |
| 21            | SCM 13 OF 16/17                                         | APPOINTMENT OF AN IMPLEMENTING AGENT FOR THE PLANNING AND CONSTRUCTION OF 233 LOW COST HOUSING UNITS AND 25 TEMPORARY STRUCTURES AND DEMOLITION OF EXISTING STRUCTURES FOR THE SITE 11 HOUSING PROJECT | MAKHAOTSE, NARASIMULU AND ASSOCIATES (PTY) LTD                | <ul style="list-style-type: none"> <li>Implementing agent on site and has begun clearing and construction of site establishment</li> </ul>                                                                                                                                             |
| 22            | E30 of 2015                                             | DESIGN, SUPPLY, DELIVERY, OFF LOADING, INS FIXED PARTEN DOOR AND OUTDOOR GAS INSULATION                                                                                                                | ACTOM (PTY) LTD                                               | <ul style="list-style-type: none"> <li>Contract expired</li> </ul>                                                                                                                                                                                                                     |
| 23            | SS 77 OF 2016                                           | MAINTENANCE AND GOODS HOIST, HYDRAULIC AND LIFTING EQUIPMENT IN MUNICIPAL FACILITIES                                                                                                                   | OMAP LIFT & REACH (PTY) LTD                                   | <ul style="list-style-type: none"> <li>The contract is on -going and no issues reported by business unit.</li> </ul>                                                                                                                                                                   |
| 24            | SCM 10 OF 17/18                                         | APPOINTMENT OF COOPERATIVE FOR THE REMOVAL OF ILLEGAL ADVERTISING SIGNS FOR THE PERIOD OF 36 MONTHS                                                                                                    | ZIBAMBELE WASTE AND CLEANING SERVICES                         | <ul style="list-style-type: none"> <li>Illegal signage removed in April 2019</li> </ul>                                                                                                                                                                                                |
| 25            | Q12/254 OF 17/18                                        | APPOINTMENT OF A SERVICE PROVIDER: ERADICATION OF COCKROACHES, FISHMOTHS, RODENTS, MOSQUITOES, ECT AT MUNICIPAL BUILDINGS                                                                              | ELIMKO PEST CONTROL                                           | <ul style="list-style-type: none"> <li>Contract spend to date amounts to R143 548.00</li> </ul>                                                                                                                                                                                        |
| <b>MAY 19</b> |                                                         |                                                                                                                                                                                                        |                                                               |                                                                                                                                                                                                                                                                                        |
| 1             | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015: SECTION 1-3 | ROAD REINSTATEMENT; ROAD PATCHING: CENTRAL BUSINESS DISTRICT                                                                                                                                           | GABAS CONSTRUCTION                                            | <ul style="list-style-type: none"> <li>Contractor has completed works for the two areas</li> <li>End User satisfied with the works</li> </ul>                                                                                                                                          |
| 2             | SUPPLY AND SERVICES CONTRACT NO.72 OF 2015: SECTION 1-3 | CONSTRUCTION OF A NEW SHOOTING RANGE                                                                                                                                                                   | CATERPILAR TRADING                                            | <ul style="list-style-type: none"> <li>Site is vacant</li> <li>Contractor has submitted a claim for standing time as security, ablation and some plant is said to be left on site.</li> <li>Report on variation is still outstanding from Council</li> </ul>                           |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER | CONTRACT NUMBER                                       | DESCRIPTION                                                                                                       | CONTRACT 'S NAME                    | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3      | SUPPLY AND SERVICES CONTRACT NO.06 OF 2013: SECTION 2 | CLEANING OF MUNICIPAL BUILDINGS: AS CHETTY AND PROFESSOR NYEMBEZI BUILDINGS                                       | IKHAYELIHLE CLEANING SERVICES       | <ul style="list-style-type: none"> <li>Contract expired December 2015 and has been continued on a month to month basis until a new contract is awarded.</li> <li>Services are continued as per normal</li> <li>The awarding of a new contract has been halted by Ikhayelihle's challenge of the provisional acceptance of another company.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 4      | SCM 50 OF 17/18                                       | SUPPLY AND DELIVERY OF 100 HEAVY DUTY Brushcutters WITH SAFETY HARNESSSES                                         | SENZANGAKHONA INDUSTRIAL SUPPLIES   | <ul style="list-style-type: none"> <li>Service Provider has delivered 41 of the 50 ordered Brushcutters.</li> <li>The delivery was made in two batches due to the non-availability of stock from the service provider's suppliers</li> <li>It has not been indicated whether the unit will have available budget for the ordering of the next 50 units in this fiscal year.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 5      | SS6 OF 2014: SECTION 3                                | SECTION 3-SUPPLY AND SERVICE LINEN TOWELSANITERY SHE BIN, AIRFRESHNERS, AUTO SAN MARKET                           | STEINER HYGIENE                     | <ul style="list-style-type: none"> <li>Some equipment is laying redundant in ablution blocks</li> <li>It is unclear whether monthly leasing payment is made towards the redundant equipment.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 6      | SS23 OF 2013: SECTION 1                               | SECURITY SERVICES AT CERTAIN FACILITIES AND PLACES OF WORK                                                        | KHUSELANI SECURITY AND RISK         | <ul style="list-style-type: none"> <li>Contractor has handed site over to a new security companies who are engaged under a Section 36 contract.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 7      | SS23 OF 2013: SECTION 2                               | PROVISION FOR SECURITY SERVICES TO THE MSUNDUZI MUNICIPALITY'S AS CHETTY BUILDING AND PROFESSOR NYEMBEZI BUILDING | KHUSELANI SECURITY AND RISK         | <ul style="list-style-type: none"> <li>Contractor has handed site over to a new security companies who are engaged under a Section 36 contract.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 8      | SS72OF2015                                            | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY: STORES CHANGEROOM REFURBISHMENT                    | BRUCEZ TRADING & PROJECT            | <ul style="list-style-type: none"> <li>Refurbishment of the stores change rooms were conducted by the contractor.</li> <li>All works and snags have been completed</li> <li>Project Manager has indicated that she is satisfied with progress and the time</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 9      | SS72 OF 2015                                          | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY: ROAD REINSTATEMENTS                                | OLYMPUS ENTERPRISE PTY LTD          | <ul style="list-style-type: none"> <li>Contractor has been issued with works for Road Reinstatements in the northern areas</li> <li>End user indicated that contractor has completed the works allocated and that they are satisfied with the works produced.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 10     | SS72-2015                                             | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                     | JOBE & SELEOANE T/A LOMBEZ          | <ul style="list-style-type: none"> <li>Contractor sited that the works were amounting to minimal profit margins for some items or even non for others which is not viable for his entity.</li> <li>A meeting to resolve the cancellation matter is yet to be scheduled</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 11     | SS72 OF 2015                                          | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                     | TURN AROUND TIME TRADING            | <ul style="list-style-type: none"> <li>Order has been generated</li> <li>Contractor is on site</li> <li>End-user has sited that the contractor seems to be inexperienced with regards to contractor layout</li> <li>Msunduzi officials had to assist him with advise as he was laying the foundation for the site</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 12     | SS72OF2015                                            | BUILDING REPAIRS, REFURB AND LTERATIONS                                                                           | THULA AND CINDYS TRADING ENTERPRISE | <ul style="list-style-type: none"> <li>Works have not yet been commenced in lifts</li> <li>Tiles are still worn out</li> <li>Contractor has sited that the project is not viable for its entity under the current rates</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 13     | SCM42-17/18                                           | AVAIATION SECURITY COMPANY TO PROVIDE AVIATION SECURITY AT THE AIRPORT                                            | RESHEBILE AVIATION AND PROTECTION   | <ul style="list-style-type: none"> <li>Service provider still deficient on site without name tags indicating dangerous goods handlers</li> <li>A meeting was held with the entity and they expressed their apologies for previous deficiencies</li> <li>Entity has committed to better their service and indicated that their staff are trained timeously before the expiration of any certification and the holdup is in the processing of the documentation from their training provider</li> <li>It was agreed that personnel can be placed on-site as OJT prior to certification these personnel will not be billed for.</li> <li>Security announcement are made on time at every instance and not recorded, the end user sighted the un-professionalism of the security officers who read the script. Entity requested that the announcement's be pre-recorded as their staff are not trained for such, the current system does not allow for pre-recorded play and a suggestion of having one officer per shift responsible for the reading was suggested.</li> <li>Service Provider still has not resolved CSD noncompliance and has thus not been paid this fiscal year</li> </ul> |

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019**

| NUMBER | CONTRACT NUMBER             | DESCRIPTION                                                                                                                                                                       | CONTRACT 'S NAME                 | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14     | SS72-2015                   | BUILDING REPAIRS, REFURBISH, ALTER AND NEW WORKS FOR THE MUNICIPALITY                                                                                                             | CATERPILLA TRADING CC            | <ul style="list-style-type: none"> <li>Contractor was allocated works to construct amphitheater</li> <li>There has been nonpayment on works produced</li> <li>Project Managers in the unit have been changed since the inception of the project</li> <li>End user has been advised of the channels to utilize when in need of SCM's assistance in contract managing and has not communicate with Contract Management Office any frustrations from the project still.</li> </ul>                                                                                                |
| 15     | SS72 OF 2015                | BUILDING REPAIRS, REFURBISHMENT, ALTERATIONA                                                                                                                                      | INTUBAYOLUNTU PROJECT AND CONTR  | <ul style="list-style-type: none"> <li>Works have been completed</li> <li>End user is satisfied with the works produced</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 16     | SCM39-16/17                 | X-RAY SECURITY SCREENING EQUIPMENT AND CONVEYOR BELT EQUIPMENT                                                                                                                    | HISSCO                           | <ul style="list-style-type: none"> <li>End User is very happy with the service received from Hissco.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 17     | 6S36 0F17/18                | COMPILATION OF AIRPORT MANUALS                                                                                                                                                    | AIR CARGO SECURITY SOLUTIONS     | <ul style="list-style-type: none"> <li>Manuals were compiled and completed by entity</li> <li>Manuals were not approved by Civil Aviation Authority</li> <li>Manuals were completed last year and the project was completed then.</li> </ul>                                                                                                                                                                                                                                                                                                                                   |
| 18     | MEMORANDUM OF UNDERSTANDING | MEMORANDUM OF UNDERSTANDING STRATEGIC PLAN OF OPERATIONAL EFFICIENCY                                                                                                              | AIRPORTS COMPANY SOUTH           | <ul style="list-style-type: none"> <li>Memorandum of Understanding has been signed through approval from Council</li> <li>Engagement has no financial implications to council</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                       |
| 19     | SCM 39 OF 16/17             | X-RAY SECURITY SCREENING EQUIPMENT AND CONVEYOR BELT EQUIPMENT                                                                                                                    | HISSCO                           | <ul style="list-style-type: none"> <li>Cargo and passenger screening machines are in place</li> <li>Hissco services equipment timeously and end user are satisfied with service and entity's turnaround time</li> <li>Security uses the equipment to screen passengers and cargo for smaller airlines</li> <li>Airline (SAA) uses equipment to screen cargo</li> </ul>                                                                                                                                                                                                         |
| 20     | SERVICE LEVEL AGREEMENT     | AIRTRAFFIC NAVIGATION SERVICES CONTRACT                                                                                                                                           | AIR TRAFFIC & NAVIGATION SERVICE | <ul style="list-style-type: none"> <li>This is a three year agreement ending June 2019</li> <li>SLA has been vetted and approved by legal</li> <li>Services have been rendered despite non payment</li> <li>Services are important for the running of the airport as planes cannot take off or land without confirmation from the navigation services tower.</li> </ul>                                                                                                                                                                                                        |
| 21     | SLA                         | MAINTENANCE AND REPAIR SERVICE FOR LIFTS INSTALLATION AT THE PROFESSOR NYEMBEZI BUILDING CAR No. DE3221, 3222 AND 3223 THE TATHAM ART GALLERY CAR NO. DE 3364                     | SCHINDLER LIFTS PTY LTD          | <p>Professor Nyembezi</p> <ul style="list-style-type: none"> <li>Lifts in good working condition</li> <li>No issues with performance reported by business unit</li> </ul> <p>The Tatham Art Gallery</p> <ul style="list-style-type: none"> <li>Lift in good working order</li> <li>Lift is up to date with maintenance and well kept</li> </ul>                                                                                                                                                                                                                                |
| 22     | SLA                         | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE AS CHETTY BUILDING CAR NOS. DE1583, 1584 AND 1585                                                                   | OTIS PTY LTD                     | <p>Car D1583 and 1584</p> <ul style="list-style-type: none"> <li>Call-outs are not always in time.</li> <li>Business unit awaiting quotes for these repairs not submitted.</li> <li>Lift lifts have been vandalized business unit in process of installing new lighting</li> </ul> <p>Car DE1585</p> <ul style="list-style-type: none"> <li>Maintenance poor</li> <li>Service lift has not been operational for a few days</li> <li>Calls logged with service provider have received little to no attention</li> <li>Poor performance in the servicing of this lift</li> </ul> |
| 23     | SLA                         | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT FREEDOM SQUARE TOURISM HUB, LANGALIBALELE STREET, CAR NOS 06L5420                                                       | SCHINDLER LIFTS SA (PTY) LTD     | <ul style="list-style-type: none"> <li>Always on time for call-outs.</li> <li>Quality work is always offered Council.</li> <li>Currently awaiting quotations for the repair to the lift</li> </ul>                                                                                                                                                                                                                                                                                                                                                                             |
| 24     | SLA                         | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE BESSIE HEAD LIBRARY CAR NO. 06/L6231 & L6268 AND CITY HALL CAR NO. 06/L6038 AND HARRY GWALA STADIUM CAR NO. D201089 | KONE ELEVATORS                   | <p>Bessie Head Library</p> <ul style="list-style-type: none"> <li>Lift in good working condition</li> </ul> <p>City Hall</p> <ul style="list-style-type: none"> <li>Lift is in working condition</li> </ul> <p>Harry Gwala Stadium</p> <ul style="list-style-type: none"> <li>Lift in good working condition</li> <li>No issues with performance on this contract</li> </ul>                                                                                                                                                                                                   |
| 25     | SLA                         | MAINTENANCE AND REPAIR OF LIFTS AT THE MSUNDUZI GALLEWAY HOUSE                                                                                                                    | MELCO ELEVATOR SOUTH AFRICA      | <ul style="list-style-type: none"> <li>Lift in good working condition</li> <li>All floors operational</li> <li>Service on site has been excellent.</li> <li>Call-outs always in time for emergency</li> <li>No issues of performance reported on this contract</li> </ul>                                                                                                                                                                                                                                                                                                      |

## MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018 - 30 JUNE 2019

| NUMBER           | CONTRACT NUMBER                                       | DESCRIPTION                                                                                                       | CONTRACT 'S NAME                    | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>JUNE 2019</b> |                                                       |                                                                                                                   |                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1                | SUPPLY AND SERVICES CONTRACT NO.06 OF 2013: SECTION 2 | CLEANING OF MUNICIPAL BUILDINGS: AS CHETTY AND PROFESSOR NYEMBEZI BUILDINGS                                       | IKHAYELIHLE CLEANING SERVICES       | <ul style="list-style-type: none"> <li>Some equipment is laying redundant in ablution blocks</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 2                | SCM 50 OF 17/18                                       | SUPPLY AND DELIVERY OF 100 HEAVY DUTY Brushcutters WITH SAFETY HARNESSES                                          | SENZANGAKHONA INDUSTRIAL SUPPLIES   | <ul style="list-style-type: none"> <li>Some equipment is laying redundant in ablution blocks</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 3                | SS6 OF 2014: SECTION 3                                | SECTION 3-SUPPLY AND SERVICE LINEN TOWELSANITERY SHE BIN, AIRFRESHNERS, AUTO SAN (MARKET)                         | STEINER HYGIENE                     | <ul style="list-style-type: none"> <li>Some equipment is laying redundant in ablution blocks</li> <li>It is unclear whether monthly leasing payment is made towards the redundant equipment.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 4                | SS23 OF 2013:                                         | SECURITY SERVICES AT CERTAIN FACILITIES AND PLACES OF WORK                                                        | KHUSELANI SECURITY AND RISK         | <ul style="list-style-type: none"> <li>Contractor has handed site over to a new security companies who are engaged under a Section 36 contract.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 5                | SECTION 1                                             |                                                                                                                   |                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 6                | SS23 OF 2013:                                         | PROVISION FOR SECURITY SERVICES TO THE MSUNDUZI MUNICIPALITY'S AS CHETTY BUILDING AND PROFESSOR NYEMBEZI BUILDING | KHUSELANI SECURITY AND RISK         | <ul style="list-style-type: none"> <li>Contractor has handed site over to a new security companies who are engaged under a Section 36 contract.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 7                | SECTION 2                                             |                                                                                                                   |                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 8                | SS72OF2015                                            | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY: STORES CHANGEROOM REFURBISHMENT                    | BRUCEZ TRADING & PROJECT            | <ul style="list-style-type: none"> <li>Refurbishment of the stores change rooms were conducted by the contractor.</li> <li>All works and snags have been completed</li> <li>Project Manager has indicated that she is satisfied with progress and the time</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 9                | SS72 OF 2015                                          | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY: ROAD REINSTATEMENTS                                | OLYMPUS ENTERPRISE PTY LTD          | <ul style="list-style-type: none"> <li>Contractor has been issued with works for Road Reinstatements in the northern areas</li> <li>End user indicated that contractor has completed the works allocated and that they are satisfied with the works produced.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 10               | SS72-2015                                             | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                     | JOBE & SELEOANE T/A LOMBEZ          | <ul style="list-style-type: none"> <li>Contractor sited that the works were amounting to minimal profit margins for some items or even non for others which is not viable for his entity.</li> <li>A meeting to resolve the cancellation matter is yet to be scheduled</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 11               | SS72 OF 2015                                          | BUILDING REPAIRS, REFURBISHMENT, ALTERATMSUNDUZI MUNICIPALITY                                                     | TURN AROUND TIME TRADING            | <ul style="list-style-type: none"> <li>Order has been generated</li> <li>Contractor is on site</li> <li>End-user has sited that the contractor seems to be inexperienced with regards to contractor layout</li> <li>Msunduzi officials had to assist him with advise as he was laying the foundation for the site</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 12               | SS72OF2015                                            | BUILDING REPAIRS, REFURB AND LTERATIONS                                                                           | THULA AND CINDYS TRADING ENTERPRISE | <ul style="list-style-type: none"> <li>Works have not yet been commenced in lifts</li> <li>Tiles are still worn out</li> <li>Contractor has sited that the project is not viable for its entity under the current rates</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 13               | SCM42-17/18                                           | AVAIATION SECURITY COMPANY TO PROVIDE AVIATION SECURITY AT THE AIRPORT                                            | RESHEBILE AVIATION AND PROTECTION   | <ul style="list-style-type: none"> <li>Service provider still deficient on site without name tags indicating dangerous goods handlers</li> <li>A meeting was held with the entity and they expressed their apologies for previous deficiencies</li> <li>Entity has committed to better their service and indicated that their staff are trained timeously before the expiration of any certification and the holdup is in the processing of the documentation from their training provider</li> <li>It was agreed that personnel can be placed on-site as OJT prior to certification these personnel will not be billed for.</li> <li>Security announcement are made on time at every instance and not recorded, the end user sighted the un-professionalism of the security officers who read the script. Entity requested that the announcement's be pre-recorded as their staff are not trained for such, the current system does not allow for pre-recorded play and a suggestion of having one officer per shift responsible for the reading was suggested.</li> <li>Service Provider still has not resolved CSD noncompliance and has thus not been paid this fiscal year</li> </ul> |

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT - SERVICE PROVIDERS MONTHLY MONITORING OF PERFORMANCE REPORTS 1 JULY 2018  
- 30 JUNE 2019**

| NUMBER | CONTRACT NUMBER             | DESCRIPTION                                                                                                                                                                       | CONTRACT 'S NAME                 | STATUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14     | SS72-2015                   | BUILDING REPAIRS, REFURBISH, ALTER AND NEW WORKS FOR THE MUNICIPALITY                                                                                                             | CATERPILLA TRADING CC            | <ul style="list-style-type: none"> <li>Contractor was allocated works to construct amphitheater</li> <li>There has been nonpayment on works produced</li> <li>Project Managers in the unit have been changed since the inception of the project</li> <li>End user has been advised of the channels to utilize when in need of SCM's assistance in contract managing and has not communicate with Contract Management Office any frustrations from the project still.</li> </ul>                                                                                                |
| 15     | SS72 OF 2015                | BUILDING REPAIRS, REFURBISHMENT, ALTERATIONS                                                                                                                                      | INTUBAYOLUNTU PROJECT AND CONTR  | <ul style="list-style-type: none"> <li>Works have been completed</li> <li>End user is satisfied with the works produced</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 16     | SCM39-16/17                 | X-RAY SECURITY SCREENING EQUIPMENT AND CONVEYOR BELT EQUIPMENT                                                                                                                    | HISSCO                           | <ul style="list-style-type: none"> <li>End User is very happy with the service received from Hissco.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 17     | 6S36 0F17/18                | COMPILATION OF AIRPORT MANUALS                                                                                                                                                    | AIR CARGO SECURITY SOLUTIONS     | <ul style="list-style-type: none"> <li>Manuals were compiled and completed by entity</li> <li>Manuals were not approved by Civil Aviation Authority</li> <li>Manuals were completed last year and the project was completed then.</li> </ul>                                                                                                                                                                                                                                                                                                                                   |
| 18     | MEMORANDUM OF UNDERSTANDING | MEMORANDUM OF UNDERSTANDING STRATEGIC PLAN OF OPERATIONAL EFFICIENCY                                                                                                              | AIRPORTS COMPANY SOUTH           | <ul style="list-style-type: none"> <li>Memorandum of Understanding has been signed through approval from Council</li> <li>Engagement has no financial implications to council</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                       |
| 19     | SCM 39 OF 16/17             | X-RAY SECURITY SCREENING EQUIPMENT AND CONVEYOR BELT EQUIPMENT                                                                                                                    | HISSCO                           | <ul style="list-style-type: none"> <li>Cargo and passenger screening machines are in place</li> <li>Hissco services equipment timeously and end user are satisfied with service and entity's turnaround time</li> <li>Security uses the equipment to screen passengers and cargo for smaller airlines</li> <li>Airline (SAA) uses equipment to screen cargo</li> </ul>                                                                                                                                                                                                         |
| 20     | SERVICE LEVEL AGREEMENT     | AIRTRAFFIC NAVIGATION SERVICES CONTRACT                                                                                                                                           | AIR TRAFFIC & NAVIGATION SERVICE | <ul style="list-style-type: none"> <li>This is a three year agreement ending June 2019</li> <li>SLA has been vetted and approved by legal</li> <li>Services have been rendered despite non payment</li> <li>Services are important for the running of the airport as planes cannot take off or land without confirmation from the navigation services tower.</li> </ul>                                                                                                                                                                                                        |
| 21     | SLA                         | MAINTENANCE AND REPAIR SERVICE FOR LIFTS INSTALLATION AT THE PROFESSOR NYEMBEZI BUILDING CAR No. DE3221, 3222 AND 3223 THE TATHAM ART GALLERY CAR NO. DE 3364                     | SCHINDLER LIFTS PTY LTD          | <p>Professor Nyembezi</p> <ul style="list-style-type: none"> <li>Lifts in good working condition</li> <li>No issues with performance reported by business unit</li> </ul> <p>The Tatham Art Gallery</p> <ul style="list-style-type: none"> <li>Lift in good working order</li> <li>Lift is up to date with maintenance and well kept</li> </ul>                                                                                                                                                                                                                                |
| 22     | SLA                         | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE AS CHETTY BUILDING CAR NOS. DE1583, 1584 AND 1585                                                                   | OTIS PTY LTD                     | <p>Car D1583 and 1584</p> <ul style="list-style-type: none"> <li>Call-outs are not always in time.</li> <li>Business unit awaiting quotes for these repairs not submitted.</li> <li>Lift lifts have been vandalized business unit in process of installing new lighting</li> </ul> <p>Car DE1585</p> <ul style="list-style-type: none"> <li>Maintenance poor</li> <li>Service lift has not been operational for a few days</li> <li>Calls logged with service provider have received little to no attention</li> <li>Poor performance in the servicing of this lift</li> </ul> |
| 23     | SLA                         | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT FREEDOM SQUARE TOURISM HUB, LANGALIBALELE STREET, CAR NOS 06L5420                                                       | SCHINDLER LIFTS SA (PTY) LTD     | <ul style="list-style-type: none"> <li>Always on time for call-outs.</li> <li>Quality work is always offered Council.</li> <li>Currently awaiting quotations for the repair to the lift</li> </ul>                                                                                                                                                                                                                                                                                                                                                                             |
| 24     | SLA                         | MAINTENANCE AND REPAIR SERVICES FOR LIFTS INSTALLATION AT THE BESSIE HEAD LIBRARY CAR NO. 06/L6231 & L6268 AND CITY HALL CAR NO. 06/L6038 AND HARRY GWALA STADIUM CAR NO. D201089 | KONE ELEVATORS                   | <p>Bessie Head Library</p> <ul style="list-style-type: none"> <li>Lift in good working condition</li> </ul> <p>City Hall</p> <ul style="list-style-type: none"> <li>Lift is in working condition</li> </ul> <p>Harry Gwala Stadium</p> <ul style="list-style-type: none"> <li>Lift in good working condition</li> <li>No issues with performance on this contract</li> </ul>                                                                                                                                                                                                   |
| 25     | SLA                         | MAINTENANCE AND REPAIR OF LIFTS AT THE MSUNDUZI GALLEWAY HOUSE                                                                                                                    | MELCO ELEVATOR SOUTH AFRICA      | <ul style="list-style-type: none"> <li>Lift in good working condition</li> <li>All floors operational</li> <li>Service on site has been excellent.</li> <li>Call-outs always in time for emergency</li> <li>No issues of performance reported on this contract</li> </ul>                                                                                                                                                                                                                                                                                                      |

**NOTE: THE ABOVE TABLE IS AN EXTRACT FROM EACH MONTHLY MONITORING REPORT ON SERVICE PROVIDERS FOR THE PERIOD 1 JULY 2018 – 30 JUNE 2019. DUE TO THE SIZE AND VOLUME OF THE DOCUMENTS THE 1ST 25 SERVICE PROVIDERS OF EACH MONTHLY REPORT WAS INSERTED HEREIN. SHOULD ANYONE WANT TO VIEW THE REPORTS IN ITS ENTIRETY THEY ARE WELCOME TO DO SO AT THE SCM OFFICES, 5TH FLOOR A S CHETTY BUILDING.**

| EMPLOYEE: SUPPLY CHAIN MANAGEMENT |               |           |               |                                     |                                     |
|-----------------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level                         | 2017/2018     | 2018/2019 |               |                                     |                                     |
|                                   | 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                           | 19            | 29        | 17            | 12                                  | 41                                  |
| T09-T13                           | 27            | 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                                   |
| <b>Total</b>                      | <b>57</b>     | <b>81</b> | <b>59</b>     | <b>22</b>                           | <b>27</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: SUPPLY CHAIN MANAGEMENT<br>R'000 |               |                 |                   |               |                       |
|-------------------------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------------|
| Details                                                           | 2017/2018     | 2018/2019       |                   |               |                       |
|                                                                   | Actual        | Original Budget | Adjustment Budget | Actual        | Variances to Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                  | <b>190</b>    | <b>237</b>      | <b>237</b>        | <b>74</b>     | <b>-68.78%</b>        |
| Expenditure:                                                      |               |                 |                   |               |                       |
| Employees                                                         | 23,774        | 24,747          | 23,664            | 22,225        | -6.08%                |
| Repairs and Maintenance                                           | 167           | 219             | 166               | 108           | -34.94%               |
| Other                                                             | 36,502        | 36,453          | 42,166            | 38,800        | -7.98%                |
| <b>Total Operational Expenditure</b>                              | <b>60,443</b> | <b>61,419</b>   | <b>65,996</b>     | <b>61,133</b> | <b>-7.37%</b>         |
| <b>Net operational (Service) Expenditure</b>                      | <b>60,253</b> | <b>61,182</b>   | <b>65,759</b>     | <b>61,059</b> | <b>-7.15%</b>         |

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: FINANCIAL SERVICES<br>R'000 |              |                   |                    |                       |                     |
|--------------------------------------------------|--------------|-------------------|--------------------|-----------------------|---------------------|
| Details                                          | 2018/2019    |                   |                    |                       |                     |
|                                                  | Budget       | Adjustment Budget | Actual Expenditure | Variances to Budget % | Total Project Value |
| <b>Total All</b>                                 | <b>1,730</b> | <b>1,760</b>      | <b>1,242</b>       | <b>-29.43%</b>        |                     |
| Plant and Equipment                              | -            | 16                | 13                 | -18.75%               | 13                  |
| Furniture                                        | -            | 14                | 11                 | -21.43%               | 11                  |
| Transport Assets                                 | 30           | 30                | 11                 | -63.33%               | 1                   |
| Security Fencing Stores                          | 200          | 200               | 0                  | -100.00%              |                     |
| Stores Change Rooms                              | 300          | 300               | 153                | -49.00%               | 153                 |
| Fuel Management System                           | 1,000        | 1,000             | 914                | -8.60%                | 914                 |
| Security Cameras Stores                          | 200          | 200               | 140                | -30.00%               | 140                 |

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

## COMMENT ON THE PERFORMANCE OF SUPPLY CHAIN MANAGEMENT OVERALL:

### LOGISTICS MANAGEMENT

Stores always try to achieve the proper management of inventory by using a systematic approach to obtain, storing goods/items. This is to make sure that Stores keep the right stock, at the right stock level and most importantly at the cost.

According to Msunduzi Municipality Inventory policy clause 2.1; it aims to achieve the following objectives, which are to: -

- Provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding and disposal of inventory.
- Procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy.
- Eliminate any potential misuse of inventory and possible theft.

Stores will endeavour 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. Part of logistics management is to establish and implement appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased; regular checking of stock; and monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

The preparation and planning for the year-end inventory count started on 15 June 2019 when Central Stores was closed for undertaking inventory count. The Warehouse was completely shut down and no issues and delivery of goods took place, only emergencies were attended to.

The purpose of conducting an inventory count is to verify and ascertain and benchmark the inventory records as reflected by the computer system and that of the physical inventory on hand. During the inventory count variances were identified, adjusting entries were processed into the SAP system to align the physical inventory (bin balance) to that on the SAP/ computer system. The following two inventory accounts were therefore credited and debited as inventory losses and inventory gains:

- 2 310 000 000 INVENTORY LOSSES
- 2 810 000 000 INVENTORY GAINS

The inventory count proceeded smoothly with every member of the team demonstrating his or her efforts and energy in achieving a well-run physical count of inventory. The counting team comprised of Municipal staff members (Store men & Store Assistants).

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 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 are noticed after capturing, verification is done. The counted stock sheets were then checked and verified by a Manager Logistics before being handed in for capturing. 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 sheet, 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.

The new financial system (SAP) is able to provide useful inventory information i.e.: ABC analysis of cycle counting. In the new financial year 18/19, the stock will be counted regular using the ABC analysis cycle counting. The inventory is classified based on their value and ABC analysis is a system for inventory control used throughout materials management. Whatever sort of items on an inventory it is used for, the approach works by setting all of them into three distinct categories. Therefore, ABC analysis is a system of categorization, using three classes, of which each class has a differing management control.

The 'ABC' in ABC analysis, as known as ABC Classification, refers to the three classes or categories used in the system. The first, A, is the category for items that are outstandingly important, or critical. The second, B, is the classification for items of average or middling importance. Finally, category C is the designation for relatively unimportant items. As a basis for a control scheme, each class ought to be handled in a different way. As you might have guessed, more attention will usually be devoted to category A items, with less to B and still less further to C.

Inventory is valued on the Weighted Average costing method per location and is VAT (EXCL)

All variances have been checked and validated for authenticity as well as reasonableness by the store man and signed off by the Store manager as proof of verification. The following entries were processed into the SAP system:

| INVENTORY LOSS AND GAINS - GENERAL LEDGER ACCOUNTS: END OF JUNE 2019 |                     |                        |                       |
|----------------------------------------------------------------------|---------------------|------------------------|-----------------------|
|                                                                      | Gain                | Loss                   | Net Gain/(Loss)       |
| June 2019 stock count (Annexure A)                                   | 8 196 051.66        | (13 781 172.15)        | (5 585 120.49)        |
| Price adjustment (Note 2 below)                                      | 23 260.64           |                        | 23 260.64             |
|                                                                      | <u>8 219 312.30</u> | <u>(13 781 172.15)</u> | <u>(5 561 859.85)</u> |

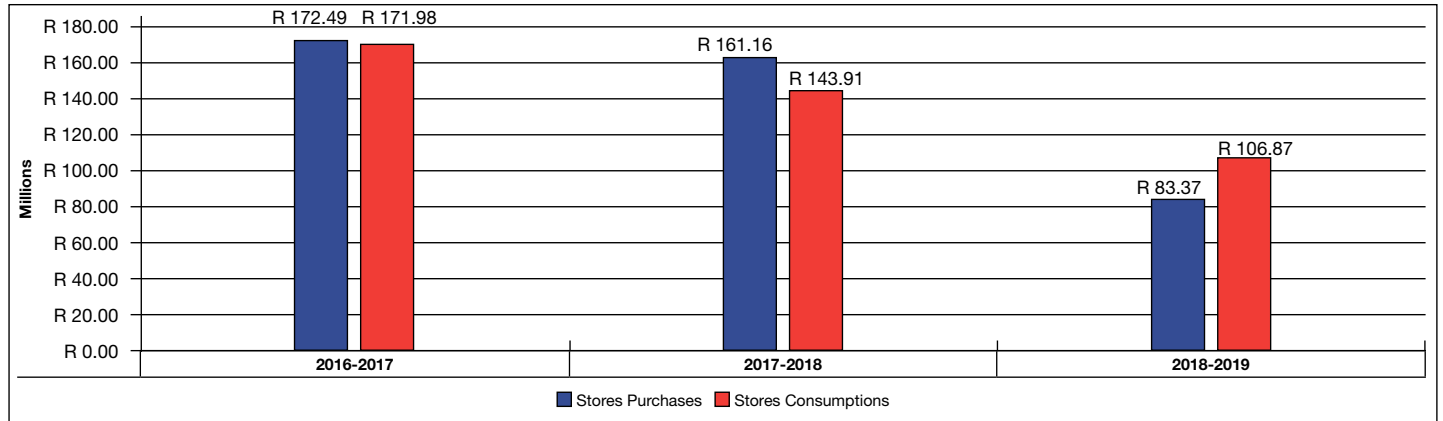
**\*Obsolete stock write-off**

| INVENTORY LOSS AND GAINS - GENERAL LEDGER ACCOUNTS: END OF JUNE 2018 |                |                    |
|----------------------------------------------------------------------|----------------|--------------------|
| Account description                                                  | Account number | Amount             |
| INVENTORY: WRITE-OFF                                                 | 2370000000     | (14 524.46)        |
| Inventory loss for the year                                          |                | <u>(14 524.46)</u> |

The value of inventory at year-end after full inventory count was as follows:

| INVENTORY VALUE BALANCE FOR THE PAST THREE FIN YEARS |                      |                      |                      |
|------------------------------------------------------|----------------------|----------------------|----------------------|
| GL ACCOUNT                                           | 30-Jun-17            | 30-Jun-18            | 30-Jun-19            |
| 300000000                                            | 37 755 372.79        | 43 393 518.78        | 25 679 243.41        |
| 307000000                                            | 20 366 799.15        | 31 975 713.93        | 26 186 618.46        |
|                                                      | <u>58 122 171.94</u> | <u>75 369 232.71</u> | <u>51 865 861.87</u> |

**FIG 1. THE GRAPH INDICATES INVENTORY PURCHASES VS INVENTORY CONSUMPTIONS OVER THE 3-FINANCIAL YEARS.**



| FIN YR              | 2016-2017       | 2017-2018       | 2018-2019       |
|---------------------|-----------------|-----------------|-----------------|
| Stores Purchases    | R172 492 905.10 | R161 157 875.99 | R83 371 229.58  |
| Stores Consumptions | R171 982 604.98 | R143 910 815.22 | R106 874 600.42 |

## 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.

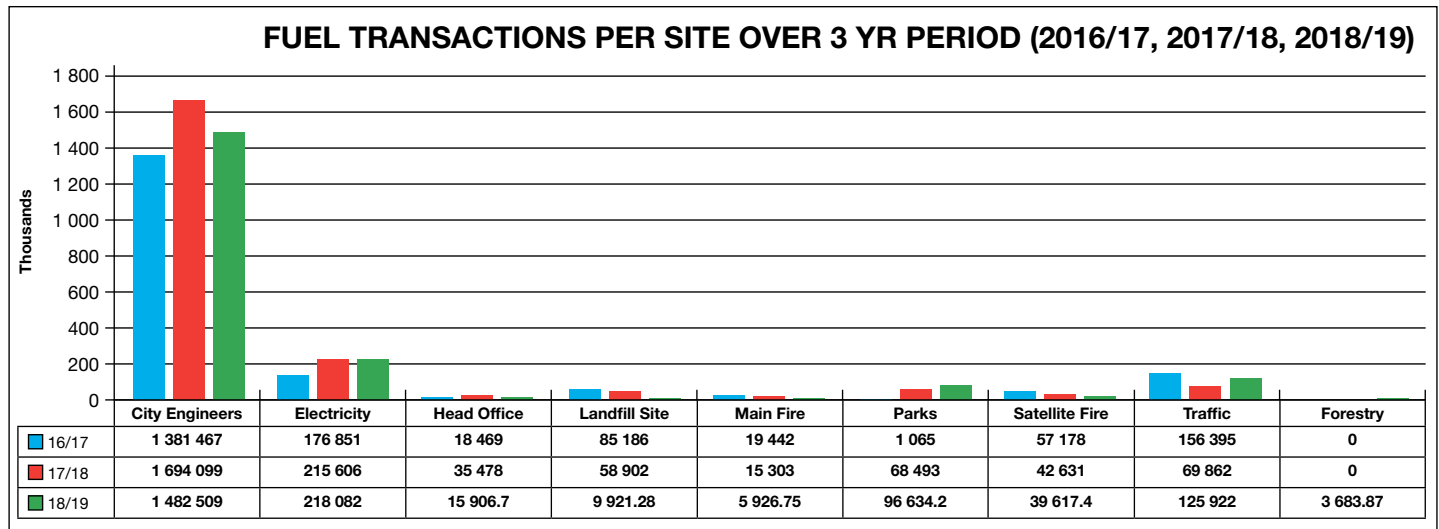
There has been some recognition of cost reduction potential on fuel issues and fuel purchases as a result of the new fuel management system. The consumption levels have steadily decreased. The investment on the fuel management system will provide more accurate cost controls and reporting. Reduce errors 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.

This computer system is also assisting Msunduzi Municipality with the following control measures:

- Secure fuelling environment
- Controls pumps
- Minimum or no human intervention
- Fuel volume reduction
- Maximum accuracy
- Improved fuelling efficiency
- Reduced admin resources
- Accurate transaction information

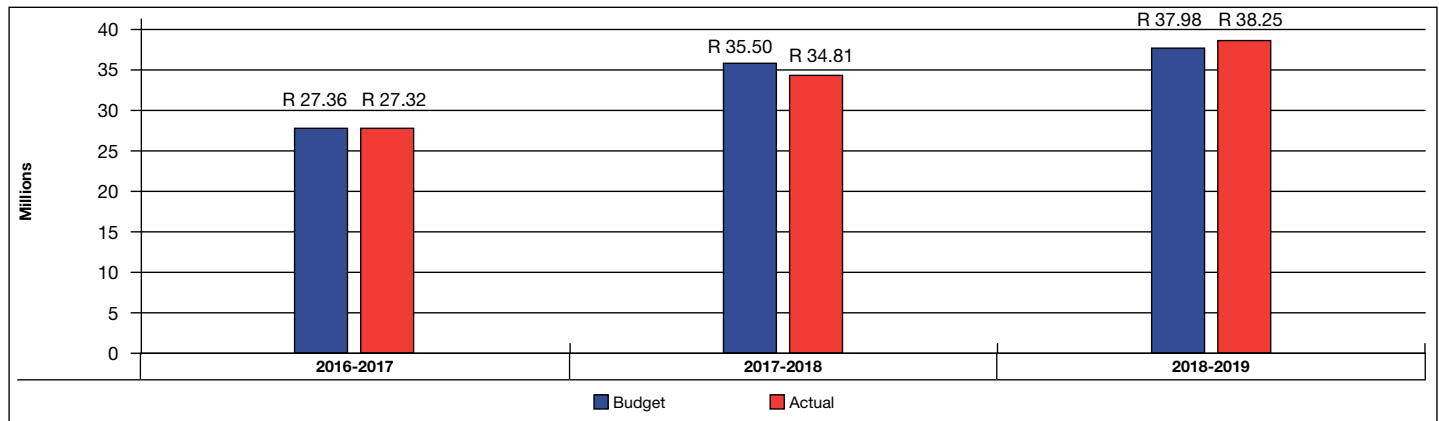


BELOW INFORMATION WAS DRAWN FROM THE NEW FUEL MANAGEMENT SYSTEM



For the financial year 16/17, the positive outcome was that we managed to have savings on the budget of R3, 9 Million. Financial year 17/18 the actual expenditure against the budget went up by 0.44% and FIN YR 18/19 the actual expenditure shown is 91.83% however, the balance of the actual expenditure is not reflecting as it was processed through exceptional table on the system.

**FIG 2: FUEL BUDGET VS ACTUAL YR ON YR**



The top priority projects that are allocated budget: fuel management, fencing of stores, partitioning of SCM offices and Furniture:

Fuel management System is the system that help to oversee the consumption of fuel and flag any variance from the norm for management investigate;

Fencing is required for the protection of stock in stores department which is the wing of SCM, the council keep stock of approximately R50 000 000 in rand value; no amendment made to the IDP, all the targets remains unchanged.

## 4.4 FLEET MANAGEMENT

### INTRODUCTION TO FLEET MANAGEMENT

#### OVERVIEW OF FLEET MANAGEMENT

Fleet Management is the sub-unit of Asset and Liabilities under Budget and Treasury Business unit and its core function is to purchase, manage, monitor and dispose the Council's fleet. Fleet Management is divided into two (2) sub-sections namely: Fleet Administration and Fleet Control

#### FLEET STRATEGY

In order for Fleet Management to provide optimal support to various business units, the following strategic objectives were implemented.

#### FITMENT OF VEHICLE MONITORING SYSTEM:

This was due to abuse of vehicles and the high amount of fuel usage. The fitment is done as the new vehicles are being purchased. The major achievement is the better control and reduction of overtime and detection of vehicle abuse.

## PURCHASE OF NEW VEHICLES:

Although the funding provided for Fleet management to purchase vehicles was not enough, a total of 95 vehicles and plant were purchased for the various business units in 2017/18 financial year. Again in 2018/19 financial year a total of 40 plant and vehicles were purchased for various business units.

## FLEET POLICY:

The policy was adopted by the full Council and is implemented. Business units were work-shopped. As new staff joining the Municipality the sessions of work-shopping and awareness is an ongoing process. The Fleet Management unit has amended Fleet Management Policy/Procedures and it will be sent to business units for implementation by end of September 2019.

| FLEET MANAGEMENT POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                              |                                                                                                                                                                  |                                    |                      |                                                                                                                                                        |                                                                                                                                                        |                                    |                               |                                                                        |                                            |                 |          |                                                                        |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------|------------------------------------------------------------------------|--------------------------------------------|-----------------|----------|------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                  | 2017/2018                                                                                                                                                    |                                                                                                                                                                  |                                    | 2018/2019            |                                                                                                                                                        |                                                                                                                                                        | 2019/2020                          |                               |                                                                        |                                            |                 |          |                                                                        |
|                                                       | ANNUAL TARGET                                                                                                                                                | ANNUAL PROGRESS - ACTUAL                                                                                                                                         | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                          | ANNUAL PROGRESS - ACTUAL                                                                                                                               | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION          | CORRECTIVE MEASURE                                                     | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |          |                                                                        |
| FLT 01                                                | 100 x Council vehicles to be branded by the 30th of June 2018                                                                                                | 100 x Council vehicles have been branded by the 30th of June 2018                                                                                                | 3 (100% - 129%)                    | A & LM12             | 100 x Council vehicles and plant to be branded by the end of June 2019                                                                                 | 27 x Council vehicles and plant branded by the end of June 2019                                                                                        | 1 (69% & below)                    | Contract for Branding expired | New tender processes in place, in the interim quotes will be requested | 31-Jul-19                                  | Invoices        | A & LM11 | 50 x Council vehicles and plant to be branded by the 30th of June 2020 |
| FLT 02                                                | 30 x Council vehicles and plant to be Purchased (15x sedans, 2x LWB LDV's and 6 x 7 seater's and 2x TLB's and 5x water tankers) by the 31st of December 2017 | 30 x Council vehicles and plant have been Purchased (15x sedans, 2x LWB LDV's and 6 x 7 seater's and 2x TLB's and 5x water tankers) by the 31st of December 2017 | 3 (100% - 129%)                    | A & LM13             | 30 x Council vehicles and plant to be Purchased (15x sedans, 2x LWB LDV's and 6 x 7 seater's and 2x TLB's and 5x water tankers) by the 31st March 2019 | 41 X Council vehicles and plant to be Purchased (15x sedans, 2x LWB LDV's and 6 x 7 seater's and 2x TLB's and 5x water tankers) by the 31st March 2019 | 4 (130% - 149%)                    | N/A                           | N/A                                                                    | N/A                                        | Invoices        | A & LM12 | 20 x Council vehicles and plant to be Purchased by 30 June 2020        |

## EMPLOYEE: FLEET MANAGEMENT

| Job Level    | 2017/2018     |           | 2018/2019     |                                      | Vacancies (as a % of total posts) % |
|--------------|---------------|-----------|---------------|--------------------------------------|-------------------------------------|
|              | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents No.) |                                     |
| T01-T03      | 23            | 51        | 22            | 29                                   | 57                                  |
| T04-T08      | 7             | 14        | 6             | 8                                    | 57                                  |
| T09-T13      | 21            | 28        | 23            | 5                                    | 18                                  |
| T14-T18      | 0             | 1         | 0             | 1                                    | 100                                 |
| T19-T22      | 0             | 0         | 0             | 0                                    | 0                                   |
| T23-T25      | 0             | 0         | 0             | 0                                    | 0                                   |
| <b>Total</b> | <b>51</b>     | <b>94</b> | <b>51</b>     | <b>43</b>                            | <b>46</b>                           |

## FINANCIAL PERFORMANCE 2018/2019: FLEET MANAGEMENT

| Details                                          | 2017/2018     |                 | 2018/2019         |               | Variances to Budget % |
|--------------------------------------------------|---------------|-----------------|-------------------|---------------|-----------------------|
|                                                  | Actual        | Original Budget | Adjustment Budget | Actual        |                       |
| <b>Total Operational Revenue (excl. tariffs)</b> | -             | -               | -                 | -             | <b>0.00%</b>          |
| Expenditure:                                     |               |                 |                   |               |                       |
| Employees                                        | 5,876         | 12,004          | 7,449             | 6,472         | -13.12%               |
| Repairs and Maintenance                          | 1,978         | 1,535           | 1,610             | 1,250         | -22.36%               |
| Other                                            | 17,208        | 17,315          | 28,838            | 17,721        | -38.55%               |
| <b>Total Operational Expenditure</b>             | <b>25,062</b> | <b>30,854</b>   | <b>37,897</b>     | <b>25,443</b> | <b>-32.86%</b>        |
| <b>Net operational (Service) Expenditure</b>     | <b>25,062</b> | <b>30,854</b>   | <b>37,897</b>     | <b>25,443</b> | <b>-32.86%</b>        |

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: FLEET MANAGEMENT**  
R'000

| Details          | 2018/2019    |                   |                    |                       |                     |
|------------------|--------------|-------------------|--------------------|-----------------------|---------------------|
|                  | Budget       | Adjustment Budget | Actual Expenditure | Variances to Budget % | Total Project Value |
| <b>Total All</b> | <b>5,000</b> | <b>5,085</b>      | <b>4,448</b>       | <b>-12.53%</b>        |                     |
| Furniture        | -            | 85                | 15                 | -82.35%               | 15                  |
| Transport Assets | 5,000        | 5,000             | 4,433              | -11.34%               | 4433                |

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

**COMMENT ON THE PERFORMANCE OF FLEET MANAGEMENT OVERALL:**

The strategic planning for Fleet Management is to replace at-least 100 vehicles per annum, but experiencing challenges of capital funds to implement this replacement plan. Vehicle maintenance costs are high due to ageing fleet.

# COMPONENT E: CORPORATE SERVICES

This component includes: Human Resources Services, Information Communication Technology, and Legal Services & Organisational Development Performance.

## 5.1 HUMAN RESOURCES SERVICES

### INTRODUCTION TO HUMAN RESOURCE SERVICES

Msunduzi Municipality appointed three contract work study staff members with the purpose of reviewing the structure. The team has commenced and has finalised the introductory phase-consultation on the process with business units. The team has a deadline to finalise the draft structure by no later than 31 August 2019 with the final approval being no later than 31 December 2019. An action that will enable this to be done has been put in place.

Job descriptions of employees also need to be reviewed. The job evaluation team has finalised all the job description for General Assistants which are now ready to be submitted to the Provincial Job Evaluation Committee. The remainder of the job descriptions starting from the City Manager will be done once the work study team has completed the purpose and functions of all the jobs.

| HUMAN RESOURCES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                      |                                                                                                                                      |                                    |                                                                                                         |                                                                                     |                                    |                                                                                                                                |                                                                                                                                                                               |                                            |                                             |                      |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------------|----------------------|
| 2017/2018                                            |                                                                                                                      |                                                                                                                                      | 2018/2019                          |                                                                                                         |                                                                                     | 2019/2020                          |                                                                                                                                |                                                                                                                                                                               |                                            |                                             |                      |
| SDBIP / OP REFERENCE                                 | ANNUAL TARGET                                                                                                        | ANNUAL PROGRESS - ACTUAL                                                                                                             | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL TARGET                                                                                           | ANNUAL PROGRESS - ACTUAL                                                            | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                           | CORRECTIVE MEASURE                                                                                                                                                            | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                             | SDBIP / OP REFERENCE |
| HR 01                                                | 1 x Report on the Workplace Skills Plan 18/19FY prepared and submitted to SMC for approval by the 30th of April 2018 | Report submitted to the LGSETA on the 26 April 2018.                                                                                 | 3 (100% - 129%)                    | 1 x Report on the Workplace Skills Plan 18/19, prepared and submitted to SMC by the 30th of April 2019. | A report dated 12 July 2019 has been drafted and submitted to the SMC.              | 1 (69% & below)                    | The SD Unit was busy with the development of the 2019/2020 WSP for submission to the LGSETA.                                   | Draft and submit report to SMC                                                                                                                                                | Immediate                                  | SMC Report dated 12 July 2019               | HR 01                |
| HR 03                                                | 100% of employees trained according to the approved 17/18 FY Workplace Skills Plan by the 31st of May 2018           | 633 Employees trained during 2017/2018                                                                                               | 1 (69% & below)                    | 848 employees trained according to the approved 18/19 FY Workplace Skills Plan by the 30th of June 2019 | 361 employees were trained according to the approved 18/19 FY Workplace Skills Plan | 1 (69% & below)                    | Delay in appointing training providers due to the funding issues related to cost containment.                                  | Not in SD Units control                                                                                                                                                       |                                            | Registers confirming 361 employees trained. | HR 02                |
| HR 06                                                | 30 x all level employees awarded Bursaries by 30th of June 2018                                                      | 70 were awarded but only 54 employees were registered with educational institutions.                                                 | 4 (130% - 149%)                    | 35 x all level employees awarded Bursaries by 30th of June 2019                                         | 38 x all level employees awarded Bursaries by the 30th of June 2019                 | 3 (100% - 129%)                    | N/A                                                                                                                            | N/A                                                                                                                                                                           | N/A                                        | SMC Report - Award of Bursary's 2019        | HR 03                |
| HR 08                                                | 12 x External bursaries awarded by the 30th of June 2018                                                             | No external Bursary Programme for 2018 was implemented. Registrations and Payments for existing external bursary students were made. | 1 (69% & below)                    | 12 x External bursaries awarded by the 30th of June 2019                                                | 0 external Bursaries Awarded.                                                       | 1 (69% & below)                    | Students did not meet the criteria for the bursaries and some students did not meet the educational institutions requirements. | Review the bursary advert to ensure that students accepted at Educational institutions apply as some applicants did not even know about the discipline that they applied for. | Review 2020 Bursary Advert - Immediate     | External Bursary Report                     | HR 04                |

| Job Level    | 2017/2018     |            | 2018/2019     |                                      | Vacancies (as a % of total posts) % |
|--------------|---------------|------------|---------------|--------------------------------------|-------------------------------------|
|              | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents No.) |                                     |
| T01-T03      | 2             | 6          | 2             | 4                                    | 67                                  |
| T04-T08      | 39            | 60         | 36            | 24                                   | 40                                  |
| T09-T13      | 33            | 58         | 34            | 24                                   | 41                                  |
| T14-T18      | 9             | 11         | 9             | 2                                    | 18                                  |
| T19-T22      | 1             | 1          | 1             | 0                                    | 0                                   |
| T23-T25      | 0             | 0          | 0             | 0                                    | 0                                   |
| <b>Total</b> | <b>84</b>     | <b>136</b> | <b>82</b>     | <b>54</b>                            | <b>40</b>                           |

**FINANCIAL PERFORMANCE 2017/2018: HUMAN RESOURCES SERVICES (501/038/103/346/525/530/001/070/071)  
R'000**

| Details                                          | 2017/2018      | 2018/2019       |                   |               |                                |
|--------------------------------------------------|----------------|-----------------|-------------------|---------------|--------------------------------|
|                                                  | Actual         | Original Budget | Adjustment Budget | Actual        | Variances to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>-310</b>    | <b>-2072</b>    | <b>-2949</b>      | <b>-1562</b>  | <b>-47%</b>                    |
| Expenditure:                                     |                |                 |                   |               |                                |
| Employees                                        | 108 109        | 82611           | 84 176            | 54094         | -36%                           |
| Repairs and Maintenance                          | 19             | 37              | 19                | 14            | -26%                           |
| Other                                            | 14 748         | 31897           | 23 687            | 20 099        | -15%                           |
| <b>Total Operational Expenditure</b>             | <b>122 876</b> | <b>114545</b>   | <b>107 882</b>    | <b>74 207</b> | <b>-31%</b>                    |
| <b>Net operational (Service) Expenditure</b>     | <b>122 566</b> | <b>112473</b>   | <b>104 933</b>    | <b>72 645</b> | <b>-31%</b>                    |

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

**CAPITAL EXPENDITURE: HUMAN RESOURCES SERVICES  
R'000**

| Details                                                     | 2018/2019  |                   |                    |                                |                     |
|-------------------------------------------------------------|------------|-------------------|--------------------|--------------------------------|---------------------|
|                                                             | Budget     | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                            | <b>273</b> | <b>282</b>        | <b>249</b>         | <b>-12%</b>                    |                     |
| Project A – GM - CHAIR                                      | 0          | 6                 | 3                  | -50%                           | 3                   |
| Project B – OCC HEALTH - LAPTOP                             | 25         | 18                | 18                 | 0                              | 18                  |
| Project C – OCC HEALTH – OFFICE EQUIPSKILLS DEV - FURNITURE | 0          | 21                | 0                  | -100%                          | 21                  |
| Project D – PERSONNEL – COMPUTER SEQUIPEQUIPMENT            | 211        | 160               | 160                | 0                              | 160                 |
| Project D – PERSONNEL – OFFICE EQUIPCOMPUTER                | 37         | 77                | 68                 | -12%                           | 68                  |

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

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

**COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:**

The HR priority Capital Project in 2018/2019 financial year saw the implementation of SAP HCM, presenting the potential for improved employee reporting, absence and benefit maintenance.

The lack of budgetary provision for external bursaries resulted in these projects not being implemented in the 18/19 financial year. The Internship programme was however supplemented in partnership and workplace placement of externally funded learners. Training numbers planned were impacted by delays in the internal procurement and approval processes due to the lack of suitable providers sourced.

## 5.2 INFORMATION & COMMUNICATION TECHNOLOGY SERVICES

**INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

During the 2018/19 financial year, we saw the final year of the ICT Strategy implementation, which started from 2013 -2018. There have been some incredible successes and a few failures in implementing the strategy during this 5-year period. Due to lack of capital funding, 24% of the ICT projects were not implemented or started, which most of them will be considered in the next cycle of the strategy development. In overall, 54% of ICT projects were fully implemented and 9% of the projects are still in progress. The key ICT projects undertaken this year is the review of ICT Policies and the Deployment of Multi-Function Printers.

**REVIEW OF ICT POLICIES AND PROCEDURES**

There has been various changes and replacement of ICT infrastructure and ICT Applications within Msunduzi Municipality's Data centre and the end users. Due to various ICT infrastructure changes and the acquisition of the SAP ERP, it is imperative for the policies and procedures to be realigned accordingly.

In addition, key findings were made on ICT governance, which necessitated the review of ICT policies and procedures. These policies and procedures will be vetted by AGSA at the next audit. The policies and procedures will be considered ex-post facto by the ICT Steering Committee when the ICT Unit resuscitate it during 2019/2020 financial year.

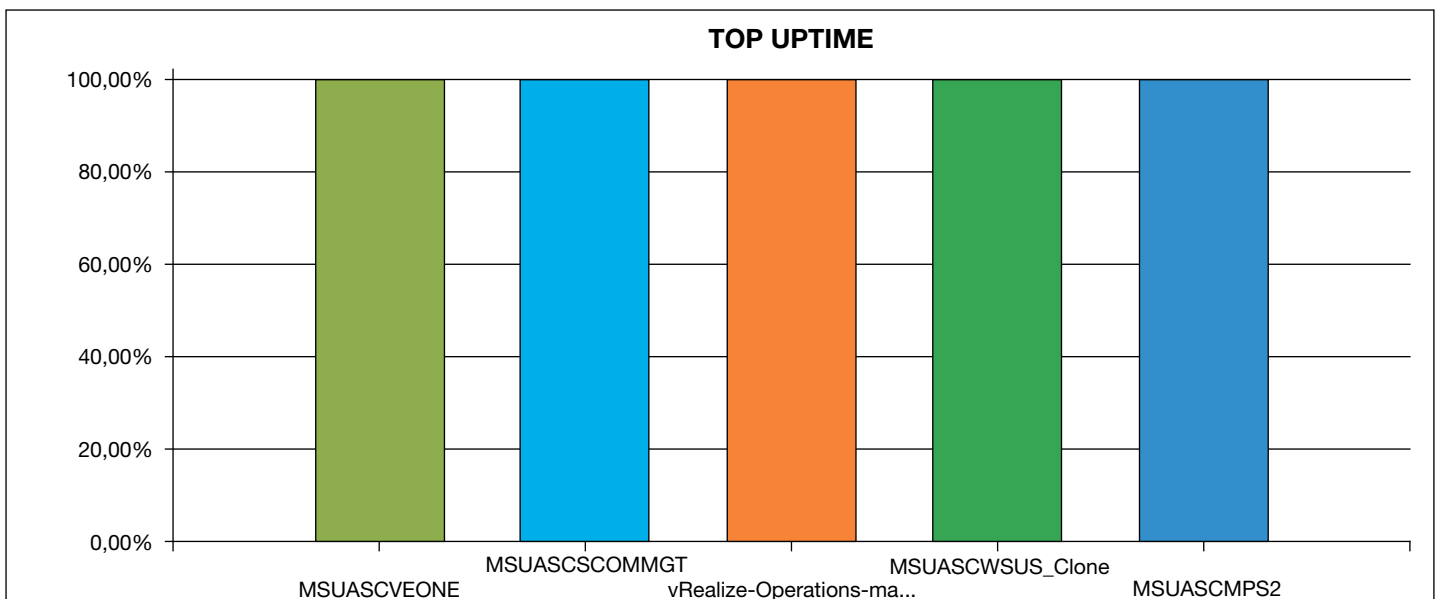
| Policy / Procedure Name                     | Status                                                                                                                                                                                                                                                                 |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Change Management Procedure                 | Submitted to SMC and the resolution was 'That a workshop for Operational Management Committee on the ICT policies be arranged to workshop the policies before the policies can be recommended to the Council Committee structures and that the workshop be expedited.' |
| Change Management Policy                    |                                                                                                                                                                                                                                                                        |
| ICT Asset Management Policy                 |                                                                                                                                                                                                                                                                        |
| Application and Hardware Acquisition Policy |                                                                                                                                                                                                                                                                        |
| Incident and Problem Management Policy      |                                                                                                                                                                                                                                                                        |
| Incident and Problem Management Procedure   |                                                                                                                                                                                                                                                                        |
| Physical and Environmental Security Policy  |                                                                                                                                                                                                                                                                        |
| User Access Management Policy               |                                                                                                                                                                                                                                                                        |
| User Access Management Procedure            |                                                                                                                                                                                                                                                                        |
| Electronic Backup Policy                    |                                                                                                                                                                                                                                                                        |
| Backup Testing of Restoration Procedure     |                                                                                                                                                                                                                                                                        |

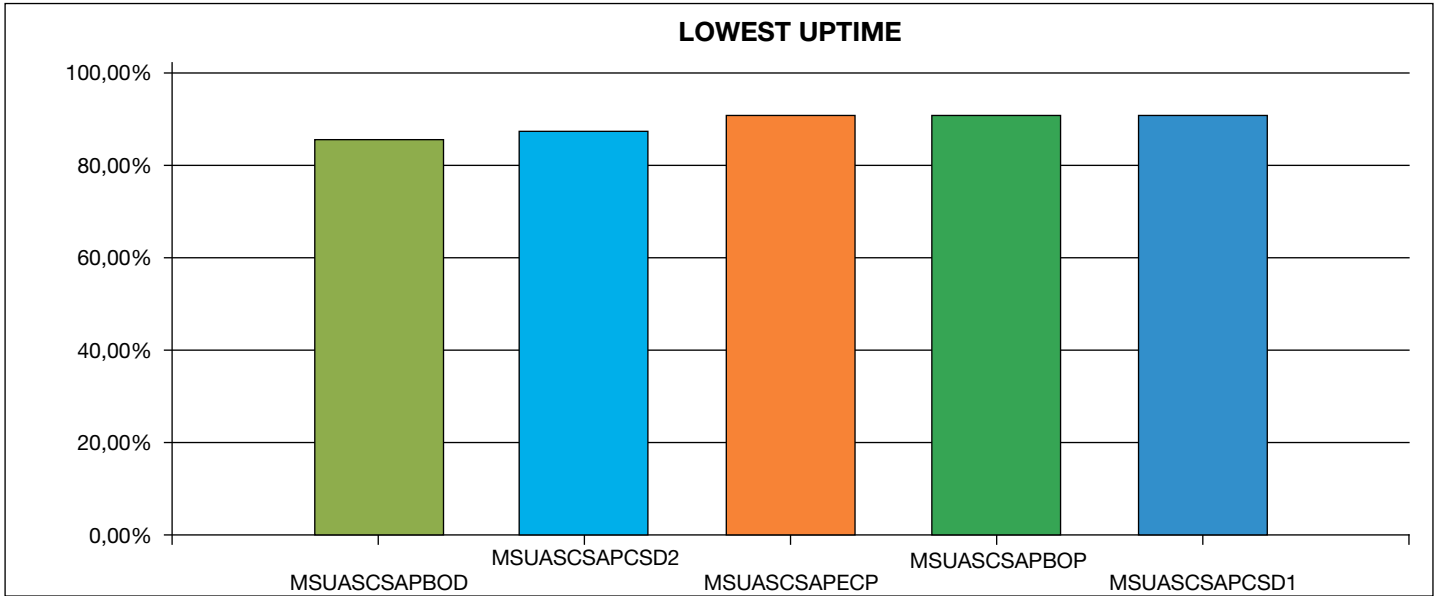
### DEPLOYMENT OF MULTI-FUNCTION PRINTERS

Printing is at the core of running the day-to-day successful operations of the Municipality and especially the effective running of the Council meetings. With the new service provider finally awarded the Printing contract after a long protracted legal battle at the courts which lasted for just over 2 years, we were able to operationalise the deployment project. In summary, a total of 104 printers were ordered to replace all existing printers within Council, as at the end of the 2018/19 financial year, 91 printers were delivered and deployed to various business units. The remaining printers will be delivered during July and August in the new financial year.

### ICT SERVICE STATISTICS

| SERVERS UPTIME                                                                                      |
|-----------------------------------------------------------------------------------------------------|
| <b>Description</b>                                                                                  |
| This report provides an overview of VMs uptime including VMs with lowest and highest uptime values. |
| <b>Report Parameters</b>                                                                            |
| Root Object: Virtual Infrastructure                                                                 |
| Reporting Period: Custom Date Range ( 2018-07-01 - 2019-06-30 )                                     |
| Uptime parameter: greater than 80,00% and lower than 100,00%                                        |
| Grouping: Group by Uptime                                                                           |
| <b>Business view:</b>                                                                               |
| Summary Information                                                                                 |





| Virtual Machine Uptime |               |         |              |                |                    |                  |                    |                   |
|------------------------|---------------|---------|--------------|----------------|--------------------|------------------|--------------------|-------------------|
| Virtual Machine        | Datacenter    | Cluster | Host         | VM Name        | Number of Restarts | Number of Alarms | Downtime           | Sum of Uptime (%) |
| 93                     | Uptime >= 90% |         |              |                |                    |                  |                    |                   |
|                        | PRODUCTION    | MSUASC  | 10.1.105.231 | MSUASCSAPECP   | 6                  | 11               | 26 day(s) 08:00:41 | 91,87%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.206 | MSUASCSAPBOP   | 5                  | 10               | 25 day(s) 23:01:40 | 91,98%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.233 | MSUASCSAPCSD1  | 7                  | 4                | 13 day(s) 22:45:41 | 92,68%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.217 | MSUASCMP51     | 2                  | 4                | 02 day(s) 22:45:01 | 94,87%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.233 | MSUASOCUM      | 4                  | 7                | 15 day(s) 02:09:41 | 95,34%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.207 | MSUASCSAPTtest | 2                  | 5                | 13 day(s) 22:29:41 | 95,70%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.207 | MSUASCVEPR1    | 5                  | 8                | 08 day(s) 07:30:41 | 97,43%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.231 | MSUASCSAPPD    | 2                  | 5                | 03 day(s) 05:40:41 | 97,85%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.216 | MSUASCTCS      | 5                  | 8                | 05 day(s) 14:11:41 | 98,08%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.216 | MSUASCTS1      | 5                  | 11               | 05 day(s) 03:41:41 | 98,41%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.205 | MSUASCSAPEQC   | 4                  | 12               | 01 day(s) 18:04:01 | 98,49%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.233 | MSUASCSAPEDC   | 2                  | 7                | 01 day(s) 17:49:01 | 98,50%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.207 | MSUASCSQ10     | 4                  | 8                | 04 day(s) 08:43:41 | 98,50%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.216 | MSUASCICTTECH  | 4                  | 10               | 03 day(s) 13:29:41 | 98,57%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.206 | MSUASCSAPECT   | 11                 | 13               | 03 day(s) 17:07:41 | 98,61%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.216 | MSUASCSCMPRI   | 5                  | 8                | 04 day(s) 09:37:41 | 98,64%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.206 | MSUASCSCADAW2  | 15                 | 13               | 04 day(s) 07:52:01 | 98,66%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.207 | MSUASCEXCH01   | 17                 | 14               | 03 day(s) 21:54:01 | 98,79%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.206 | MSUASCSAPEQC   | 6                  | 13               | 03 day(s) 12:24:01 | 98,79%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.230 | MSUASCSAPERQ   | 14                 | 17               | 03 day(s) 19:48:41 | 98,82%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.217 | MSUASCWSUS     | 9                  | 16               | 03 day(s) 19:29:41 | 98,82%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.205 | MSUASCSCADAW1  | 8                  | 15               | 03 day(s) 18:09:41 | 98,84%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.207 | MSUCIVICMQ1    | 3                  | 9                | 03 day(s) 15:09:41 | 98,88%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.231 | MSUASCSAPERP   | 6                  | 17               | 03 day(s) 14:28:41 | 98,89%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.205 | MSUCIVICSP1    | 3                  | 5                | 03 day(s) 12:38:41 | 98,91%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.232 | MSUASCVEBR     | 9                  | 11               | 03 day(s) 11:58:41 | 98,92%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.216 | MSUASCDLOMS    | 8                  | 13               | 03 day(s) 11:52:41 | 98,92%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.218 | MSUASCFFP1     | 5                  | 11               | 03 day(s) 11:47:41 | 98,92%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.233 | MSUASCSAPEA3   | 5                  | 8                | 03 day(s) 11:43:41 | 98,92%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.206 | MSUASCSQ9      | 6                  | 11               | 03 day(s) 11:33:41 | 98,92%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.217 | MSUASCSAPSBX   | 3                  | 11               | 03 day(s) 11:12:41 | 98,93%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.217 | MSUCIVICHEAT   | 7                  | 8                | 03 day(s) 10:49:41 | 98,93%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.231 | MSUASCSAPEPD   | 3                  | 10               | 03 day(s) 10:45:41 | 98,94%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.207 | MSUASCSW03     | 5                  | 10               | 03 day(s) 10:44:41 | 98,94%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.217 | MSUASCSW02     | 7                  | 14               | 03 day(s) 10:40:41 | 98,94%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.232 | MSUASCSAPERD   | 5                  | 17               | 03 day(s) 10:05:41 | 98,94%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.233 | MSUASCSAPSDS   | 3                  | 9                | 03 day(s) 09:53:41 | 98,95%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.230 | MSUASCSAPPIP   | 3                  | 5                | 03 day(s) 09:51:41 | 98,95%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.233 | MSUASCSAPBWP   | 3                  | 12               | 03 day(s) 09:51:41 | 98,95%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.232 | MSUASCSAPBWQ   | 2                  | 9                | 03 day(s) 09:49:41 | 98,95%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.206 | MSUASCSW01     | 7                  | 11               | 03 day(s) 09:43:41 | 98,95%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.231 | MSUASCSAPPD    | 4                  | 5                | 03 day(s) 09:38:41 | 98,95%            |
|                        | PRODUCTION    | MSUASC  | 10.1.105.218 | MSUASCSW2      | 7                  | 11               | 03 day(s) 09:29:41 | 98,95%            |

| Virtual Machine Uptime |                                      |         |              |                                       |                    |                  |                    |                   |
|------------------------|--------------------------------------|---------|--------------|---------------------------------------|--------------------|------------------|--------------------|-------------------|
| Virtual Machine        | Datacenter                           | Cluster | Host         | VM Name                               | Number of Restarts | Number of Alarms | Downtime           | Sum of Uptime (%) |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.232 | MSUASCAPSOL                           | 6                  | 16               | 03 day(s) 09:29:41 | 98,95%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCSP1                             | 5                  | 13               | 03 day(s) 09:28:41 | 98,95%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUASCSEQ2                            | 1                  | 7                | 03 day(s) 09:17:41 | 98,95%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCCECMA                           | 6                  | 11               | 03 day(s) 09:15:41 | 98,95%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.233 | MSUASCSAPEA1                          | 5                  | 7                | 03 day(s) 09:10:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.205 | MSUASCVEPR4                           | 7                  | 7                | 03 day(s) 09:07:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCAD01                            | 6                  | 12               | 03 day(s) 09:07:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.217 | MSUASCSAPECD                          | 2                  | 10               | 03 day(s) 09:06:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.231 | MSUASCFIN01                           | 2                  | 7                | 03 day(s) 09:05:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUCIVICSQ5                           | 4                  | 9                | 03 day(s) 09:04:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.205 | MSUASCNABOX                           | 2                  | 6                | 03 day(s) 09:03:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.207 | MSUCIVICTMS                           | 4                  | 12               | 03 day(s) 09:03:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.217 | MSUASCROADS                           | 5                  | 12               | 03 day(s) 09:03:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUCIVICSQ1                           | 3                  | 8                | 03 day(s) 09:03:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.233 | MSUASCSAPEA2                          | 5                  | 7                | 03 day(s) 09:03:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.217 | MSUASCCECMDB                          | 3                  | 9                | 03 day(s) 09:02:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.232 | MSUASCVLOG                            | 3                  | 7                | 03 day(s) 09:00:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.231 | MSUASCSAPEPQ                          | 3                  | 8                | 03 day(s) 08:58:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.231 | MSUASCAPBWD                           | 3                  | 12               | 03 day(s) 08:57:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUCIVICFP1                           | 3                  | 9                | 03 day(s) 08:56:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.205 | MSUASCvWLC                            | 2                  | 4                | 03 day(s) 08:53:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUASCVEPR3                           | 6                  | 7                | 03 day(s) 08:52:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCADMAN                           | 5                  | 13               | 03 day(s) 08:51:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUASCAD02                            | 2                  | 10               | 03 day(s) 08:49:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.232 | MSUASCAPMIG                           | 3                  | 7                | 03 day(s) 08:49:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.206 | MSUASCCELEARNING                      | 5                  | 8                | 03 day(s) 08:47:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCPEO1                            | 4                  | 8                | 03 day(s) 08:47:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.232 | MSUASCSAPEA4                          | 5                  | 6                | 03 day(s) 08:47:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUCIVICSQ6                           | 3                  | 8                | 03 day(s) 08:46:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.205 | MSUASCskills_Transfer                 | 2                  | 8                | 03 day(s) 08:45:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.233 | MSUASCFTP                             | 4                  | 9                | 03 day(s) 08:45:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.217 | MSUASCAPROUTER                        | 2                  | 7                | 03 day(s) 08:44:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUASCMSCOA                           | 3                  | 6                | 03 day(s) 08:41:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCSEQ7                            | 5                  | 8                | 03 day(s) 08:40:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.207 | MSUASCCHR01                           | 4                  | 8                | 03 day(s) 08:38:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUASCFFP2                            | 4                  | 6                | 03 day(s) 08:37:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCDDLOADMIN                       | 5                  | 8                | 03 day(s) 08:37:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.232 | MSUASCAPPID                           | 2                  | 9                | 03 day(s) 08:37:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.206 | MSUASCVEPR2                           | 4                  | 7                | 03 day(s) 08:35:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.206 | MSUASCCELIKIM                         | 5                  | 5                | 03 day(s) 08:35:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.217 | MSUASCSEQ1                            | 2                  | 6                | 03 day(s) 08:35:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.205 | MSUASCSEQ3                            | 2                  | 8                | 03 day(s) 08:34:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.231 | MSUASCAPPPIQ                          | 2                  | 6                | 03 day(s) 08:34:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.207 | MSUASCSEQ4                            | 3                  | 7                | 03 day(s) 08:33:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCSEQ8                            | 2                  | 7                | 03 day(s) 08:33:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.207 | MSUASCVEONE                           | 5                  | 10               | 03 day(s) 08:31:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.218 | MSUASCSCOMMGT                         | 5                  | 9                | 03 day(s) 08:31:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | vRealize-Operations-Manager-Appliance | 2                  | 6                | 03 day(s) 08:30:41 | 98,96%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.233 | MSUASCWSUS_Clone                      | 0                  | 2                | 00:35:00           | 99,32%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.207 | MSUASCMP2                             | 0                  | 3                | 00:21:01           | 99,97%            |
| 2                      | <b>Uptime &gt;= 75% and &lt; 90%</b> |         |              |                                       |                    |                  |                    |                   |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.206 | MSUASCAPBOD                           | 4                  | 7                | 42 day(s) 06:45:41 | 86,94%            |
|                        | PRODUCTION                           | MSUASC  | 10.1.105.216 | MSUASCAPCSD2                          | 11                 | 7                | 20 day(s) 08:24:41 | 89,32%            |



# Msunduzi Annual Report 2018/2019

## CALL TYPE & CATEGORY SUMMARY REPORT 7/1/2018 - 6/30/2019

| Call type                    | Category             | Sub Category             | Logged                  | Open | Solved | Closed | Avg Resolve (Days) |
|------------------------------|----------------------|--------------------------|-------------------------|------|--------|--------|--------------------|
| Hardware                     | Hardware Fault       | 3G                       | 3                       | 0    | 0      | 3      | 23.00              |
|                              |                      | Desktop                  | 299                     | 3    | 10     | 286    | 13.20              |
|                              |                      | Device not turning on    | 53                      | 0    | 3      | 50     | 9.40               |
|                              |                      | Keyboard                 | 6                       | 0    | 1      | 5      | 8.33               |
|                              |                      | Laptop                   | 101                     | 0    | 6      | 95     | 10.50              |
|                              |                      | Modem                    | 1                       | 0    | 0      | 1      | 34.00              |
|                              |                      | Mouse                    | 10                      | 0    | 1      | 9      | 2.30               |
|                              |                      | Plotter                  | 2                       | 0    | 0      | 2      | 3.50               |
|                              |                      | Printer                  | 552                     | 4    | 31     | 517    | 33.24              |
|                              |                      | Projector                | 13                      | 0    | 0      | 13     | 2.38               |
|                              |                      | Scanner                  | 10                      | 0    | 2      | 8      | 11.00              |
|                              |                      | Screen                   | 41                      | 0    | 1      | 40     | 11.80              |
|                              |                      | Hardware Request         | Assist with PC movement | 3    | 0      | 1      | 2                  |
|                              | Set printer code     |                          | 3                       | 0    | 0      | 3      | 6.33               |
|                              | Setup 3G             |                          | 2                       | 0    | 0      | 2      | 35.50              |
|                              | Setup PC             |                          | 186                     | 1    | 6      | 179    | 16.41              |
|                              | Setup Printer        |                          | 181                     | 4    | 1      | 176    | 16.99              |
|                              | Transfer Data        |                          | 40                      | 0    | 2      | 38     | 9.85               |
|                              | Internet/Intranet    | Internet / Intranet Down | Intranet                | 1    | 0      | 0      | 1                  |
| Primary Internet link        |                      |                          | 2                       | 0    | 0      | 2      | 21.50              |
| Internet / Intranet Faults   |                      | Browser                  | 10                      | 0    | 0      | 10     | 10.50              |
|                              |                      | Proxy Settings           | 5                       | 0    | 0      | 5      | 2.40               |
|                              |                      | Slow Internet Response   | 25                      | 1    | 0      | 24     | 16.76              |
| Internet / Intranet Requests |                      | Download data            | 22                      | 0    | 0      | 22     | 6.77               |
|                              |                      | Remove Data              | 1                       | 0    | 0      | 1      | 2.00               |
|                              |                      | Unblock Site             | 23                      | 0    | 0      | 23     | 3.83               |
|                              |                      | Upload data              | 16                      | 0    | 0      | 16     | 0.88               |
| Network                      |                      | Drive Mapping            | Add                     | 49   | 2      | 1      | 46                 |
|                              | Network Cable        | Add                      | 10                      | 0    | 0      | 10     | 7.30               |
|                              |                      | Remove                   | 1                       | 0    | 0      | 1      | 6.00               |
|                              | Network Connectivity | IP Conflict              | 11                      | 0    | 0      | 11     | 15.82              |
|                              |                      | Out of Domain            | 111                     | 1    | 4      | 106    | 10.25              |
|                              |                      | Set Static IP            | 20                      | 0    | 2      | 18     | 7.10               |
|                              |                      | Slow Network Response    | 333                     | 4    | 22     | 307    | 13.57              |
|                              | Network Fault        | Diginet                  | 36                      | 0    | 1      | 35     | 7.14               |
|                              |                      | Fibre                    | 6                       | 0    | 0      | 6      | 2.67               |
|                              |                      | LAN                      | 6                       | 0    | 1      | 5      | 4.83               |
|                              |                      | Network Cable            | 18                      | 2    | 0      | 16     | 28.17              |
|                              |                      | Network Point            | 54                      | 7    | 2      | 45     | 18.06              |
|                              |                      | Router                   | 1                       | 0    | 0      | 1      | 0.00               |
|                              |                      | Switch                   | 3                       | 1    | 0      | 2      | 20.00              |
|                              |                      | VPN                      | 30                      | 0    | 0      | 30     | 1.27               |
|                              |                      | Wifi                     | 29                      | 1    | 3      | 25     | 20.62              |
|                              | Network Request      | New Network Point        | 59                      | 8    | 3      | 48     | 34.03              |
|                              | Site Down            | CBD                      | 3                       | 0    | 0      | 3      | 7.33               |
|                              |                      | Remote                   | 19                      | 0    | 1      | 18     | 5.68               |

CALL TYPE & CATEGORY SUMMARY REPORT 7/1/2018 - 6/30/2019

| Call type       | Category                    | Sub Category             | Logged           | Open | Solved | Closed | Avg Resolve (Days) |       |
|-----------------|-----------------------------|--------------------------|------------------|------|--------|--------|--------------------|-------|
| Security        | Access card                 | Disable                  | 1                | 0    | 0      | 1      | 0.00               |       |
|                 |                             | Enable                   | 18               | 0    | 0      | 18     | 0.28               |       |
|                 | Delete / Uninstall / Revoke | Access Card              | 15               | 0    | 0      | 15     | 1.20               |       |
|                 |                             | AD User Account          | 8                | 0    | 0      | 8      | 16.13              |       |
|                 |                             | Internet Permissions     | 4                | 0    | 1      | 3      | 31.00              |       |
|                 |                             | Shared Drive Permissions | 14               | 0    | 0      | 14     | 6.86               |       |
|                 | Install / Create / Grant    | Access Card              | 43               | 0    | 3      | 40     | 6.30               |       |
|                 |                             | AD User Account          | 231              | 0    | 1      | 230    | 1.28               |       |
|                 |                             | Antivirus                | 1                | 0    | 0      | 1      | 1.00               |       |
|                 |                             | Corp Comms Permissions   | 3                | 0    | 0      | 3      | 5.33               |       |
|                 |                             | Heat User Account        | 2                | 0    | 0      | 2      | 4.00               |       |
|                 |                             | Impro                    | 1                | 0    | 0      | 1      | 0.00               |       |
|                 |                             | Internet Permissions     | 5                | 0    | 0      | 5      | 1.60               |       |
|                 |                             | Local Permissions        | 7                | 0    | 1      | 6      | 5.14               |       |
|                 |                             | Shared Drive Permissions | 156              | 1    | 1      | 154    | 9.06               |       |
|                 |                             | Veeam                    | 1                | 0    | 0      | 1      | 2.00               |       |
|                 |                             | Windows Updates          | 1                | 1    | 0      | 0      | 222.00             |       |
|                 |                             | Password Reset           | Active Directory | 354  | 0      | 40     | 314                | 0.78  |
|                 |                             |                          | Samba            | 1    | 0      | 0      | 1                  | 0.00  |
|                 | Security Fault              | Desktop Virus Infection  | 9                | 0    | 0      | 9      | 12.78              |       |
|                 |                             | Recover User Data        | 7                | 0    | 2      | 5      | 27.86              |       |
|                 | Unable to log in            | Active Directory         | 13               | 0    | 0      | 13     | 1.08               |       |
|                 | Unlock account              | Active Directory         | 23               | 1    | 0      | 22     | 4.87               |       |
|                 | Update / Modify             | Access Card              | 12               | 0    | 1      | 11     | 2.08               |       |
|                 |                             | AD User Account          | 380              | 0    | 6      | 374    | 1.43               |       |
|                 |                             | Antivirus                | 2                | 0    | 0      | 2      | 7.00               |       |
|                 |                             | Impro                    | 1                | 0    | 0      | 1      | 5.00               |       |
|                 | User Account                | Shared Drive Permissions | 7                | 0    | 0      | 7      | 4.14               |       |
|                 |                             | Enable                   | 2                | 0    | 0      | 2      | 17.50              |       |
|                 |                             | Unlock                   | 1                | 1    | 0      | 0      | 153.00             |       |
|                 | Server                      | Request                  | Group Policy     | 17   | 0      | 1      | 16                 | 12.41 |
|                 |                             | Server Fault             | Active Directory | 2    | 0      | 0      | 2                  | 31.50 |
| Exchange        |                             |                          | 1                | 0    | 0      | 1      | 23.00              |       |
| SAP             |                             |                          | 1                | 0    | 0      | 1      | 6.00               |       |
| SQL             |                             |                          | 1                | 0    | 0      | 1      | 1.00               |       |
| Terminal Server |                             |                          | 2                | 0    | 0      | 2      | 20.50              |       |
| Veeam           |                             |                          | 12               | 0    | 2      | 10     | 9.92               |       |
| WSUS            |                             |                          | 1                | 1    | 0      | 0      | 117.00             |       |

# Msunduzi Annual Report 2018/2019

## CALL TYPE & CATEGORY SUMMARY REPORT 7/1/2018 - 6/30/2019

| Call type | Category                           | Sub Category                       | Logged | Open | Solved | Closed | Avg Resolve (Days) |       |
|-----------|------------------------------------|------------------------------------|--------|------|--------|--------|--------------------|-------|
| Software  | Installation                       | Accuglobe                          | 3      | 0    | 0      | 3      | 20.00              |       |
|           |                                    | Adobe                              | 24     | 1    | 0      | 23     | 19.88              |       |
|           |                                    | Arcview                            | 1      | 0    | 0      | 1      | 2.00               |       |
|           |                                    | Browser                            | 5      | 0    | 1      | 4      | 14.60              |       |
|           |                                    | Business licence system            | 2      | 0    | 0      | 2      | 164.00             |       |
|           |                                    | Contour                            | 3      | 0    | 0      | 3      | 7.67               |       |
|           |                                    | GIS                                | 12     | 0    | 1      | 11     | 66.08              |       |
|           |                                    | Google Earth                       | 6      | 0    | 1      | 5      | 12.00              |       |
|           |                                    | Heat                               | 6      | 0    | 0      | 6      | 21.33              |       |
|           |                                    | Java                               | 2      | 0    | 0      | 2      | 8.00               |       |
|           |                                    | Metval                             | 2      | 0    | 0      | 2      | 10.00              |       |
|           |                                    | Microsoft Office                   | 3      | 0    | 0      | 3      | 13.33              |       |
|           |                                    | Microsoft Project                  | 4      | 0    | 0      | 4      | 1.75               |       |
|           |                                    | Microstation                       | 4      | 0    | 0      | 4      | 31.00              |       |
|           |                                    | Mimecast                           | 1      | 0    | 0      | 1      | 8.00               |       |
|           |                                    | Nero                               | 1      | 0    | 0      | 1      | 29.00              |       |
|           |                                    | open project                       | 7      | 0    | 0      | 7      | 43.43              |       |
|           |                                    | Operating System                   | 39     | 1    | 0      | 38     | 11.77              |       |
|           |                                    | Payday                             | 1      | 0    | 0      | 1      | 0.00               |       |
|           |                                    | Promis Expenditure                 | 3      | 0    | 0      | 3      | 0.67               |       |
|           |                                    | Promis Income                      | 4      | 0    | 1      | 3      | 24.75              |       |
|           |                                    | ReAct                              | 1      | 0    | 0      | 1      | 17.00              |       |
|           |                                    | SAP GUI                            | 102    | 0    | 7      | 95     | 16.59              |       |
|           |                                    | Services 2000                      | 5      | 0    | 0      | 5      | 1.80               |       |
|           |                                    | Silver light                       | 3      | 0    | 0      | 3      | 7.67               |       |
|           |                                    | Software Updates                   | 2      | 0    | 0      | 2      | 0.50               |       |
|           |                                    | Traffic Contravention System (TCS) | 2      | 0    | 0      | 2      | 3.00               |       |
|           |                                    | Requests                           | Heat   | 11   | 0      | 0      | 11                 | 0.91  |
|           |                                    | Software Fault                     | Adobe  | 25   | 0      | 4      | 21                 | 10.84 |
|           |                                    |                                    | Email  | 233  | 6      | 12     | 215                | 15.09 |
|           |                                    | ESS Fire                           | 1      | 0    | 0      | 1      | 0.00               |       |
|           |                                    | Google Earth                       | 2      | 0    | 0      | 2      | 1.00               |       |
|           |                                    | Heat                               | 17     | 0    | 1      | 16     | 14.41              |       |
|           |                                    | Java                               | 1      | 0    | 0      | 1      | 1.00               |       |
|           |                                    | LION                               | 1      | 0    | 0      | 1      | 23.00              |       |
|           |                                    | Metval                             | 1      | 0    | 1      | 0      | 2.00               |       |
|           |                                    | Microsoft Excel                    | 10     | 0    | 0      | 10     | 7.90               |       |
|           |                                    | Microsoft Office                   | 9      | 0    | 2      | 7      | 13.11              |       |
|           |                                    | Microsoft Outlook                  | 47     | 0    | 9      | 38     | 7.17               |       |
|           |                                    | Microsoft PowerPoint               | 1      | 0    | 0      | 1      | 3.00               |       |
|           |                                    | Microsoft word                     | 6      | 0    | 0      | 6      | 5.17               |       |
|           |                                    | Mimecast                           | 7      | 0    | 0      | 7      | 12.86              |       |
|           |                                    | Operating System                   | 6      | 1    | 0      | 5      | 25.67              |       |
|           |                                    | Promis Income                      | 1      | 0    | 0      | 1      | 9.00               |       |
|           |                                    | Rampage                            | 1      | 0    | 0      | 1      | 0.00               |       |
|           |                                    | SAP                                | 33     | 0    | 2      | 31     | 8.82               |       |
|           |                                    | Slims                              | 3      | 0    | 0      | 3      | 2.67               |       |
|           | Traffic Contravention System (TCS) | 1                                  | 0      | 0    | 1      | 3.00   |                    |       |

| CALL TYPE & CATEGORY SUMMARY REPORT 7/1/2018 - 6/30/2019 |                 |                      |             |           |            |                    |             |
|----------------------------------------------------------|-----------------|----------------------|-------------|-----------|------------|--------------------|-------------|
| Call type                                                | Category        | Sub Category         | Logged      | Open      | Solved     | Avg Resolve (Days) |             |
| Telephony                                                | Telephone Fault | Analogue Line        | 55          | 3         | 4          | 48                 | 27.20       |
|                                                          |                 | Crackling            | 20          | 0         | 0          | 20                 | 11.10       |
|                                                          |                 | Fax                  | 1           | 1         | 0          | 0                  | 53.00       |
|                                                          |                 | No Sound             | 23          | 3         | 1          | 19                 | 20.61       |
|                                                          |                 | Not dialing out      | 61          | 0         | 2          | 59                 | 6.56        |
|                                                          |                 | Not ringing          | 49          | 7         | 1          | 41                 | 40.43       |
|                                                          |                 | PABX                 | 7           | 1         | 1          | 5                  | 56.71       |
|                                                          |                 | Padlocked            | 13          | 0         | 0          | 13                 | 6.23        |
|                                                          |                 | Airtime              | 71          | 1         | 2          | 68                 | 7.21        |
|                                                          |                 | Bulk SMS             | 2           | 0         | 0          | 2                  | 16.00       |
|                                                          |                 | Change phone details | 87          | 2         | 1          | 84                 | 9.99        |
|                                                          |                 | Clear extension      | 33          | 0         | 0          | 33                 | 3.88        |
|                                                          |                 | Connect phone        | 37          | 1         | 3          | 33                 | 13.89       |
|                                                          |                 | New extension        | 2           | 0         | 0          | 2                  | 7.50        |
|                                                          |                 | Reset code           | 51          | 0         | 2          | 49                 | 3.33        |
| Speed dials                                              | 31              | 3                    | 1           | 27        | 20.97      |                    |             |
| Telephone line                                           | 10              | 3                    | 0           | 7         | 59.20      |                    |             |
| Unlock phone                                             | 4               | 0                    | 0           | 4         | 1.50       |                    |             |
| <b>Total</b>                                             |                 |                      | <b>4992</b> | <b>78</b> | <b>224</b> | <b>4690</b>        | <b>13.4</b> |

| ICT SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                             |                                                                                              |                                    |                      |                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                          |                                    |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                            |                                            |                                         |                      |                                                                                                                                                            |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                              | ANNUAL TARGET                                                                                                               | ANNUAL PROGRESS - ACTUAL                                                                     | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                                                                                                                                                                                                                                                            | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                                                                                                                                                                                                                 | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                                                                                                                                                             | CORRECTIVE MEASURE                                                                                                                                         | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                         | 2019/2020            |                                                                                                                                                            |
|                                                   |                                                                                                                             |                                                                                              |                                    |                      |                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                          |                                    |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                            |                                            |                                         | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                              |
| ICT 01                                            | 3 X Sites (Mkhondeni to SITA, Cemetery & Airport) replaced with Fibre Data Line by the 31st of May 2018                     | All sites have been connected with Fibre.                                                    | 3 (100% - 129%)                    | ICT03                | Development of MFP deployment and Project Plan as per Business units needs completed by the 30th of April 2019                                                                                                                                                                                                                                                                                                           | The Development of the Deployment and Project Plan done and submitted.                                                                                                                                                                                                                                                                                                                                                   | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                                                                                                                                                                                              | N/A                                                                                                                                                        | N/A                                        | MFP Deployment and Project Plan report. | N/A                  | N/A                                                                                                                                                        |
| ICT 02                                            | 30 x New Computers purchased & Deployed as per the ICT deployment Schedule for new Computers by the 31st of May 2018        | 30 x New Computers purchased & Deployed as per the ICT deployment Schedule for new Computers | 3 (100% - 129%)                    | ICT04                | 150 x Multi-functional Printers (MFPs) deployed and operational by the 30th of June 2019                                                                                                                                                                                                                                                                                                                                 | 114 x Multi-functional Printers (MFPs) deployed and operational by the 30th of June 2019                                                                                                                                                                                                                                                                                                                                 | 2 (70% - 99%)                      | Service Provider not having funding approved to procure the remaining printers. Secondly the Business Unit(s) did not provide the MFP funding available on time. The rolled out of the MFP's done except for the outstanding color printers due to the Service Provider not having funding approved to procure the printers as yet and secondly due to internal BU's not made the MFP funding available on time. | To engage the Samsung to Fast track the funding application with Ithala. Msunduzi to sign off the Service Provider letter to Ithala Bank Corp the soonest. | 15-Sep                                     | MFP Deployment and Project Plan report. | N/A                  | N/A                                                                                                                                                        |
| ICT 08                                            | Development & submission of ICT Strategy to SMC for approval by Council by the 30 June 2018                                 | NIL ACHIEVED                                                                                 | 1 (69% & below)                    | ICT07                | 10 x ICT Policies (Information Security Policy, • User Access Management Policy & Procedure • Backup Policy & Procedure • Physical and Environmental Security Policy • Asset Management Policy • Incident and Problem Management Policy & Procedure • Change Management Policy & Procedure • Application and Hardware Acquisition Policy) Reviewed and submitted to SMC for Approval by Council by the 30th of June 2019 | 10 x ICT Policies (Information Security Policy, • User Access Management Policy & Procedure • Backup Policy & Procedure • Physical and Environmental Security Policy • Asset Management Policy • Incident and Problem Management Policy & Procedure • Change Management Policy & Procedure • Application and Hardware Acquisition Policy) Reviewed and submitted to SMC for Approval by Council by the 30th of June 2019 | 3 (100% - 129%)                    | N/A                                                                                                                                                                                                                                                                                                                                                                                                              | N/A                                                                                                                                                        | N/A                                        | ICT Policies report to SMC              | ICT09                | Msunduzi Municipality ICT RETENTION POLICY DEVELOPED & SUBMITTED TO SMC For onwards transmission to Full Council for approval by the 30th of November 2019 |
| ICT 09                                            | Development and Modernizing of the Msunduzi Website & Intranet completed as per approved Project Plan by the 30th June 2018 | Modernizing of both the Website and Intranet is done and also is an ongoing exercise         | 3 (100% - 129%)                    | ICT08                | Msunduzi Website updated (Online Payment system) and Fully functional by the 30 June 2019                                                                                                                                                                                                                                                                                                                                | The Msunduzi Website not updated with Online Payment system due to funding not available and also due to not having SAP consultants to undertake this project as the EOH contract has been terminated.                                                                                                                                                                                                                   | 1 (69% & below)                    | The Msunduzi Website was not updated with Online Payment system due to funding not available and also due to not having SAP consultants to undertake this project as the EOH contract has been terminated.                                                                                                                                                                                                       | Fast track the development of the Online Payment system                                                                                                    | 31-Mar-20                                  | EOH Contract cancelled                  | ICT05                | Msunduzi Municipality Website User interface & Functionality updated and fully functional by the 31st of March 2020                                        |

| EMPLOYEE: ICT SERVICES |               |           |               |                                     |                                     |
|------------------------|---------------|-----------|---------------|-------------------------------------|-------------------------------------|
| Job Level              | 2017/2018     | 2018/2019 |               |                                     |                                     |
|                        | 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                | 21            | 23        | 20            | 3                                   | 13                                  |
| T14-T18                | 3             | 5         | 3             | 2                                   | 40                                  |
| T19-T22                | 1             | 1         | 1             | 0                                   | 0                                   |
| T23-T25                | 0             | 0         | 0             | 0                                   | 0                                   |
| <b>Total</b>           | <b>26</b>     | <b>30</b> | <b>25</b>     | <b>5</b>                            | <b>17</b>                           |

| FINANCIAL PERFORMANCE 2017/2018: ICT SERVICES (526/071/072/073/074/075)<br>R'000 |               |                 |                   |               |                                 |
|----------------------------------------------------------------------------------|---------------|-----------------|-------------------|---------------|---------------------------------|
| Details                                                                          | 2017/2018     | 2018/2019       |                   |               |                                 |
|                                                                                  | Actual        | Original Budget | Adjustment Budget | Actual        | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                                 | <b>0</b>      | <b>-12</b>      | <b>-12</b>        | <b>-2</b>     | <b>-83%</b>                     |
| Expenditure:                                                                     |               |                 |                   |               |                                 |
| Employees                                                                        | 6 882         | 10552           | 10552             | 13357         | 27%                             |
| Repairs and Maintenance                                                          | 5 402         | 2131            | 3136              | 2692          | -14%                            |
| Other                                                                            | 11 986        | 9 915           | 12615             | 13 383        | 6%                              |
| <b>Total Operational Expenditure</b>                                             | <b>24 270</b> | <b>22 596</b>   | <b>26303</b>      | <b>29 432</b> | <b>12%</b>                      |
| <b>Net operational (Service) Expenditure</b>                                     | <b>24 270</b> | <b>22 586</b>   | <b>26291</b>      | <b>29 430</b> | <b>12%</b>                      |

Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

| CAPITAL EXPENDITURE: ICT SERVICES<br>R'000 |              |                   |                    |                                 |                     |
|--------------------------------------------|--------------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                    | 2018/2019    |                   |                    |                                 |                     |
|                                            | Budget       | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                           | <b>23500</b> | <b>2734</b>       | <b>563</b>         | <b>-79%</b>                     |                     |
| Project A : COMPUTERS                      | 180          | 146               | 146                | 0                               | 146                 |
| Project B : FIBRE REPLACEMENT              | 1000         | 1000              | 0                  | -100%                           | 1 000               |
| Project C : LAN/WAN                        | 1500         | 1038              | 410                | -61%                            | 1 038               |
| Project D :EQUIPMENT OFFICE                | 70           | 0                 | 0                  | 0                               | 0                   |
| Project E : SERVER EQUIPMENT               | 750          | 550               | 7                  | -99%                            | 550                 |
| Project F : DOCUMENT MAGT SYSTEM           | 20000        | 0                 | 0                  | 0                               | 0                   |

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)  
Variations are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

#### COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The ICT unit continues to improve in providing the best service and support throughout the municipality as indicated above by the ICT infrastructure uptime and the Service Desk statistical report. ICT unit received in excess of six (6) interns during this financial year and that has greatly assisted us in maintaining the smooth support service throughout the council. In addition, the unit unfortunately lost both of our ICT Network Security Officers during this period due to better paying jobs, we hope we will be able to attract such skilled resources during the next financial year.

## 5.3 LEGAL SERVICES

### INTRODUCTION TO LEGAL SERVICES

Legal Services provides essential 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 By-laws 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 By-laws. Furthermore, the legal advisors sit on Supply Chain Management Committees as ex officio members and are alternate Municipal Manager's Representatives at Full Council and Executive Committee.

### THE 3 TOP SERVICE DELIVERY PRIORITIES ARE:

1. By-laws
2. Legal representation for civil litigation, and criminal litigation
3. Provision of legal advice, opinions to Council.

### IMPACT:

- With regard to the By-laws, two By-laws were reviewed and a further two were promulgated in the last financial year.
- We achieved 100% legal representation in both civil and criminal matters and had no judgment noted against the municipality.
- 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,
  - Other urgent priorities meant not all brief could be attended to in time,
  - Work distribution not optimal,
  - Legal briefs not containing all relevant information.

### MEASURES TAKEN TO IMPROVE PERFORMANCE AND MAJOR EFFICIENCIES:

1. Improve the legal brief process to ensure all relevant information contained in brief.
2. Reviewed and improved work distribution.
3. Extended contracts for temporary employees.
4. Prioritised vacant posts to be advertised- 3 posts were advertised.
5. Trained staff on new rules of court relating to the Magistrates' Court- new rules for District and Regional Court.
6. Sent 2 members of staff on a Labour Law seminar.
7. Introduced a new process for the payment of service providers.
8. Formalised and introduced a new compulsory meeting with the attorneys for monthly reports and issues relating to performance.

### SERVICE STATISTICS FOR LEGAL SERVICES

1. Achieved 100% legal representation on all civil and criminal matters.
2. Achieved 100% input on policies.
3. Achieved 100% for consideration and evaluation of summonses for law enforcement and attended court in all criminal prosecution matters.
4. Provided legal input and made recommendations on insurance claims against the municipality.
5. Established a significant cases template for reporting purposes.
6. Established a template for the monthly update of all open cases relating to contingent liabilities.
7. Produced a new template for the review of fines and submitted same to the Chief Magistrate for approval.
8. The Water Services By-law was promulgated in the Gazette on 6 June 2019.
9. The Telecommunications, Mast Infrastructure By-law was promulgated on 14 February 2019.
10. The Debt Collection and Credit Control By-laws were reviewed and submitted to SMC.
11. The Public Health By-laws were reviewed and submitted to SMC.

| LEGAL SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                   |                      |                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                  |                                   |                                                                                                                                                                                                                                                                                     |                                                                   |                                            |                                                                                                                                          |                      |                                                                                                                                                                                                                                                               |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                | 2017/2018                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                   | 2018/2019            |                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                  | 2019/2020                         |                                                                                                                                                                                                                                                                                     |                                                                   |                                            |                                                                                                                                          |                      |                                                                                                                                                                                                                                                               |
|                                                     | ANNUAL TARGET                                                                                                                                                                                                                                                 | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | ACTUAL (1,2,3,4,5 Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                                                                                                 | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                                                                                                                                                         | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                                | CORRECTIVE MEASURE                                                | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                                                                                          | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                                                                                                 |
| LGL01                                               | 4X SPECIFIED BYLAWS SUBMITTED TO SMC for approval by Council by the 30th of June 2018 (Water Services Bylaws, Fireworks Bylaws, Debt Collection and Credit Control Bylaws and Rules of Order Bylaws)                                                          | Water Services Bylaws: Bylaws submitted to SMC by 30 June. Amendments were published for public comment with no comments received. Bylaws will be work-shopped in Portfolio Committee at the end of July 2018; Fireworks Bylaws submitted to SMC before 30th of June 2018 and was approved for public comments; Debt Collection and Credit Control Bylaws: Legal Services had initially been working on draft bylaws from the 2017/2018 policy. In the course of drafting the 2017/2018 policy, it was established that the 2018/2019 policy had been approved at the end of May 2018. A report with draft bylaws based on the 2017/2018 policy was ready to be tabled at SMC, but Finance indicated that it would make more sense to utilize the newly adopted 2018/2019 policy. Both the 2017/2018 and the 2018/2019 draft bylaws had been sent through to Finance for comment, however, Legal Services still awaits such; Rules of Order Bylaws: A report to SMC with the proposed amendments has been drafted; Wayleaves Bylaws: New bylaws are currently being published for public comment, due to expire on the 28th July 2018. | 2 (70% - 99%)                     | LGL01                | 4X SPECIFIED BYLAWS SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Street Trading and Spatial Planning and Land Use Management Bylaws) by the 30th of June 2019                      | Not all 4X SPECIFIED BYLAWS WERE SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, report has been considered and approved for public comment by the SMC Portfolio; Debt Collection and Credit Control; Street Trading and Spatial Planning and Land Use Management Bylaws) considered and approved by SMC for public comment. | 1 (68% & below)                   | Street Trading: These bylaws will have to be based on any relevant changes to the Informal Trading Policy, user department still to do policy (target not met) Committee; Spunna. Consultation has taken place with Town Planning, still requires more attention. (Target not met). | Upon the approval of the approved policy, Legal to develop bylaws | 19/20 FY                                   | 1. Resolutions Corporate Services.<br>2. Various correspondence with Finance via email.<br>3. Correspondence with Informal trading unit. | LGL01                | 1X SPECIFIED BYLAWS SUBMITTED TO SMC for approval and onward transmission to Full Council (Rules of Order Bylaws) by the 30th of June 2020                                                                                                                    |
| LGL04                                               | 100% legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2018 | 100% legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3 (100% - 129%)                   | LGL03                | 100% legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019 | 100% legal briefs not dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019.                                                                                               | 2 (70% - 99%)                     | 1. Staffing constraints due to vacancies in unit.<br>2. All briefs could not be attended to in time due to other urgent priorities.<br>3. Legal services is not at an optimal level.                                                                                                | Dependency: Staff Constraints                                     | N/A                                        | 1. Legal briefs                                                                                                                          | LGL04                | 100% legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2020 |
| LGL05                                               | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2018                                                  | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 3 (100% - 129%)                   | LGL04                | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019                                                  | 100% of all Contracts requiring Legal drafting and/or inputs not dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019                                                                                                                                                 | 2 (70% - 99%)                     | 1. Staffing constraints due to vacancies in unit.<br>2. All briefs could not be attended to in time due to other urgent priorities.<br>3. Legal services is not at an optimal level.                                                                                                | Dependency: Staff Constraints                                     | N/A                                        | Draft contracts                                                                                                                          | LGL05                | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2020                                                  |

| Job Level    | EMPLOYEE: LEGAL SERVICES |           |               |                                     |                                     |  |
|--------------|--------------------------|-----------|---------------|-------------------------------------|-------------------------------------|--|
|              | 2017/2018                |           | 2018/2019     |                                     | Vacancies (as a % of total posts) % |  |
|              | Employees No.            | Posts No. | Employees No. | Vacancies (fulltime equivalents No. |                                     |  |
| T01-T03      | 1                        | 1         | 1             | 0                                   | 0                                   |  |
| T04-T08      | 1                        | 1         | 1             | 0                                   | 0                                   |  |
| T09-T13      | 5                        | 6         | 4             | 2                                   | 33                                  |  |
| T14-T18      | 6                        | 11        | 4             | 7                                   | 64                                  |  |
| T19-T22      | 0                        | 1         | 0             | 1                                   | 100                                 |  |
| T23-T25      | 0                        | 0         | 0             | 0                                   | 0                                   |  |
| <b>Total</b> | <b>13</b>                | <b>20</b> | <b>10</b>     | <b>10</b>                           | <b>50</b>                           |  |

## FINANCIAL PERFORMANCE 2018/2019 LEGAL SERVICES (502) R'000

| Details                                          | 2017/2018     | 2018/2019       |                   |               |                                 |
|--------------------------------------------------|---------------|-----------------|-------------------|---------------|---------------------------------|
|                                                  | Actual        | Original Budget | Adjustment Budget | Actual        | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b> | <b>-140</b>   | <b>-9</b>       | <b>-9</b>         | <b>-77</b>    | <b>756%</b>                     |
| Expenditure:                                     |               |                 |                   |               |                                 |
| Employees                                        | 10 264        | 5 421           | 5421              | 7 729         | 43%                             |
| Repairs and Maintenance                          | 0             | 48              | 4                 | -8            | -300%                           |
| Other                                            | 6 825         | 2 756           | 5280              | 7 014         | 33%                             |
| <b>Total Operational Expenditure</b>             | <b>17 089</b> | <b>8 225</b>    | <b>10 705</b>     | <b>14 735</b> | <b>38%</b>                      |
| <b>Net operational (Service) Expenditure</b>     | <b>16 949</b> | <b>8 216</b>    | <b>10 696</b>     | <b>14 658</b> | <b>37%</b>                      |

Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

## CAPITAL EXPENDITURE: LEGAL SERVICES (502) R'000

| Details                        | 2018/2019 |                   |                    |                                 |                     |
|--------------------------------|-----------|-------------------|--------------------|---------------------------------|---------------------|
|                                | Budget    | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>               | <b>30</b> | <b>31</b>         | <b>30</b>          | <b>-3%</b>                      |                     |
| Project A : COMPUTER EQUIPMENT | 30        | 26                | 26                 | 0%                              | 26                  |
| Project B : OFFICE EQUIPMENT   | 0         | 5                 | 4                  | -20%                            | 4                   |

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)  
Variations are calculated as follows:  
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

### 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.

We repeat what has been stated in column 1 herein 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,
- Other urgent priorities meant not all brief could be attended to in time,
- Work distribution not optimal,
- Legal briefs not containing all relevant information.

We have already indicated new processes to improve efficiency and performance. We may mention that some of the targets that were previously indicated in the SDBIP have now been revised for the new financial year and made smarter having taken into account the fact that some processes are outside the control of the Legal Services unit and have a direct impact on the achievement of the targets.

The high vacancy rate within the unit impacts on the performance of work and currently there are only 2 Chief Legal Advisors doing the work of 5 Chief Legal Advisors and the Head of the Unit.

The Unit recognises that there has been a dip in the overall performance noting that in the financial year 2014/15 it was awarded the Best Process Unit of the year having achieved 100% in all its targets. All targets were also achieved in the next financial year.

## 5.4. ORGANISATIONAL DEVELOPMENT PERFORMANCE

### INTRODUCTION TO ORGANISATIONAL DEVELOPMENT PERFORMANCE

#### HR SERVICES REQUIRED BY LINE MANAGEMENT:

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 organisational solutions.

## EMPLOYEE TOTALS, TURNOVERS & VACANCIES

| Description                   | EMPLOYEES     |                    |               |               |             |
|-------------------------------|---------------|--------------------|---------------|---------------|-------------|
|                               | 2017/2018     | 2018/2019          |               |               |             |
|                               | Employees No. | Approved Posts No. | Employees No. | Vacancies No. | Vacancies % |
| Waste Management              | 268           | 448                | 388           | 60            | 13          |
| Cemeteries & Crematoriums     | 133           | 205                | 125           | 80            | 39          |
| Libraries                     | 113           | 134                | 114           | 20            | 15          |
| Community Facilities          | 21            | 76                 | 18            | 58            | 76          |
| BIODIVERSITY And Landscape    | 262           | 493                | 246           | 247           | 50          |
| Disaster Management           | 18            | 32                 | 20            | 12            | 38          |
| Fire Services                 | 114           | 201                | 114           | 87            | 43          |
| Traffic, Safety & Security    | 309           | 467                | 337           | 130           | 28          |
| Sport And Recreation          | 96            | 157                | 92            | 65            | 41          |
| Human Resources               | 84            | 136                | 82            | 54            | 40          |
| Info Communication Technology | 26            | 30                 | 25            | 5             | 17          |
| Legal Services                | 13            | 20                 | 10            | 10            | 50          |
| Electricity                   | 229           | 630                | 218           | 412           | 65          |
| Landfill Site                 | 24            | 32                 | 24            | 8             | 25          |
| Sanitation                    | 75            | 185                | 78            | 107           | 58          |
| Water                         | 252           | 442                | 228           | 214           | 48          |
| Fleet                         | 51            | 94                 | 51            | 43            | 46          |
| Roads                         | 13            | 43                 | 18            | 25            | 58          |
| Stormwater                    | 132           | 384                | 245           | 139           | 36          |
| Transportation                | 46            | 118                | 42            | 76            | 64          |
| Art Gallery                   | 7             | 17                 | 5             | 12            | 71          |
| Environmental Health          | 32            | 62                 | 35            | 27            | 44          |
| Housing Delivery              | 28            | 47                 | 35            | 12            | 26          |
| Airport                       | 8             | 11                 | 9             | 2             | 18          |
| Building Control & Signage    | 25            | 52                 | 25            | 27            | 52          |
| Economic Development & Growth | 10            | 21                 | 9             | 12            | 57          |
| Market                        | 46            | 57                 | 43            | 14            | 25          |
| Town Planning                 | 23            | 67                 | 23            | 44            | 66          |
| Land Survey                   | 10            | 23                 | 21            | 2             | 9           |
| Municipal Business Entities   | 1             | 3                  | 1             | 2             | 66          |
| Gevdi                         | 9             | 18                 | 9             | 9             | 50          |
| Licensing                     | 7             | 17                 | 7             | 10            | 59          |
| Housing Admin                 | 19            | 23                 | 19            | 4             | 17          |
| Real Estate & Valuation       | 16            | 37                 | 14            | 23            | 62          |
| Finance Business Unit         | 369           | 567                | 371           | 196           | 35          |
| Supply Chain Management       | 57            | 81                 | 59            | 22            | 27          |
| Council & Executive           | 123           | 207                | 111           | 96            | 46          |
| Internal Audit                | 7             | 22                 | 6             | 16            | 73          |
| Other                         | 267           | 294                | 288           | 6             | 2           |
| <b>Totals:</b>                | <b>3264</b>   | <b>5953</b>        | <b>3564</b>   | <b>2389</b>   | <b>40</b>   |

| VACANCY RATE 2018/2019                                     |                           |                                                                            |                                                                |
|------------------------------------------------------------|---------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------|
| 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                         | 1                                                                          | 33%                                                            |
| Other S57 Managers ( Finance Posts)                        | 0                         | 0                                                                          | 0                                                              |
| Traffic Officers                                           | 85                        | 36                                                                         | 42%                                                            |
| Fire Fighters                                              | 139                       | 66                                                                         | 47%                                                            |
| Senior Managers: Levels DU (excl. Finance Posts)           | 58                        | 13                                                                         | 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%                                                            |
| <b>TOTAL:</b>                                              | <b>654</b>                | <b>122</b>                                                                 | <b>19%</b>                                                     |

| TURN-OVER RATE |                                                              |                                            |                 |
|----------------|--------------------------------------------------------------|--------------------------------------------|-----------------|
| Details        | Total appointments as of the beginning of financial year No. | Terminations during the financial year No. | Turn-over rate* |
| 2016/2017      | 64                                                           | 141                                        | 89%             |
| 2017/2018      | 399                                                          | 182                                        | 45%             |
| 2017/2018      | 166                                                          | 144                                        | 13%             |

**COMMENT ON VACANCIES AND TURNOVER:**

The General Manager's: Sustainable Development and Infrastructure Services posts were vacated in the 2017/2018 financial year; General Manager: Sustainable Development Post has since been filled in the 2018/2019 Financial Year.

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 Organisation is still challenged by a relative high staff turn-over.

**MANAGING THE MUNICIPAL WORKFORCE**

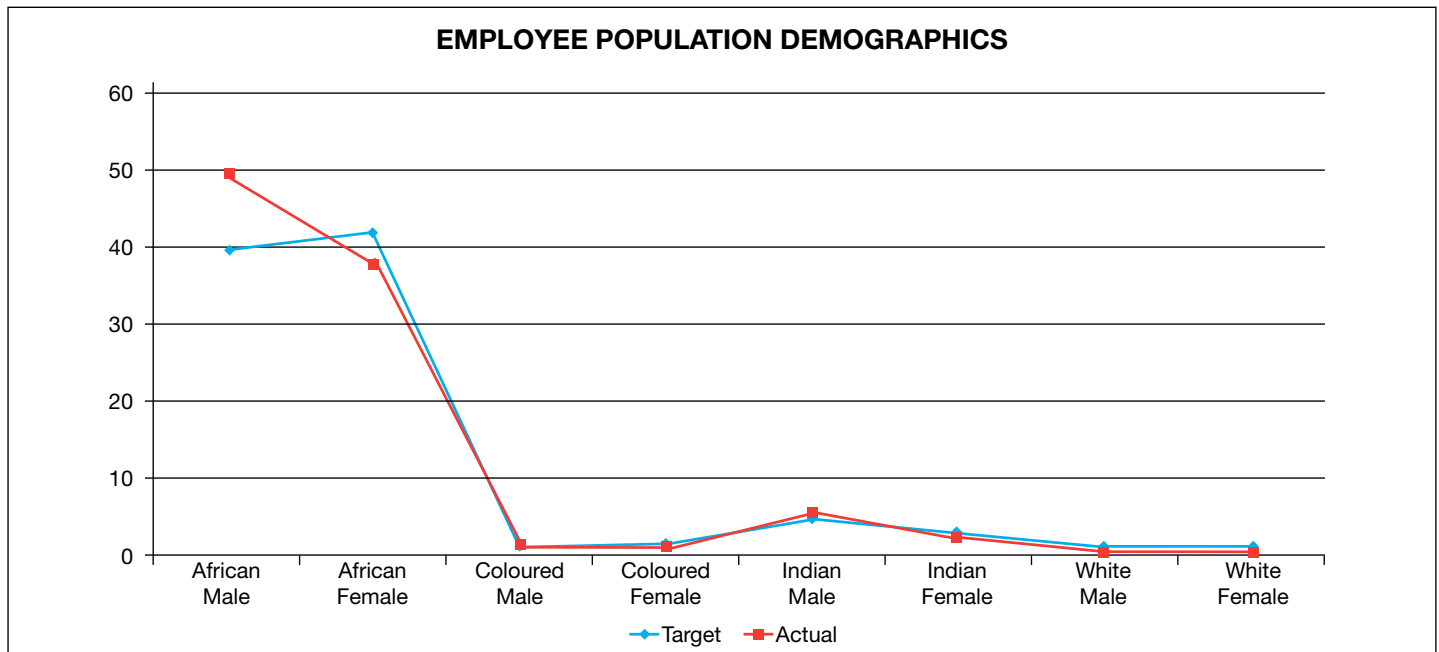
**INTRODUCTION TO MANAGING THE MUNICIPAL WORKFORCE**

An assessment of workforce requirements for the current and future organisation needs is to be periodically conducted, balancing stability of the approved organisational structure and changing demand and supply dynamics.

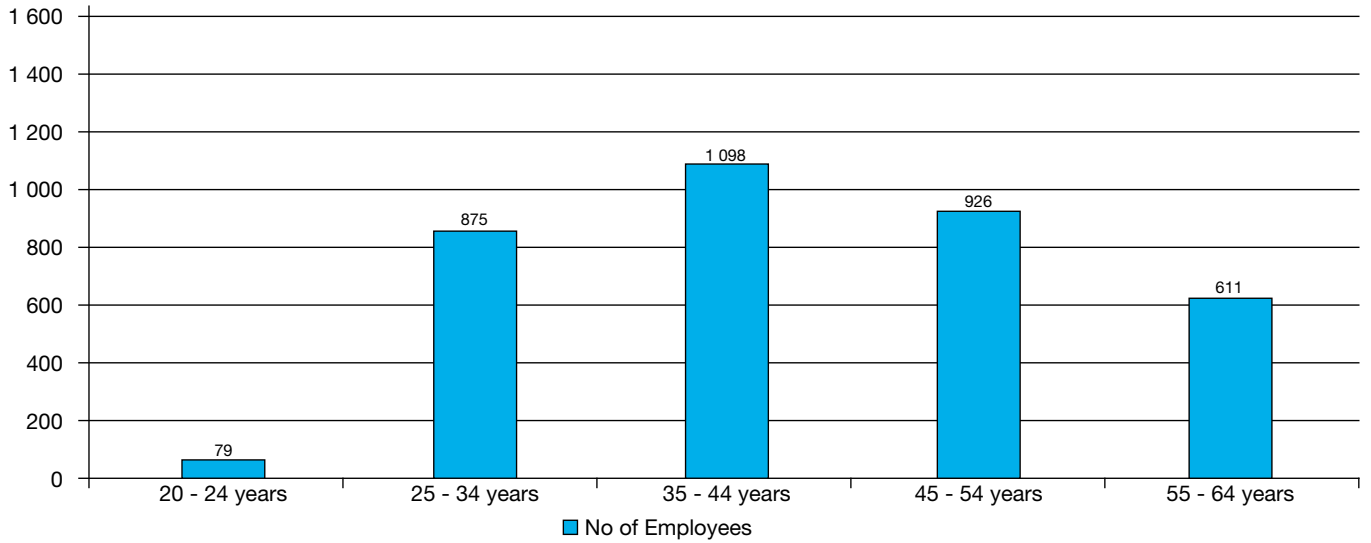
There is an urgent need for Msunduzi Management and HR senior management to give attention to attraction of younger recruits in order to bolster the talent pipeline which is presently very weak. Should nothing be done in this regard, the organisation will face the risk of business continuity and loss 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 organisational culture and climate based on diversity, equality, mutual respect and dignity for all.

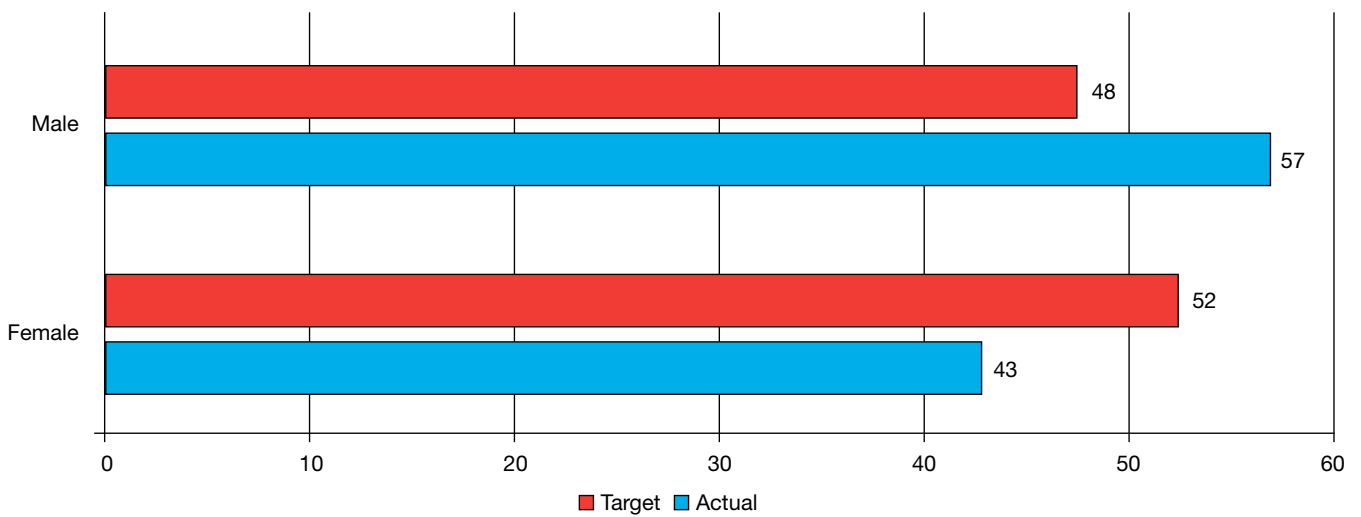
Currently in the organisation, African males are over represented at lower Occupational levels (A Grade) while other demographic groups are minimally or not represented at all. People with disabilities are critically under-represented. Of a workforce of 3459 permanent employees, the municipality is yet to facilitate the formal declaration of any employees with disabilities.



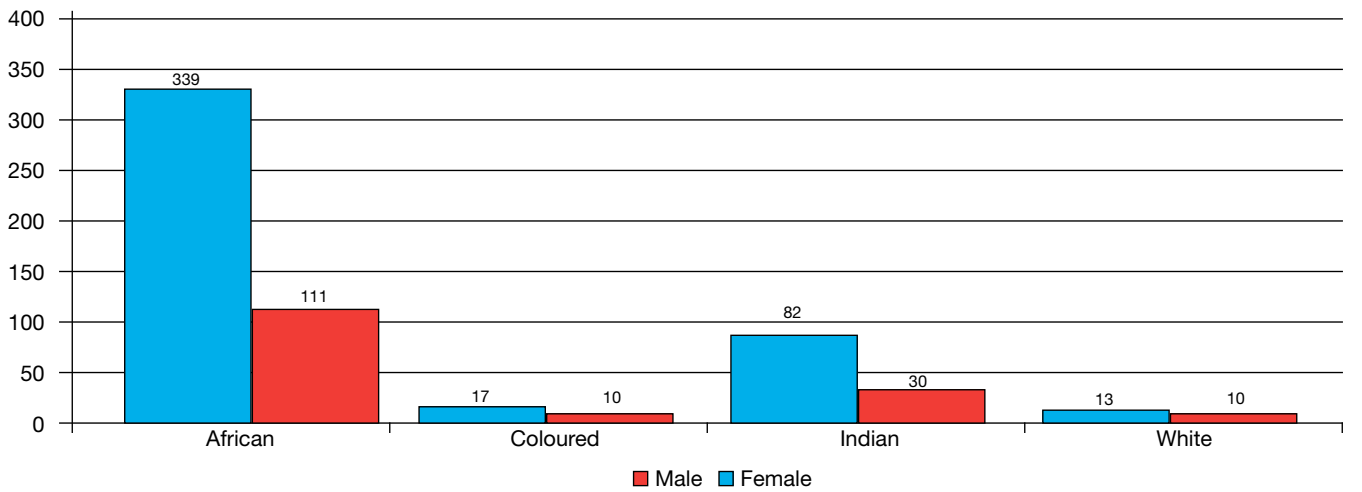
**EMPLOYEE DISTRIBUTION: AGE GROUP**



**GENDER**



**RETIREMENT PLANNING: EMPLOYEES AGE D 55-65**



## HUMAN RESOURCES POLICIES & PLANS 18/19 FINANCIAL YEAR

| MUNICIPAL POLICY            | DATE ADOPTED BY COUNCIL | COMPLETED BY % | CURRENT STATUS     | PROGRESS 2018 | TRANSLATION |
|-----------------------------|-------------------------|----------------|--------------------|---------------|-------------|
| Internship Policy           |                         | 90             | Reviewed 2018 2019 | Draft         | No          |
| Shift and night work policy |                         | 90             | Reviewed 2018 2019 | Draft         | No          |
| Stand-by policy             |                         | 90             | Reviewed 2018 2019 | Draft         | No          |
| Transfer policy             |                         | 90             | Reviewed 2018 2019 | Draft         | No          |
| Secondment Policy           |                         | 90             | Reviewed 2018 2019 | Draft         | No          |

### COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The above Policies were reviewed in 2018/2019 Financial year; the Policies are to be work-shopped with Labour toward final approval.

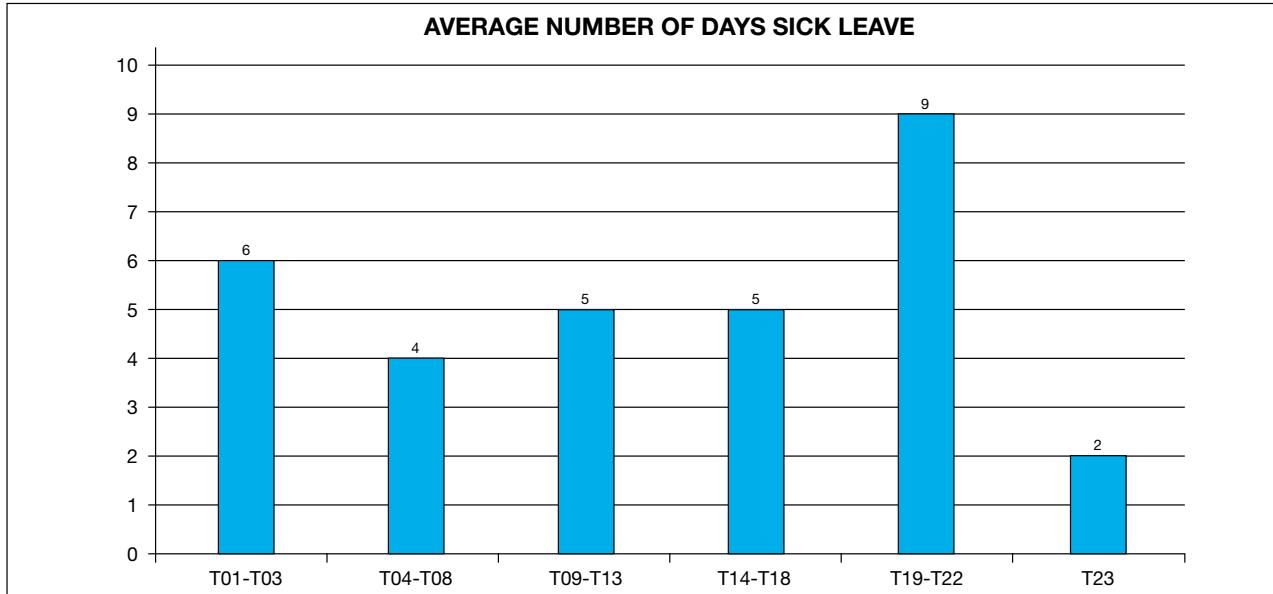
## INJURIES, SICKNESS AND SUSPENSIONS

| NUMBER AND COST OF INJURIES ON DUTY   |                          |                                   |                                 |                                        |                             |
|---------------------------------------|--------------------------|-----------------------------------|---------------------------------|----------------------------------------|-----------------------------|
| Type of Injury                        | Injury Leave taken. Days | Employees using injury leave. No. | Employees using sick leave. No. | *Average sick leave per employee. Days | Total Estimated Cost. R'000 |
| Required basic medical attention only | 9                        | 9                                 | 0                               | 0.03                                   | R1 800                      |
| Temporary total disablement           | 258                      | 56                                | 0                               | 1.07                                   | R2 584 270                  |
| Permanent Disablement                 | 87                       | 4                                 | 0                               | 0.36                                   | R2 760 664                  |
| Fatal                                 | 0                        | 0                                 | 0                               | 0                                      | 0                           |
| <b>TOTAL</b>                          | <b>354</b>               | <b>69</b>                         | <b>0</b>                        | <b>1.46</b>                            | <b>R5 346 734</b>           |

## WORKMAN'S COMPENSATION

| TEMPORARY TOTAL DISABLEMENT |                     |
|-----------------------------|---------------------|
| Months                      | Amount              |
| July 2018                   | 122 061.21          |
| August 2018                 | 122 061.21          |
| September 2018              | 122 061.21          |
| October 2018                | 122 061.21          |
| November 2018               | 122 061.21          |
| December 2018               | 166 752.67          |
| January 2019                | 132 445.91          |
| February 2019               | 137 977.58          |
| March 2019                  | 132 601.14          |
| April 2019                  | 132 300.55          |
| May 2019                    | 506 495.77          |
| June 2019                   | 144 812.57          |
| <b>TOTAL</b>                | <b>1,974,416.59</b> |

| 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                                                        | 7679         | 812                | 1391                          | 6                                          | R3,142,283.81         |
| T04-T08                                                        | 4365         | 535                | 1117                          | 4                                          | R2,509,173.88         |
| T09-T13                                                        | 3899         | 506                | 777                           | 5                                          | R4,565,690.70         |
| T14-T18                                                        | 743          | 95                 | 149                           | 5                                          | R1,690,170.81         |
| T19-T22                                                        | 184          | 15                 | 20                            | 9                                          | R722,208.54           |
| T23                                                            | 12           | 3                  | 5                             | 2                                          | R65,648.34            |
|                                                                | <b>16882</b> | <b>1966</b>        | <b>3459</b>                   | <b>5</b>                                   | <b>R12,695,176.08</b> |



**COMMENT ON INJURY AND SICK LEAVE:**

**EMPLOYEE WELLNESS DAY EVENTS:**

The Occupational Health unit conducts 2 employee wellness events biannually as per our SDBIP. In the financial year 18/19 the employee wellness events were as follows:

- Electricity Clinic – 30-11-2018
- City Engineers – 31-05-2019

**EMPLOYEE WELLNESS PROGRAMMES:**

- Both the Wellness Events were a success with 642 attendances respectively.
- Employee Health Awareness programme are per National Health Calendar Month.
- TB awareness, Cancer Awareness, Health and lifestyle Awareness, HIV&AIDS Awareness, Mental Health and stress management, pregnancy management, Alcohol, drug and substance abuse.

**PRIMARY HEALTH CARE:**

- The three occupational health clinics had 10 348 attendances in the 18/19 financial year.

**MEDICAL SURVEILLANCE**

- 253 Employment medicals were done (pre-employment, periodic & exit).

**INTERVENTION PROGRAMMES**

- O.H and WCA Employee Intervention workshops are done every Wednesdays and Thursdays of each week throughout the year for different sections.

**IMMUNISATION PROGRAMMES:**

Vaccinations and booster doses are given departmental according to the risk of exposure as per OHSA 85 of 1993 (HBAs) hazardous Biological Agents.

- Sewer department - 83 employees were given Typhoid Vaccines.
- Landfill site – 18 employees were given Tetanus toxoid vaccine AS
- Waste department is still outstanding with the Tetanus toxoid and Typhoid vaccines.

**INJURIES ON DUTY**

- 57 Injuries on duty were reported and registered with the compensation commissioner for 18/19 financial year.
- The Occupational Safety Unit core function is to develop, monitor and implement health and safety systems and procedures within the Municipality. This monitoring and reporting is undertaken to ensure compliance with the occupational Health and Safety Act. In order to ensure compliance to the Act, an operational plan was developed in accordance to the SDBIP to conduct occupational risk assessments. Risk assessments was conducted in the business units and all targets were achieved.
- The Civil Aviation License was granted to the Pietermaritzburg Airport and there was no adverse finding in terms of safety at the Airport.
- Intervention Sessions on legal compliance was done at Business Unit levels in form of workshops, induction training, newsletters and meetings.
- Injury on duty statistics are recorded monthly and there were no fatalities reported. The municipality reported a Disabling Frequency Rate (DIFR) and a Disabling Injury Severity Rate (DISR) of 1.41 and 8.69 respectively.
- All infrastructure construction projects were monitored for safety compliance and there was no adverse findings or serious injuries note.

## NUMBER AND PERIOD OF SUSPENSIONS 2018/2019

| NUMBER AND PERIOD OF SUSPENSIONS |                              |                                                                                            |
|----------------------------------|------------------------------|--------------------------------------------------------------------------------------------|
| Position                         | Nature of Alleged Misconduct | Details of Disciplinary Action taken or status of case and reasons why it is not finalized |
| Petrol Attendant                 | Misconduct                   | Investigation in progress                                                                  |
| Vehicle Pool Controller          | Misconduct                   | Investigation in progress                                                                  |
| General Assistant                | Misconduct                   | Investigation in progress                                                                  |
| City Manager                     | Misconduct                   | Investigation in progress                                                                  |
| Clerk II                         | Misconduct                   | Investigation in progress                                                                  |
| Clerk I                          | Misconduct                   | Investigation in progress                                                                  |
| Clerk                            | Misconduct                   | Investigation in progress                                                                  |
| Clerk I                          | Misconduct                   | Investigation in progress                                                                  |
| Cashier                          | Misconduct                   | Investigation in progress                                                                  |
| Cashier                          | Misconduct                   | Investigation in progress                                                                  |
| Cashier                          | Misconduct                   | Investigation in progress                                                                  |
| Cashier                          | Misconduct                   | Investigation in progress                                                                  |
| Cashier                          | Misconduct                   | Investigation in progress                                                                  |
| Cashier                          | Misconduct                   | Investigation in progress                                                                  |

### COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

A Disciplinary Team has been established within the Office of the City Manager, to expedite the finalisation of outstanding hearings. Managers are being trained in Disciplinary Procedures, a disciplinary Process Manual has been developed and a specialised Legal team has been established to assist in ensuring that those employees disregard policies and procedures are held accountable.

### DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

| DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT 2018/2019 |                    |                |                    |                                                               |
|----------------------------------------------------------------------|--------------------|----------------|--------------------|---------------------------------------------------------------|
| NO                                                                   | POSITION           | DATE SUSPENDED | BUSINESS UNIT      | STATUS QUO                                                    |
| 1                                                                    | City Manager       | 2-Aug-18       | CBU                | In Progress Serious Financial Misconduct                      |
| 2                                                                    | General Manager    | N/A            | Community Services | In Progress Serious Financial Misconduct                      |
| 3                                                                    | Fitter             | N/A            | Infrastructure     | Final Written Warning - Vehicle Abuse                         |
| 4                                                                    | Artisan            | N/A            | Infrastructure     | Final Written Warning - Vehicle Abuse                         |
| 5                                                                    | Plumber            | N/A            | Infrastructure     | Final Written Warning - Vehicle Abuse                         |
| 6                                                                    | Foreman            | N/A            | Infrastructure     | Dismissal suspended, Demotion and removal from Standby Roster |
| 7                                                                    | Welder             | N/A            | Infrastructure     | In Progress Vehicle Abuse                                     |
| 8                                                                    | Fitter             | N/A            | Infrastructure     | In Progress Vehicle Abuse                                     |
| 9                                                                    | Revenue Controller | N/A            | Finance            | Employee resigned with immediate effect                       |
| 10                                                                   | Supervisor Sewage  | N/A            | Infrastructure     | Employee resigned with immediate effect                       |

### COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

Suspension: Careful consideration is taken when suspending employees as we are cautious in terms of the wasteful expenditure and each case is assessed on its own merits in order consider the following:

That there is reasonable cause to believe that the employee's active presence at the workplace may:

- Jeopardise any investigation into the alleged misconduct;
- Interfere with potential witnesses; or
- Commit further acts of misconduct.

Disciplinary Cases: A position for a dedicated Employer Representative/Prosecutor has been vacant since July 2017 therefore there has been some difficulty in dealing effectively and sufficiently with all matters as Managers do not have the suitable training and/or are reluctant to get involved in the discipline of staff members. Since the period 2016/2017 to 2018/2019 there has also been a backlog in processing the Forensic Investigations due to numerous challenges.

Discipline is acknowledged to have taken a decline since 2016/2017 to 2018/2019 however there is progress in terms of 2017/2018 to 2018/2019 and with the required level of support we foresee optimal functioning for 2019/2020.

## 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                       | -                                      | 0                                          |
|                                          | Male   | 0                                  | 0                       | -                                      | 0                                          |
| Skilled (Levels 3-5)                     | Female | 0                                  | 0                       | -                                      | 0                                          |
|                                          | Male   | 0                                  | 0                       | -                                      | 0                                          |
| Highly skilled production (Levels 6-8)   | Female | 0                                  | 0                       | -                                      | 0                                          |
|                                          | Male   | 0                                  | 0                       | -                                      | 0                                          |
| Highly skilled supervision (Levels 9-12) | Female | 0                                  | 0                       | -                                      | 0                                          |
|                                          | Male   | 0                                  | 0                       | -                                      | 0                                          |
| Senior Management (Levels 13-15)         | Female | 5                                  | 0                       | -                                      | 0                                          |
|                                          | Male   | 12                                 | 0                       | -                                      | 0                                          |
| MM and S57                               | Female | 3                                  | 0                       | -                                      | 0                                          |
|                                          | Male   | 2                                  | 0                       | -                                      | 0                                          |
| <b>Total:</b>                            |        | <b>22</b>                          | <b>0</b>                | <b>0</b>                               |                                            |

## COMMENTS ON PERFORMANCE REWARDS

The Municipality has implemented Performance Management System up to level 3 within the organisation it is not currently linked to rewards. The Individual Performance Management Policy was reviewed and approved during the 2018/19 financial year.

Performance management is currently not being cascaded to the employees beyond the third level of management.

## THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

During the 2018/2019 Financial Year, The Skills Development Unit engaged and implemented the following interventions. The following are the achievements of the SD Unit.

- Appointed 114 Interns in various disciplines within the Msunduzi Municipality.
- Implemented the Public Admin NQF 5 and Environmental Practice NQF 3 Learnership, training 40 learners.
- Trained 361 employees in various skills programmes.
- Embarked on a recruitment drive to register employees for Adult Education Programme (AET) and Matric. The initiative was aimed at establishing the number of employees wanting to complete Matric and employees wanting to pursue the Adult Education Programme.
- Facilitated the implementation of the Environmental Practice, Transport Management and Disaster Management LGSETA funded Learnerships.
- 38 municipal employees were awarded study assistance in the 2018/2019 Financial Year.
- Facilitated the LGSETA 2018/2019 DG bursaries for 4 employed and 3 unemployed students.
- 101 Work exposure students were placed in the various Business Units in the 2018/2019 Financial Year.

## SKILLS DEVELOPMENT & TRAINING

| SKILLS MATRIX                            |        |                                      |                                                                    |                     |                     |                                           |                     |                     |                         |                     |                     |
|------------------------------------------|--------|--------------------------------------|--------------------------------------------------------------------|---------------------|---------------------|-------------------------------------------|---------------------|---------------------|-------------------------|---------------------|---------------------|
| Management Level                         | Gender | Employees in post as at 30 June 2019 | Number of skilled employees required and actual as at 30 June 2019 |                     |                     |                                           |                     |                     |                         |                     |                     |
|                                          |        |                                      | Learnerships                                                       |                     |                     | Skills programmes and other short courses |                     |                     | Other forms of training |                     |                     |
|                                          |        |                                      | No.                                                                | Actual 30 June 2018 | Actual 30 June 2019 | Target 2020                               | Actual 30 June 2018 | Actual 30 June 2019 | Target 2020             | Actual 30 June 2018 | Actual 30 June 2019 |
| 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 | 199                                  | 0                                                                  | 0                   | 0                   | 24                                        | 7                   | 10                  | 0                       | 0                   | 0                   |
|                                          | Male   | 298                                  | 0                                                                  | 0                   | 0                   | 19                                        | 16                  | 10                  | 0                       | 0                   | 0                   |
| Technicians and associate professionals  | Female | 94                                   | 0                                                                  | 0                   | 0                   | 17                                        | 1                   | 5                   | 3                       | 0                   | 10                  |
|                                          | Male   | 95                                   | 0                                                                  | 0                   | 0                   | 22                                        | 4                   | 5                   | 27                      | 0                   | 30                  |
| Professionals                            | Female | 86                                   | 0                                                                  | 0                   | 0                   | 19                                        | 17                  | 8                   | 0                       | 0                   | 0                   |
|                                          | Male   | 145                                  | 0                                                                  | 0                   | 0                   | 32                                        | 50                  | 11                  | 0                       | 0                   | 0                   |
| Sub-totals                               | Female | 382                                  | 0                                                                  | 0                   | 0                   | 60                                        | 25                  | 23                  | 3                       | 0                   | 10                  |
|                                          | Male   | 541                                  | 0                                                                  | 0                   | 0                   | 73                                        | 70                  | 26                  | 27                      | 0                   | 30                  |
| <b>Totals</b>                            |        | <b>923</b>                           | <b>0</b>                                                           | <b>0</b>            | <b>0</b>            | <b>133</b>                                | <b>70</b>           | <b>49</b>           | <b>30</b>               | <b>0</b>            | <b>40</b>           |

| FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT* |                                                                                       |                                                                                             |                             |                                                                                          |                                                                                                                      |                                                                                                          |
|----------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| Description                                        | A<br>Total number of officials employed by municipality (Regulation 14(4)(a) and (c)) | B<br>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                                |                                                                                       |                                                                                             |                             |                                                                                          |                                                                                                                      |                                                                                                          |
| Accounting Officer                                 | 1                                                                                     | 0                                                                                           | 1                           | 1                                                                                        | 1                                                                                                                    | 1                                                                                                        |
| Chief Financial Officer                            | 1                                                                                     | 0                                                                                           | 1                           | 1                                                                                        | 1                                                                                                                    | 1                                                                                                        |
| Senior Managers                                    | 4                                                                                     | 0                                                                                           | 4                           | 4                                                                                        | 24                                                                                                                   | 4                                                                                                        |
| Any other financial officials                      | 457                                                                                   | 0                                                                                           | 457                         | 42                                                                                       | 0                                                                                                                    | 42                                                                                                       |
| Supply Chain Management Officials                  |                                                                                       |                                                                                             |                             |                                                                                          |                                                                                                                      |                                                                                                          |
| Heads of supply chain management units             | 2                                                                                     | 0                                                                                           | 2                           | 1                                                                                        | 1                                                                                                                    | 1                                                                                                        |
| Supply chain management senior managers            | 1                                                                                     | 0                                                                                           | 1                           | 1                                                                                        | 0                                                                                                                    | 1                                                                                                        |
| <b>TOTAL</b>                                       | <b>466</b>                                                                            | <b>0</b>                                                                                    | <b>466</b>                  | <b>50</b>                                                                                | <b>27</b>                                                                                                            | <b>50</b>                                                                                                |

This is a statutory report under the national treasury: LG MFMA Regulations

| SKILLS DEVELOPMENT EXPENDITURE<br>'000   |        |                                           |                                                                    |                 |                                           |                    |                         |                 |                      |                      |
|------------------------------------------|--------|-------------------------------------------|--------------------------------------------------------------------|-----------------|-------------------------------------------|--------------------|-------------------------|-----------------|----------------------|----------------------|
| Management Level                         | Gender | Employees as at the beginning of the year | Number of skilled employees required and actual as at 30 June 2019 |                 |                                           |                    |                         |                 |                      |                      |
|                                          |        |                                           | 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 & managers | Female | 199                                       | 0                                                                  | 0               | R4 956                                    | R4 956             | 0                       | 0               | R4 956               | R4 956               |
|                                          | Male   | 298                                       | 0                                                                  | 0               | R11 328                                   | R11 328            | 0                       | 0               | R11 328              | R11 328              |
| Professionals                            | Female | 86                                        | 0                                                                  | 0               | R57 558                                   | R57 558            | 0                       | 0               | R57 558              | R57 558              |
|                                          | Male   | 145                                       | 0                                                                  | 0               | R209 060                                  | R209 060           | 0                       | 0               | R209 060             | R209 060             |
| Technicians and associate professionals  | Female | 94                                        | 0                                                                  | 0               | R708                                      | R708               | R68 640                 | R68 640         | R69 348              | R69 348              |
|                                          | Male   | 95                                        | 0                                                                  | 0               | R6 629                                    | R6 629             | R617 760                | R617 760        | R624 389             | R624 389             |
| Clerks                                   | Female | 146                                       | R334 730                                                           | R334 730        | R150 353                                  | R150 353           | 0                       | 0               | R485 083             | R485 083             |
|                                          | Male   | 95                                        | R59 070                                                            | R59 070         | R101 685                                  | R101 685           | 0                       | 0               | R160 755             | R160 755             |
| Service and sales workers                | Female | 153                                       | 0                                                                  | 0               | R13 500                                   | R13 500            | 0                       | 0               | R13 500              | R13 500              |
|                                          | Male   | 416                                       | 0                                                                  | 0               | R59 400                                   | R59 400            | 0                       | 0               | R59 400              | R59 400              |
| Plant and machine operators & assemblers | Female | 101                                       | 0                                                                  | 0               | R87000                                    | R87000             | 0                       | 0               | R87000               | R87000               |
|                                          | Male   | 187                                       | 0                                                                  | 0               | R102 572.45                               | R102 572.45        | 0                       | 0               | R102 572.45          | R102 572.45          |
| Elementary occupations                   | Female | 522                                       | R280000                                                            | R280000         | R42602.80                                 | R42602.80          | 0                       | 0               | R322602.80           | R322602.80           |
|                                          | Male   | 776                                       | R140000                                                            | R140000         | R132576.80                                | R132576.80         | 0                       | 0               | R272576.80           | R272576.80           |
| Sub-totals                               | Female | 1301                                      | R614 730                                                           | R614 730        | R356 677.8                                | R356 677.8         | R68 640                 | R68 640         | R1 040 047.8         | R1 040 047.8         |
|                                          | Male   | 2012                                      | R199 070                                                           | R199 070        | R623 251.25                               | R623 251.25        | R617 760                | R617 760        | R1 440 081.25        | R1 440 081.25        |
| <b>Totals</b>                            |        | <b>3319</b>                               | <b>R813 800</b>                                                    | <b>R813 800</b> | <b>R979 929.05</b>                        | <b>R979 929.05</b> | <b>R686 400</b>         | <b>R686 400</b> | <b>R2 480 129.05</b> | <b>R2 480 129.05</b> |

\*% 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:

During the 2018/2019 Financial Year only 361 employees were trained in all the occupational categories, the target was to train 1035 employees in total. The Skills Development Unit only achieved 35% of its target due to the Cost Containment strategy and the delays in the appointment of some service providers. The reason being, that the Skills Development Unit was not permitted to use the budgets of the Business Units that was approved for the implementation of capacity building and training within the Msunduzi Municipality. Only LGSETA grants were used to implement skills development interventions.

In terms of the MFMA Competency Regulations, the Msunduzi Municipality has trained officials within the five categories. The municipality has not implemented any MFMA training in the 2018/2019 financial year as it was busy appointing a training provider to implement the training. The target for the training being MFMA Interns and non-finance managers in the various Business Units.

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. The Municipality has met the MFMA Competency Regulations.

## MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

The municipality has made a concerted effort to manage workforce expenditure by improving the management and control of overtime.

This included the centralisation of the processing of leave and overtime to ensure conformity, and the introduction of standardised pre-approval and overtime claim forms to address such issues as the necessity for work to be carried out after hours, verification that the time claimed was justified in relation to the work done, location of work, vehicle usage, compliance with policy and availability of funding amongst others.



The overtime policy and procedures are also being reviewed to improve the management and control of overtime. Online leave approval was launched as a pilot in 2016/17 is currently being tested to improve control over leave management.

## EMPLOYEE EXPENDITURE

| NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED |                                                       |                     |   |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------|---|
| Beneficiaries                                                                           | Occupation                                            | Total               |   |
| Skilled (Levels 3-5)                                                                    | Call Centre Agent                                     | 5                   |   |
|                                                                                         | Clerk                                                 | 4                   |   |
|                                                                                         | Handyman I                                            | 1                   |   |
|                                                                                         | Plant Operator                                        | 2                   |   |
|                                                                                         | Cleaning & Grounds Supervisor                         | 1                   |   |
|                                                                                         | Driver                                                | 5                   |   |
|                                                                                         | Tree Cutter                                           | 1                   |   |
|                                                                                         | WCA/ Admin Clerk                                      | 1                   |   |
|                                                                                         | Snr Clerk                                             | 2                   |   |
|                                                                                         | Buyer                                                 | 1                   |   |
|                                                                                         | ECC Controller                                        | 6                   |   |
|                                                                                         | Fire Fighter                                          | 11                  |   |
|                                                                                         | HCT Counsellor                                        | 1                   |   |
|                                                                                         | Nursing Assistant                                     | 3                   |   |
|                                                                                         | Ripening Room Controller                              | 1                   |   |
|                                                                                         | Storeman                                              | 5                   |   |
|                                                                                         | Technical Clerk                                       | 4                   |   |
|                                                                                         | Weighbridge Controller                                | 2                   |   |
|                                                                                         | Highly skilled production (Levels 6-8)                | Artisan/ Bricklayer | 1 |
|                                                                                         |                                                       | Bricklayer          | 1 |
| Carpenter                                                                               |                                                       | 1                   |   |
| HR Officer                                                                              |                                                       | 1                   |   |
| Plans Examiner                                                                          |                                                       | 1                   |   |
| Plumber                                                                                 |                                                       | 1                   |   |
| Vehicle Pool Controller                                                                 |                                                       | 1                   |   |
| Admin Officer                                                                           |                                                       | 3                   |   |
| Foreman                                                                                 |                                                       | 5                   |   |
| Job Writer                                                                              |                                                       | 3                   |   |
| Monitoring Officer                                                                      |                                                       | 4                   |   |
| Primary Health Care Nurse                                                               |                                                       | 1                   |   |
| Sub-Accountant                                                                          |                                                       | 1                   |   |
| Supervisor                                                                              |                                                       | 6                   |   |
| Highly skilled production (Levels 9-12)                                                 | Auditor                                               | 2                   |   |
|                                                                                         | Community Development Facilitator                     | 2                   |   |
|                                                                                         | Co-ordinator                                          | 1                   |   |
|                                                                                         | Environmental Health Practitioners                    | 3                   |   |
|                                                                                         | Senior Liaison Officer                                | 1                   |   |
|                                                                                         | Snr Education & Technical Officer                     | 1                   |   |
|                                                                                         | Service Desk Officer (2008 - Service Desk Consultant) | 1                   |   |
|                                                                                         | Superintendent                                        | 2                   |   |
|                                                                                         | Electronic Engineer                                   | 1                   |   |
|                                                                                         | Security Superintendent                               | 1                   |   |
|                                                                                         | Assistant Chief Fire Officer                          | 3                   |   |
|                                                                                         | Chief Town Planner                                    | 1                   |   |
|                                                                                         | Manager                                               | 4                   |   |
| Senior management (Levels 13-16)                                                        | Chief Audit Executive                                 | 1                   |   |
|                                                                                         | Senior Manager                                        | 8                   |   |
| MM and S57                                                                              |                                                       | 0                   |   |
|                                                                                         |                                                       | <b>118</b>          |   |

## EMPLOYEES WHO'S SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION

| Occupation      | No. of employees | Job evaluation level | Remuneration level | Reason for deviation                                                                                      |
|-----------------|------------------|----------------------|--------------------|-----------------------------------------------------------------------------------------------------------|
| Accountant      | 1                | T12                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Admin Assistant | 1                | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Admin Clerk     | 9                | T6                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Admin Officer   | 8                | T9                   | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation                        | No. of employees | Job evaluation level | Remuneration level | Reason for deviation                                                                                      |
|-----------------------------------|------------------|----------------------|--------------------|-----------------------------------------------------------------------------------------------------------|
| Arborists                         | 3                | T5                   | B200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Area Manager                      | 5                | T15                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Artisan (Printing)                | 2                | T10                  | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Audit Supervisor                  | 1                | T13                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Beneficiary Administrator         | 1                | T11                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Building Inspector                | 6                | T10                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Business Analyst                  | 2                | T12                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Buyer                             | 1                | T9                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Cable Layer                       | 1                | T5                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| CAD / GIS Operator                |                  | T9                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Call Centre Agent                 | 4                | T6                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Capturing Clerk                   | 2                | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Caretaker                         | 7                | T6                   | B405               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Cashier                           | 26               | T5                   | B100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Chief Accountant                  | 2                | T15                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Chief Building Inspector          | 1                | T13                  | D200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Clerk                             | 143              | T6                   | B3/4               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Clerk of Works                    | 2                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Committee Officer                 | 14               | T10                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Community Development Facilitator | 6                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Community Liaison                 | 1                | T7                   | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Conservation Supervisor           | 1                | T7                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Contract Admin Officer            | 5                | T11                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Control Officer                   | 2                | T10                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Co-ordinator                      | 2                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Co-ordinator                      | 2                | T11                  | D100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Co-ordinator                      | 3                | T14                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Crematoria Operators              | 2                | T6                   | B200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Customer Liaison Officer          | 1                | T6                   | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Customer Service Officer          | 1                | T11                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Data Capturer                     | 2                | T5                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Desktop Publisher                 | 1                | T9                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Desktop Support Technician        | 3                | T10                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Disaster Management Assistant     | 1                | T6                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| District Horticulturalist         | 3                | T12                  | D100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Driver                            | 11               | T4                   | A400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Driver / VIP Protectors           | 3                | T7                   | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation                                     | No. of employees | Job evaluation level | Remuneration level | Reason for deviation                                                                                      |
|------------------------------------------------|------------------|----------------------|--------------------|-----------------------------------------------------------------------------------------------------------|
| ECC Controller                                 | 1                | T9                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Economist                                      | 1                | T15                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Education & Training Co-ordinator              | 1                | T13                  | D200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Education Officer Art                          | 1                | T10                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Education, Development & Training Practitioner | 4                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Electrician                                    | 21               | T10                  | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Engineer/ Technologist                         | 1                | T14                  | D300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Exit Controller                                | 4                | T5                   | B100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Faults man                                     | 1                | T10                  | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Field Hygiene Worker                           | 7                | T3                   | A300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Financial Controller                           | 1                | T14                  | D300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Financial Officer                              | 3                | T16                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Firefighter                                    | 30               | T9                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Foreman                                        | 7                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| General Assistant                              | 783              | T3                   | A300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| GIS Technician                                 | 1                | T9                   | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Hall Assistants                                | 8                | T3                   | A300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Handyman                                       | 16               | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| High Speed Copier Op                           | 1                | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| HIV / AIDS Counsellor & Trainer                | 1                | T11                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Housing Officer                                | 1                | T9                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| HR Manager                                     | 1                | T15                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| HR Officer                                     | 1                | T10                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Hydrant Maintenance Inspector                  | 1                | T6                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| ICT Projects Administrator                     | 1                | T9                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Information Officer                            | 1                | T6                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Inspector                                      | 13               | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Installation Inspector                         | 1                | T10                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Interpreter / Translator                       | 9                | T10                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Legal Advisor: Bylaws and Policies             | 2                | T17                  | E200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Liaison Officer                                | 2                | T10                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Librarian                                      | 12               | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Library Assistant                              | 45               | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Licensing Clerk                                | 1                | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Licensing Inspector                            | 6                | T9                   | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Loss Officers                                  | 1                | T7                   | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Maintenance Supervisor                         | 1                | T8                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation                          | No. of employees | Job evaluation level | Remuneration level | Reason for deviation                                                                                      |
|-------------------------------------|------------------|----------------------|--------------------|-----------------------------------------------------------------------------------------------------------|
| Manager                             | 1                | T13                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Manager                             | 5                | T14                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Manager                             | 16               | T15                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Market Controller                   | 1                | T5                   | B200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Market Inspector                    | 1                | T9                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Mechanic                            | 9                | T10                  | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Occupational Health Practitioner    | 2                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Officer                             | 2                | T10                  | D100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Officer                             | 4                | T12                  | D300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Operations Controller               | 1                | T7                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Operator                            | 1                | T4                   | B500               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Personal Assistant                  | 10               | T7                   | D100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Petrol Attendant                    | 3                | T3                   | A300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Plans Examiner                      | 1                | T10                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Plant Operator                      | 2                | T6                   | B200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Plumber/ Fitter                     | 1                | T10                  | B506               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Pool Attendants                     | 8                | T3                   | A300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Pools Assistants                    | 3                | T3                   | A300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Pools Supervisors                   | 6                | T9                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Principal Accountant                | 2                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Principal Admin Officer             | 2                | T11                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Principal Survey CAD Operator       | 1                | T10                  | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Principal Technician                | 2                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Printing Assistant                  | 1                | T4                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Promotions & Administration Officer | 1                | T10                  | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Receptionist                        | 7                | T5                   | B200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Records Controller                  | 1                | T7                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Recruitment Officer                 | 1                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Revenue Clearance Officer           | 1                | T10                  | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Road Markers                        | 12               | T3                   | B200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Safety Officer                      | 1                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Secretary                           | 13               | T7                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Security Officers                   | 102              | T7                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Clerk (Benefits)             | 1                | T9                   | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Librarian                    | 3                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Admin Officer                | 4                | T10                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Building Inspector           | 1                | T11                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation                                        | No. of employees | Job evaluation level | Remuneration level | Reason for deviation                                                                                      |
|---------------------------------------------------|------------------|----------------------|--------------------|-----------------------------------------------------------------------------------------------------------|
| Senior Cashier                                    | 1                | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Clerk                                      | 19               | T6                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Control Officer                            | 1                | T11                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Driver                                     | 1                | T6                   | B200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Groundsman Central & Ashburton             | 3                | T8                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Librarian                                  | 4                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Library Assistant                          | 18               | T7                   | B500               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Manager: Secretariat & Auxilliary Services | 1                | T16                  | E200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Plant Operator                             | 3                | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Project Officer                            | 1                | T14                  | D300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Senior Technician                                 | 1                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Server Administrator                              | 1                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Serviceman                                        | 3                | T7                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Signs Inspector                                   | 2                | T7                   | B500               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Snr Engineer: Design                              | 1                | T15                  | DU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Snr Technician                                    | 10               | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Social Worker                                     | 1                | T12                  | D100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Storeman                                          | 2                | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Stores Clerk                                      | 1                | T6                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Stores Controller: Dispatching                    | 1                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Summons Servers                                   | 1                | T6                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Superintendent: Road Signs & Road Marking         | 1                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Super-Users                                       | 1                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Supervisor                                        | 16               | T11                  | D100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Survey Technician                                 | 1                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Systems Operator                                  | 1                | T9                   | C100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Technical Clerk                                   | 1                | T7                   | B500               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Technical Officer Art                             | 1                | T10                  | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Technician / Snr Technician                       | 7                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Telephonist                                       | 4                | T5                   | B300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Town Planner                                      | 4                | T12                  | D100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Tractor Driver                                    | 28               | T5                   | B100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Traffic Officer                                   | 42               | T9                   | C200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Traffic Warden                                    | 40               | T5                   | B200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Truck Driver                                      | 3                | T5                   | B100               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Tyre Fitter                                       | 1                | T4                   | A400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Valuer                                            | 2                | T12                  | CU00               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| Occupation                       | No. of employees | Job evaluation level | Remuneration level | Reason for deviation                                                                                      |
|----------------------------------|------------------|----------------------|--------------------|-----------------------------------------------------------------------------------------------------------|
| Ward Strategy Facilitator        | 2                | T11                  | C300               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Water Services Authority Manager | 1                | T16                  | E200               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| WCA/ Admin Clerk (OH)            | 1                | T7                   | B500               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |
| Yard Supervisor                  | 1                | T6                   | B400               | Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value |

| EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS |                             |                                                                         |
|----------------------------------------------|-----------------------------|-------------------------------------------------------------------------|
| BUSINESS UNIT                                | POST TITLE                  | COMMENTS                                                                |
| Budget & Treasury                            | Fin.Support Service Manager | Employee unallocated to approved structure – Close match not identified |
| Budget & Treasury                            | Fin.Support Service Manager | Employee unallocated to approved structure – Close match not identified |
| Budget & Treasury                            | Principal Clerk             | Employee unallocated to approved structure – Close match not identified |
| Budget & Treasury                            | Fin.Support Service Manager | Employee unallocated to approved structure – Close match not identified |
| Community                                    | Professional Engineer       | Employee unallocated to approved structure – Close match not identified |
| Corporate Services                           | Employee Relations Manager  | Employee unallocated to approved structure – Close match not identified |
| City Manager's office                        | Communications Officer      | Employee unallocated to approved structure – Close match not identified |

#### COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

The approval of the 2013 Structure saw the allocation of employees from the 2004 structure with perceived grades, to the approved task grades aligned to a written Job Description - Where offers of allocation were accepted and are at a lower level, the allocation will be done on Personal to Holder until the post is filled by a new incumbent.

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. The allocation of the employees was done by matching the job content/requirement of the post per the structure with the skills/competencies, qualifications, experience of the employees, omissions on the new structure, coupled with the provision that an employee may not be allocated into a higher level post without the post having being duly advertised, resulted in 7 employees remaining unallocated to the 2013 structure. Structure Review is to commence in the 19/20 financial year.

## COMPONENT F: CORPORATE BUSINESS UNIT

This component includes: council and executive & internal audit.

### 6.1 COUNCIL AND EXECUTIVE

#### INTRODUCTION TO EXECUTIVE AND COUNCIL

The Executive and Council include all administrative support that is provided to the offices of the Mayor, Speaker, Municipal Public Accounts Chairperson and the City Manager. This includes, inter alia, meetings of Council and its committees and support related to the functioning of ward committees.

The Executive and Council is rendered committee support by the Secretariat & Auxiliary Services Unit. The main purpose for the existence of this Unit is to give administrative support, primarily to Council and its committees and to ensure smoothness of Council's decision making process.

The Unit in turn comprises three sub-units, namely Secretariat, Information Centre and Printing.

The Unit commits itself to providing efficient printing service to Council & business units; quality minutes and efficient record keeping of all minutes of Council and its committees.

In an attempt to improve its performance in so far as it concerns the quality management of minutes the Unit introduced various levels of accountability to check agendas and minutes so as to minimize errors and material amendments respectively. In addition, the decisions of Executive and Management Committees are electronically captured at meetings and confirmed at the end of each meeting so as to speed up the implementation of thereof.

#### SERVICE STATISTICS FOR COUNCIL & EXECUTIVE

| COUNCILLORS AND COMMITTEE MEETING DATA 2018/ 2019     |        |
|-------------------------------------------------------|--------|
| ITEM                                                  | NUMBER |
| Total number of Councillors                           | 78     |
| Total number of Executive Committee Members           | 10     |
| Total number of wards                                 | 39     |
| Total number of ward committee meetings               | 363    |
| Total number of community meetings                    | 181    |
| <b>NUMBER AND TYPE OF COUNCIL COMMITTEE MEETINGS:</b> |        |
| Full Council                                          | 23     |
| Executive Committee                                   | 24     |
| Corporate Services                                    | 9      |
| Financial Services                                    | 14     |
| Infrastructure Services                               | 11     |
| Community Services                                    | 8      |
| Sustainable Development & City Entities               | 13     |
| Municipal Public Accounts Committee                   | 7      |

| COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                                                                                        |                                                                                                                                                                                                                        |                                    |                      |                                                                                                                                                                                         |                                                                                                                                                                                         |                                    |                                                                                                                                                 |                                                                                                                                                                             |                                                                    |                                                                                                                                                                                  |                      |                                                                                                                                                                                          |
|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                     | 2017/2018                                                                                                                                                                                                              |                                                                                                                                                                                                                        |                                    |                      | 2018/2019                                                                                                                                                                               |                                                                                                                                                                                         |                                    |                                                                                                                                                 | 2019/2020                                                                                                                                                                   |                                                                    |                                                                                                                                                                                  |                      |                                                                                                                                                                                          |
|                                                          | ANNUAL TARGET                                                                                                                                                                                                          | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                               | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                           | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                            | CORRECTIVE MEASURE                                                                                                                                                          | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES                         | SOURCE DOCUMENT                                                                                                                                                                  | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                            |
| OTS 01                                                   | Annual schedule of meetings 2018/2019 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2018                                                                                            | 396 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2018                                  | 3 (100% - 129%)                    | OTS 01               | Annual schedule of meetings 2019/2020 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2019                                                             | 8 Councillors have submitted their Annual schedule of meetings for the 2019/2020 FY                                                                                                     | 1 (69% & below)                    | Not all Councillors have submitted their Annual schedule of meetings                                                                            | Meeting to be held with councillors in order for them to provide this information. It will then be submitted to CoGTA                                                       | Jun-19                                                             | Annual schedule of meetings file                                                                                                                                                 | PS 05                | Annual schedule of meetings 2020/2021 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2019                                                              |
| OTS 02                                                   | 468 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2018                                  | 396 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2018                                  | 1 (69% & below)                    | OTS 02               | 468 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019   | 144 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019   | 1 (69% & below)                    | Due to late submission by Councillors                                                                                                           | Meeting to be held with councillors regarding the simultaneous submission of reports in the next financial year                                                             | Jul-19                                                             | 144 X Monthly Reports on the functioning/status of ward committees                                                                                                               | PS 06                | 468 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2020    |
| OTS 03                                                   | Minutes of ward and community meetings from each of 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2018                                             | Minutes of ward and community meetings from each of 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2018                                             | 3 (100% - 129%)                    | OTS 03               | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                   | 255x Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019              | 2 (70% - 99%)                      | Not all ward assistance submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY.                | The speaker to issue councillors with a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period | Immediately to issue the memo, and implementation 1 September 2019 | 235 x Minutes of community meetings                                                                                                                                              | PS 07                | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2020                    |
| OTS 04                                                   | All services delivery requests reported per ward directly to the Office of the Speaker to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2018 | All services delivery requests reported per ward directly to the Office of the Speaker to be forwarded to customer care / relevant business units within 8 hours from the time it is reported by the 30th of June 2018 | 3 (100% - 129%)                    | OTS 04               | Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                        | 393 x Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                  | 2 (70% - 99%)                      | Not all ward assistance submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY.                | The speaker to issue councillors with a memo for minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period                           | Immediately to issue the memo, and implementation 1 September 2019 | Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                 | PS 08                | Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2020                         |
| MSP 01                                                   | Annual calendar of events for Mayoral Special Projects 2018/2019 financial year submitted to SMC for approval by the 31st of May 2018                                                                                  | Annual calendar of events for Mayoral Special Projects 2018/2019 financial year submitted to SMC for approval by the 31st of May 2018                                                                                  | 3 (100% - 129%)                    | MSP 01               | Annual calendar of events for Mayoral Special Projects 2019/2020 financial year submitted to SMC for approval by the 31st of May 2019                                                   | Annual calendar of events for Mayoral Special Projects 2019/2020 financial year submitted to SMC for approval by the 31st of May 2019                                                   | 3 (100% - 129%)                    | N/A                                                                                                                                             | N/A                                                                                                                                                                         | N/A                                                                | Annual calendar of events for Mayoral Special Projects 2019/2020 financial year                                                                                                  | PS 01                | Annual calendar of events for Mayoral Special Projects 2020/2021 financial year submitted to SMC for approval by the 31st of May 2020                                                    |
| MSP 02                                                   | 100% implementation of All Mayoral Special Programmes for 2017/2018 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2018                               | 100% implementation of All Mayoral Special Programmes for 2017/2018 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2018                               | 3 (100% - 129%)                    | MSP 02               | 50% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019 | 50% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019 | 1 (69% & below)                    | The budget allocated for the implementation of the Mayoral Special Programmes was insufficient, only 50% of the programmes could be implemented | Allocation of sufficient budget                                                                                                                                             | Jul-19                                                             | Attendance registers for Mandela Day; Senior Citizens games; Reel dance; SALGA Games; Christmas Party for Orphans; International Day and Parliament for People with Disabilities | PS 02                | 100% implementation of All Mayoral Special Programmes for 2019/2020 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019 |
| MSP 03                                                   | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2018                                                                                            | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2018                                                                                            | 3 (100% - 129%)                    | MSP 03               | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                             | 11 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                             | 2 (70% - 99%)                      | Vacancies existed in the unit and the one report was not completed                                                                              | To ensure that vacancies are prioritised and all reports be completed according to approved targets                                                                         | 19/20 FY                                                           | Monthly report on Mayoral Special Projects                                                                                                                                       | PS 03                | 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                                         |
| MSP 04                                                   | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2018                                                                                                 | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2018                                                                                                 | 3 (100% - 129%)                    | MSP 04               | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2019                                                                  | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2019                                                                  | 3 (100% - 129%)                    | N/A                                                                                                                                             | N/A                                                                                                                                                                         | N/A                                                                | Monthly report on the Back to Basics National Template                                                                                                                           | PS 04                | 12 x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2020                                                                  |
| IDP01                                                    | 1 x IDP Review 2018/2019 FY completed by the 31st of May 2018                                                                                                                                                          | 1 x IDP Review 2018/2019 FY completed by the 31st of May 2018                                                                                                                                                          | 3 (100% - 129%)                    | IDP01                | 1 x IDP Review 2019/2020 FY completed by the 31st of May 2019                                                                                                                           | 1 x IDP Review 2019/2020 FY completed by the 31st of May 2019                                                                                                                           | 3 (100% - 129%)                    | N/A                                                                                                                                             | N/A                                                                                                                                                                         | N/A                                                                | Council Resolution                                                                                                                                                               | SP 04                | 1 x IDP Review 2020/2021 FY completed and submitted to Council for Approval by the 31st of May 2020                                                                                      |
| IDP02                                                    | Draft IDP/Budget/PMS Process plan 2018/2019 FY developed and submitted to SMC by the 31st of August 2017 for approval and onwards submission to CoGTA                                                                  | Draft IDP/Budget/PMS Process plan 2018/2019 FY developed and submitted to SMC by the 31st of August 2017 for approval and onwards submission to CoGTA                                                                  | 3 (100% - 129%)                    | IDP02                | Draft IDP/Budget/PMS Process plan 2019/2020 FY developed and submitted to SMC for approval and onwards submission to CoGTA by the 31st of August 2018                                   | Draft IDP/Budget/PMS Process plan 2019/2020 FY developed and submitted to SMC for approval and onwards submission to CoGTA by the 31st of August 2018                                   | 3 (100% - 129%)                    | N/A                                                                                                                                             | N/A                                                                                                                                                                         | N/A                                                                | Council Resolution                                                                                                                                                               | SP 05                | 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 2019                                    |
| IDP03                                                    | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2018                                                                                                                                      | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2018                                                                                                                                      | 3 (100% - 129%)                    | IDP03                | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2019                                                                                                       | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2019                                                                                                       | 3 (100% - 129%)                    | N/A                                                                                                                                             | N/A                                                                                                                                                                         | N/A                                                                | Minutes and attendance register                                                                                                                                                  | SP 06                | 4 x Internal Alignment working group sessions facilitated for members by the 31st of May 2020                                                                                            |
| IDP04                                                    | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2018                                                                                                                                             | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2018                                                                                                                                             | 2 (70% - 99%)                      | IDP04                | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                                                              | 1 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                                                              | 1 (69% & below)                    | Meeting postponed chairperson not available                                                                                                     | Chairperson to nominate Rep and ACM to sign invites to the GMS through this Office                                                                                          | 2019-2020 FY 4 meeting will be held as recommended                 | Minutes and attendance register                                                                                                                                                  | SP 07                | 3 x IDP Representatives forum meetings facilitated for sector departments by the 31st of May 2020                                                                                        |



# Msunduzi Annual Report 2018/2019

| COUNCIL & EXECUTIVE POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                           |                                        |                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                               |                                        |                                                                                           |                                                                                                     |                                            |                                                                                                                                          |                      |                                                                                                                                                                                                                                                         |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP / OP REFERENCE                                     | 2017/2018                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                           |                                        | 2018/2019                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                               |                                        | 2019/2020                                                                                 |                                                                                                     |                                            |                                                                                                                                          |                      |                                                                                                                                                                                                                                                         |
|                                                          | ANNUAL TARGET                                                                                                                                                                                                                                             | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                                                  | ACTUAL (1, 2, 3, 4, 5, Not Applicable) | ANNUAL TARGET                                                                                                                                                                                                                                                                                                                                                                                                 | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                                                                                                                                                                                                      | ACTUAL (1, 2, 3, 4, 5, Not Applicable) | REASON FOR DEVIATION                                                                      | CORRECTIVE MEASURE                                                                                  | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                                                                                          | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                                                                                                                           |
| MKT 03                                                   | 12 x Internal Newsletters developed & published on Corporate Communications and the Municipal Website by the 30th of June 2018                                                                                                                            | 11x Internal Newsletters developed & published on Corporate Communications and the Municipal Website by the 30th of June 2018                                                                                                                             | 2 (70% - 99%)                          | 12 x Internal Newsletters developed & published on Corporate Communications and the Municipal Website by the 30th of June 2019                                                                                                                                                                                                                                                                                | 11 x Internal Newsletters developed and published on Corporate Communications by the 30th of June 2019                                                                                                                                                                                                                                                                                                        | 3 (100% - 129%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | Copies of internal newsletter                                                                                                            | OCM 15               | 12 x Internal Newsletters developed & published in the 19/20 FY on Corporate Communications by the 30th of June 2020                                                                                                                                    |
| MKT 04                                                   | 12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2018                                                                                                                                                            | 12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2018                                                                                                                                                            | 3 (100% - 129%)                        | 12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                                                                                                                                                                                                                                                                                | 8 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                                                                                                                                                                                                                                                                                 | 1 (69% & below)                        | Due to payment delays of the service provider and discrepancies on the appointment letter | The corrective measure is not applicable due to the external newsletter being a monthly publication | N/A                                        | Copy of Msunduzi News for 8 months                                                                                                       | OCM 16               | 12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2020                                                                                                                                                          |
| SG 07                                                    | 8 x Workshops on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele forum by the 30th of June 2018 | 8 x Workshops on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele forum by the 30th of June 2018 | 3 (100% - 129%)                        | 12 x Workshops on Customer Service Charters and Batho Pele Principles for Front line service delivery units conducted (office of the speaker, Skills Development, Employee Personnel, Water, Electricity, Roads, Human Settlement, Housing, Parks, Waste Management Traffic and security, Billing, Youth Centre, Environmental Management) conducted by the Msunduzi Batho Pele unit by the 30th of June 2019 | 12 x Workshops on Customer Service Charters and Batho Pele Principles for Front line service delivery units conducted (office of the speaker, Skills Development, Employee Personnel, Water, Electricity, Roads, Human Settlement, Housing, Parks, Waste Management Traffic and security, Billing, Youth Centre, Environmental Management) conducted by the Msunduzi Batho Pele unit by the 30th of June 2019 | 5 (150% - 167%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | Invitation/s, Attendance Register/s                                                                                                      | OCM 19               | 11 x Workshops on Customer Service Charter and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele Unit by the 31st of May 2020 |
| SG 08                                                    | 6 x bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2018                                                                            | 6 x bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2018                                                                            | 3 (100% - 129%)                        | 6 x bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2019                                                                                                                                                                                                                                | 6 x bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2019                                                                                                                                                                                                                                | 3 (100% - 129%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | Invitation/s, Agenda, Attendance Register/s                                                                                              | OCM 20               | 6 x bi-monthly meetings of the Msunduzi Batho Pele forum to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of May 2020                                                                                    |
| PMS 01                                                   | Draft SDBIP 2018/2019 submitted to the Mayor for approval within 28 days after the approval of the budget                                                                                                                                                 | Draft SDBIP 2018/2019 submitted to the Mayor for approval within 28 days after the approval of the budget                                                                                                                                                 | 3 (100% - 129%)                        | SDBIP 2019/2020 submitted to the Mayor for approval within 28 days after the approval of the budget                                                                                                                                                                                                                                                                                                           | SDBIP 2019/2020 submitted to the Mayor for approval within 28 days after the approval of the budget                                                                                                                                                                                                                                                                                                           | 3 (100% - 129%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | Signed SDBIP & OP 19/20 cover by the Mayor, SDBIP & OP 19/20                                                                             | OCM 01               | SDBIP 2020/2021 submitted to the Mayor for approval within 28 days after the approval of the budget                                                                                                                                                     |
| PMS 03                                                   | Annual organisational performance framework 2018/2019 reviewed and submitted to SMC by the 31st of May 2018                                                                                                                                               | Annual organisational performance framework 2018/2019 reviewed and submitted to SMC by the 31st of May 2018                                                                                                                                               | 3 (100% - 129%)                        | Annual organisational performance framework 2019/2020 reviewed and submitted to SMC by the 31st of May 2019                                                                                                                                                                                                                                                                                                   | Annual organisational performance framework 2019/2020 reviewed and submitted to SMC by the 31st of May 2019                                                                                                                                                                                                                                                                                                   | 3 (100% - 129%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | Annual organisational performance management framework 2019/2020, SMC Minutes and Resolutions                                            | OCM 02               | Annual organisational performance management framework 2020/2021 reviewed and submitted to SMC by the 31st of May 2020                                                                                                                                  |
| PMS 05                                                   | Annual individual performance management framework 2018/2019 reviewed and submitted to SMC by the 31st of May 2018                                                                                                                                        | Annual individual performance management framework 2018/2019 reviewed and submitted to SMC by the 31st of May 2018                                                                                                                                        | 3 (100% - 129%)                        | Annual individual performance management framework 2019/2020 reviewed and submitted to SMC by the 31st of May 2019                                                                                                                                                                                                                                                                                            | Annual individual performance management framework 2019/2020 reviewed and submitted to SMC by the 31st of May 2019                                                                                                                                                                                                                                                                                            | 3 (100% - 129%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | Annual individual performance management framework 2019/2020, SMC Agenda, Minutes and Resolutions                                        | OCM 03               | Annual individual performance management framework 2020/2021 reviewed and submitted to SMC by the 31st of May 2020                                                                                                                                      |
| PMS 06                                                   | Approved SDBIP 2017/2018 made public on municipal website within 14 days after the approval by the mayor                                                                                                                                                  | Approved SDBIP 2017/2018 made public on municipal website within 14 days after the approval by the mayor                                                                                                                                                  | 3 (100% - 129%)                        | Approved SDBIP 2018/2019 made public on municipal website within 14 days after the approval by the mayor                                                                                                                                                                                                                                                                                                      | Approved SDBIP 2018/2019 made public on municipal website within 14 days after the approval by the mayor                                                                                                                                                                                                                                                                                                      | 3 (100% - 129%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | ICT unit to publish Approved SDBIP 2018/2019 on municipal website, communication email from internal ICT Unit confirming the publication | OCM 04               | Approved SDBIP 2019/2020 made public on municipal website within 14 days after the approval by the mayor                                                                                                                                                |
| No KPIs included on the OP for MPAC in the 17/18 FY      |                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                           | NOT APPLICABLE                         | 1 x Oversight Process plan prepared & submitted to Council by the 31st of January 2019                                                                                                                                                                                                                                                                                                                        | 1 x Oversight Process plan prepared & submitted to Council by the 31st of January 2019                                                                                                                                                                                                                                                                                                                        | 3 (100% - 129%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | Oversight Process plan                                                                                                                   | PS 11                | 1 x Oversight Process plan prepared & submitted to Council by the 31st of January 2020                                                                                                                                                                  |
| No KPIs included on the OP for MPAC in the 17/18 FY      |                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                           | NOT APPLICABLE                         | 1 x Oversight Report 17/18 tabled and adopted by Council by the 31st March 2019                                                                                                                                                                                                                                                                                                                               | 1 x Oversight Report 17/18 tabled and adopted by Council by the 31st March 2019                                                                                                                                                                                                                                                                                                                               | 3 (100% - 129%)                        | N/A                                                                                       | N/A                                                                                                 | N/A                                        | Oversight Report and Council Resolution                                                                                                  | PS 12                | 1 x Oversight Report 18/19 tabled and adopted by Council by the 31st of March 2020                                                                                                                                                                      |

| SDBIP / OP REFERENCE                                | 2017/2018     |                          | 2018/2019                          |                                                                                                                                                         | 2019/2020                                                                                                                                                                                          |                                                                                                                               |                                            |                                                  |                      |                                                                                                                                                         |
|-----------------------------------------------------|---------------|--------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                     | ANNUAL TARGET | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                    | REASON FOR DEVIATION                                                                                                                                                                               | CORRECTIVE MEASURE                                                                                                            | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                  | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                                           |
| No KPIs included on the OP for MPAC in the 17/18 FY |               |                          | NOT APPLICABLE                     | Approved Oversight Report 17/18 made public (published on municipal website) within seven days of approval of Oversight report by the 7th of April 2019 | N/A                                                                                                                                                                                                | N/A                                                                                                                           | N/A                                        | Email                                            | PS 13                | Approved Oversight Report 18/19 made public (published on municipal website) within seven days of approval of Oversight report by the 7th of April 2020 |
| No KPIs included on the OP for MPAC in the 17/18 FY |               |                          | NOT APPLICABLE                     | 6 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                                                | 1. April: No meeting set to effect a report being produced, 2. May: No meeting set because there were no agenda items were provided to enable a meeting to sit and a report developed for council. | Requesting a continuous flow of reports to committee and on time from other council committees and business units through ACM | 19/20 FY                                   | MPAC Monthly Reports and Full Council Resolution | PS 14                | 12 x MPAC Monthly Reports 19/20 FY prepared and submitted to Full Council by the 30th of June 2020                                                      |

### EMPLOYEE: CORPORATE BUSINESS UNIT

| Job Level    | 2017/2018     |            | 2018/2019     |                                      | Vacancies (as a % of total posts) % |
|--------------|---------------|------------|---------------|--------------------------------------|-------------------------------------|
|              | Employees No. | Posts No.  | Employees No. | Vacancies (fulltime equivalents No.) |                                     |
| T01-T03      | 3             | 8          | 4             | 4                                    | 50                                  |
| T04-T08      | 100           | 145        | 99            | 46                                   | 32                                  |
| T09-T13      | 8             | 32         | 9             | 23                                   | 72                                  |
| T14-T18      | 10            | 19         | 12            | 7                                    | 37                                  |
| T19-T22      | 1             | 2          | 2             | 0                                    | 0                                   |
| T23-T25      | 1             | 1          | 1             | 0                                    | 0                                   |
| <b>Total</b> | <b>123</b>    | <b>207</b> | <b>4</b>      | <b>203</b>                           | <b>98</b>                           |

### FINANCIAL PERFORMANCE 2018/2019: COUNCIL & EXECUTIVE (101011/104010/013/014/016/015/017/018/019/056/503/509/510/528) R'000

| Details                                                       | 2017/2018     |                 | 2018/2019         |               | Variances to Adjusted Budget % |
|---------------------------------------------------------------|---------------|-----------------|-------------------|---------------|--------------------------------|
|                                                               | Actual        | Original Budget | Adjustment Budget | Actual        |                                |
| <b>Total Operational Revenue (excl. tariffs) Expenditure:</b> | 0             | 0               | 0                 | 0             | 0                              |
| Employees                                                     | 80725         | 164788          | 93468             | 78354         | -16%                           |
| Repairs and Maintenance                                       | 1437          | 239             | 1070              | 493           | -54%                           |
| <b>Other</b>                                                  | 68357         | 40361           | 63059             | 55958         | -11%                           |
| <b>Total Operational Expenditure</b>                          | <b>150519</b> | <b>205390</b>   | <b>157597</b>     | <b>134805</b> | <b>-14%</b>                    |
| <b>Net operational (Service) Expenditure</b>                  | <b>150519</b> | <b>205390</b>   | <b>157597</b>     | <b>134805</b> | <b>-14%</b>                    |

| CAPITAL EXPENDITURE: COUNCIL & EXECUTIVE<br>R'000              |             |                   |                    |                                |                     |
|----------------------------------------------------------------|-------------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                                        | 2018/2019   |                   |                    |                                |                     |
|                                                                | Budget      | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                               | <b>4718</b> | <b>4204</b>       | <b>377</b>         | <b>-91%</b>                    |                     |
| Proj A: REFURBISH OF CITY HALL                                 | 0           | 2782              | 0                  | -100%                          | 0                   |
| Proj B: FURNITURE – CITY HALL                                  | 3000        | 500               | 0                  | -100%                          | 0                   |
| Proj C: COMPUTERS CITY HALL                                    | 90          | 44                | 19                 | -57%                           | 19                  |
| Proj D: SPEAKERS OFF - COMPUTE                                 | 150         | 115               | 95                 | -17%                           | 95                  |
| Proj E: SPEAKERS OFFICE - EQUIP                                | 60          | 10                | 0                  | -100%                          | 0                   |
| Proj F: MPAC COMPUTERS                                         | 25          | 16                | 16                 | 0%                             | 16                  |
| PROJ G: MPAC MACHINERY                                         | 7           | 3                 | 0                  | -100%                          | 0                   |
| PROJ H: YOUTH CNT -COMPUTERS MAYORS PARLOUR (PALISADE FENCING) | 150         | 96                | 96                 | 0%                             | 96                  |
| PROJ I: YOUTH CENT - MACHINERY                                 | 150         | 50                | 0                  | -100%                          | 0                   |
| PROJ J: COMM : COMPUTERS                                       | 110         | 55                | 87                 | 58%                            | 87                  |
| PROJ K: COMM - MACHINERY                                       | 88          | 44                | 20                 | -54%                           | 20                  |
| PROJ L: CALL CEN - COMPUTER                                    | 0           | 13                | 0                  | -100%                          | 0                   |
| PROJ M: CALL CEN - FURNITURE                                   | 0           | 44                | 44                 | 0%                             | 44                  |
| PROJ N: CALL CEN - SOFTWARE                                    | 888         | 422               | 0                  | -100%                          | 0                   |
| PROJ O: CALL CENTRE MACHINERY                                  | 0           | 10                | 0                  |                                |                     |
|                                                                | -100%       | 0                 |                    |                                |                     |

| FINANCIAL PERFORMANCE 2017/2018: SECRETARIAT AND AXILLARY SERVICES (303077/505/506/507)<br>R'000 |               |                 |                   |               |                                |
|--------------------------------------------------------------------------------------------------|---------------|-----------------|-------------------|---------------|--------------------------------|
| Details                                                                                          | 2017/2018     | 2018/2019       |                   |               |                                |
|                                                                                                  | Actual        | Original Budget | Adjustment Budget | Actual        | Variances to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                                                 | <b>0</b>      | <b>0</b>        | <b>0</b>          | <b>0</b>      | <b>0</b>                       |
| Expenditure:                                                                                     |               |                 |                   |               |                                |
| Employees                                                                                        | 21 927        | 23 133          | 23 133            | 22 609        | -2                             |
| Repairs and Maintenance                                                                          | 31            | 254             | 130               | 3             | -98%                           |
| Other                                                                                            | -3 202        | 4 401           | 4 154             | -3 637        | -187%                          |
| <b>Total Operational Expenditure</b>                                                             | <b>18 756</b> | <b>27 788</b>   | <b>27 417</b>     | <b>18 975</b> | <b>-31%</b>                    |
| <b>Net operational (Service) Expenditure</b>                                                     | <b>18 756</b> | <b>27 788</b>   | <b>27 417</b>     | <b>18 975</b> | <b>-31%</b>                    |

| CAPITAL EXPENDITURE: SECRETARIAT AND AXILLARY SERVICES<br>R'000 |            |                   |                    |                                |                     |
|-----------------------------------------------------------------|------------|-------------------|--------------------|--------------------------------|---------------------|
| Details                                                         | 2018/2019  |                   |                    |                                |                     |
|                                                                 | Budget     | Adjustment Budget | Actual Expenditure | Variances to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                                                | <b>320</b> | <b>416</b>        | <b>106</b>         | <b>-75%</b>                    |                     |
| Project A : MACHINE PRINTING MACHINE ARCHIVES - COMPUTERS       | 200        | 310               | 0                  | -100%                          | 310                 |
| Project B :SECRETARIAT - COMPUTERS FURNITURE                    | 110        | 100               | 100                | 0                              | 100                 |
| Project C : SECRETARIAT – VOICE RECORDERS PRINTING - VEHICLES   | 10         | 6                 | 6                  | 0                              | 6                   |

## COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

In the 2018/2019 financial year portfolio committees held meetings on a regular basis, however some were postponed and rescheduled due to not having the required quorum for meetings to sit. Msunduzi Municipality was also able to meet the legislative deadlines in the development and submission of the Annual Performance Report for 2017/2018, Annual Report 2017/2018, Oversight Report 2017/2018 and also the Section 72 Mid-Year Budget & Performance review as well as the IDP for 2019/2020.

## 6.2 INTERNAL AUDIT

### INTRODUCTION TO INTERNAL AUDIT

Internal Audit is an independent, objective, assurance and consulting activity designed to add value and improve the municipality's operations. The unit assists the municipality in accomplishing its objectives through a systematic, disciplined approach to evaluate and improving the effectiveness of risk management, system of the internal control and governance processes. 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 organisation space.

There is synergy between the Audit Committee and the various Council Oversight Committee structures which are responsible to ensure effective governance. If, for instance, an audit was undertaken on the quality of infrastructure provision and maintenance, the results of the audit are communicated to the Infrastructure AND Services Committee to enable it to play its oversight role. This makes the Portfolio committee to play an oversight role on the system of internal control, risk management and governance in their respective Portfolios and enable them to monitor implementation of corrective measures rather than to rely on the reports by management which may be selective.

A positive change has been realized through internal audit effort by changing the approach of auditing. The planning includes focus on risks within the municipality, compliance with regularity framework, performance information and core mandate of the municipality.

### SERVICE STATISTICS FOR INTERNAL AUDIT

Internal Audit Unit was guided by its Annual Audit Plan for 2018/19 on the assurance function as approved by the Audit Committee, anti-fraud and corruption strategy.

Twenty (20) audits were planned for the 2018/19 financial year, and nineteen (19) were removed from the plan during mid-year. The removal of the nineteen (19) audits from the annual plan was as a result of a Consulting Activity on the Financial Management Intervention which seeks to provide a holistic view on the integrated systems of internal controls rather than looking at pockets of processes.

Two (2) audits which were scheduled to be completed during the 2018/ 2019 financial year will be rolled over to the 2019/ 2020 Financial Year due to client unavailability. Consulting Activity on the SAP ISU and HCM (Payroll) modules was also undertaken in order to address the system deficiencies which had a negative impact on operations. Findings were discussed with management and follow-up audits have been scheduled for the 2019/ 2020 Financial Year. The drastic changes on the annual plan was also influenced by the audit outcomes which warranted in change in approach.

| INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                    |                      |                                                                                                                              |                                                                                                                                                                                                                |                                    |                                                                                                              |                                                                                                                                     |                                            |                                                                                                                  |                      |                                                                                                                                                           |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2017/2018                                           |                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                    |                      | 2018/2019                                                                                                                    |                                                                                                                                                                                                                |                                    |                                                                                                              |                                                                                                                                     |                                            |                                                                                                                  |                      |                                                                                                                                                           |
| SDBIP / OP REFERENCE                                | ANNUAL TARGET                                                                                                                | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ACTUAL (1,2,3,4,5, Not Applicable) | SDBIP / OP REFERENCE | ANNUAL TARGET                                                                                                                | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                       | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                         | CORRECTIVE MEASURE                                                                                                                  | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                                                                  | SDBIP / OP REFERENCE | 2019/2020 ANNUAL TARGET                                                                                                                                   |
| IA01                                                | Development & submission of an Annual Audit plan for 2018/19 FY to the Audit Committee for approval by the 30th of June 2018 | Audit plan has been developed and approved by the Audit Committee on 23 June 2018.                                                                                                                                                                                                                                                                                                                                                                                                          | 3 (100% - 129%)                    | IA01                 | Development & submission of an Annual Audit plan for 2019/20 FY to the Audit Committee for approval by the 30th of June 2019 | Annual Audit plan for 2019/20 FY developed & submitted to the Audit Committee for approval by the 30th of June 2019. Note that the Audit Committee did not sit on 25 June 2019 due to unavailability of venues | 3 (100% - 129%)                    | N/A                                                                                                          | N/A                                                                                                                                 | N/A                                        | Report and Audit Committee Resolution                                                                            | 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 |
| IA02                                                | Completion of internal audit assignments as per approved Annual Audit Plan 2017/18 by the 30th of June 2018                  | Of the 40 planned audit assignments (per the revised approved plan), 39 have been completed and 1 currently under quality control review to ensure that audit objectives were adequately covered. Phase 1 and Phase 2 of the ICT post implementation review has been completed, although it was initially under scoping and budgeted for per the initial audit plan. 6 ad hoc audit assignments have been completed and one currently in progress and due for finalisation on 31 July 2018. | 4 (130% - 149%)                    | IA02                 | 100% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19 by the 30th of June 2019             | 74.07% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19 by the 30th of June 2019. 20 out of 27 Audits were completed during 2018/2019 FY.                                    | 2 (70% - 99%)                      | Adjustment of the approved audit plan took place after Mid-Year 18/19 FY and could not be amended thereafter | Any subsequent amendment to the approved annual audit plan after mid-year is to be communicated to the Audit Committee for approval | 19/20 FY                                   | 100% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19 by the 30th of June 2019 | IA01                 | Completion of internal audit assignments as per approved Annual Audit Plan 2019/20 by the 30th of June 2020                                               |
| IA03                                                | Internal Audit Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2018                     | The revised Internal Audit Charter was approved by the Audit Committee on 23 June 2018                                                                                                                                                                                                                                                                                                                                                                                                      | 4 (130% - 149%)                    | IA03                 | Internal Audit Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2019                     | Internal Audit Charter reviewed and submitted before 30 June 2019                                                                                                                                              | 3 (100% - 129%)                    | N/A                                                                                                          | N/A                                                                                                                                 | N/A                                        | Report and Audit Committee Resolution                                                                            | N/A                  | N/A                                                                                                                                                       |
| IA04                                                | Audit Committee Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2018                    | Developed the Quality Assurance & Improvement Program to be adopted by Council, and it was approved by the Audit Committee on 23 June 2018.                                                                                                                                                                                                                                                                                                                                                 | 3 (100% - 129%)                    | IA04                 | Audit Committee Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2019                    | Audit Committee Charter reviewed and submitted before 30 June 2019                                                                                                                                             | 3 (100% - 129%)                    | N/A                                                                                                          | N/A                                                                                                                                 | N/A                                        | Report and Audit Committee Resolution                                                                            | N/A                  | N/A                                                                                                                                                       |

| Job Level    | EMPLOYEE: INTERNAL AUDIT |           |               |                                     |
|--------------|--------------------------|-----------|---------------|-------------------------------------|
|              | 2017/2018                | 2018/2019 |               |                                     |
|              | Employees No.            | Posts No. | Employees No. | Vacancies (as a % of total posts) % |
| T01-T03      |                          |           |               |                                     |
| T04-T08      | 1                        | 2         | 1             | 50                                  |
| T09-T13      | 3                        | 16        | 13            | 81                                  |
| T14-T18      | 2                        | 3         | 2             | 67                                  |
| T19-T22      | 1                        | 1         | 0             | 0                                   |
| T23-T25      |                          |           |               |                                     |
| <b>Total</b> | <b>7</b>                 | <b>22</b> | <b>16</b>     | <b>73</b>                           |

| FINANCIAL PERFORMANCE 2018/2019: INTERNAL AUDIT (104052/53/54/103036)<br>R'000 |              |                 |                   |              |                                 |
|--------------------------------------------------------------------------------|--------------|-----------------|-------------------|--------------|---------------------------------|
| Details                                                                        | 2017/2018    | 2018/2019       |                   |              |                                 |
|                                                                                | Actual       | Original Budget | Adjustment Budget | Actual       | Variations to Adjusted Budget % |
| <b>Total Operational Revenue (excl. tariffs)</b>                               | <b>0</b>     | <b>0</b>        | <b>0</b>          | <b>0</b>     | <b>0</b>                        |
| Expenditure:                                                                   |              |                 |                   |              |                                 |
| Employees                                                                      | 7086         | 6036            | 5955              | 5859         | -2%                             |
| Repairs and Maintenance                                                        | 0            | 0               | 0                 | 0            | 0                               |
| Other                                                                          | 21189        | 7470            | 22903             | 25505        | 11%                             |
| <b>Total Operational Expenditure</b>                                           | <b>28284</b> | <b>13507</b>    | <b>28858</b>      | <b>31364</b> | <b>9%</b>                       |
| <b>Net operational (Service) Expenditure</b>                                   | <b>28284</b> | <b>13507</b>    | <b>28858</b>      | <b>31364</b> | <b>9%</b>                       |

| CAPITAL EXPENDITURE: INTERNAL AUDIT<br>R'000 |            |                   |                    |                                 |                     |
|----------------------------------------------|------------|-------------------|--------------------|---------------------------------|---------------------|
| Details                                      | 2018/2019  |                   |                    |                                 |                     |
|                                              | Budget     | Adjustment Budget | Actual Expenditure | Variations to Adjusted Budget % | Total Project Value |
| <b>Total All</b>                             | <b>100</b> | <b>120</b>        | <b>0</b>           | <b>-100%</b>                    |                     |
| Project A-SECURITY SYSTEM                    | 100        | 120               | 0                  | 100%                            | 0                   |

#### COMMENT ON THE PERFORMANCE OF INTERNAL AUDIT OVERALL

The performance of the unit was above average in terms of the approved annual plan. The unit still has a challenge of internal capacity and is heavily reliant on consultants. The Acting Chief Audit Executive was stretched to the limit as the Chief Audit Executive was still on suspension since April 2016.

After the suspension the Municipality appointed an Acting Chief Audit Executive up until 28 January 2018 who was then replaced by another acting incumbent. When the change of the acting incumbent took place the risk management function was removed out of internal audit unit to be a stand-alone function. The new acting incumbent had to oversee assurance (internal audit, ICT auditing and Audit of Performance Information), forensic investigations and Audit Committee support function.

## 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 2019**

### 1. 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. Safe City then has been advised to register as a Non-For-Profit Company due to tax complications and the application has been 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 year 2018/19 has been agreed upon and signed by the Municipal Manager and Safe City Chairperson on the 31st July 2018

### 2. DIRECTORS:

During the previous financial year, the Msunduzi Municipal Council had resolved that an advertisement will be placed inviting interested persons to be considered as directors of Safe City Msunduzi NPC. Council has also resolved that the current Board of Directors will be retained as an interim board until new directors have been appointed. Unfortunately, the advertisement has not been placed as yet and the current Board of Directors are still functioning as an interim board. There is a need for directors with skills and knowledge in respect of:

- Municipal Finance Management requirements i.e. GRAP
- Company's Act and in particular the provisions of the King IV document
- Information Technology
- Human Resource Management
- Accounting
- Legal
- The principles of CCTV street surveillance

It was also resolved to remunerate the interim board of directors in accordance with National Treasury guidelines.

| Name of Director | Background Details                                                                                                                                                                                                                                                                                                                                                                                                                   | Number of Board Meetings Attended<br>No. of meetings held: 8 |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| Ms. Z Sokhela    | Trustee of BP Cascades Service Station/BP Edendale/ Louisiana Spur<br>Past President and current Director of PCB, Deputy Chair of UMgungundlovu TVET College, Served as UKZN Council member, Deputy Chair of UMDM Economic and Development Agency, Board Member of Comrades Marathon, member UKZN Foundation Board of Trustees. Serves in various UKZN Committees and Currently the Chairperson of the Safe City Board of Directors. | 8                                                            |
| Mr. G Moody      | Managing Executive. Aluminium Foil Converters: Bidvest Group. Currently vice chairperson of the Safe City Board of Directors                                                                                                                                                                                                                                                                                                         | 8                                                            |
| Mr V C Biggs     | Retired Director: McCarthy Motors,<br>Member of Allison Homes,<br>Member of SAVS/NCVV, Member of BFC and<br>Founder member of Safe City.                                                                                                                                                                                                                                                                                             | 5                                                            |
| Ms. R Singh      | Legal Manager: Business Development: Risk & Compliance Dissemination: KwaZulu- Natal Law Society<br>Member of uMgungundlovu TVET College and Chairperson of its Audit and Risk Committee.                                                                                                                                                                                                                                            | 8                                                            |
| Dr. S Ako- Nai   | Academic: Lecture, University of KwaZulu-Natal, PMB - Information Technology. Executive Consultant: Dydx Business Technologies. Institute of Directors KZN Branch and ISACA: Academic Advocate                                                                                                                                                                                                                                       | 7                                                            |
| K Basson.        | IT Specialist and acting Financial Manager at the Kwa Zulu Natal Law Society                                                                                                                                                                                                                                                                                                                                                         | 7                                                            |

### PARTNERS

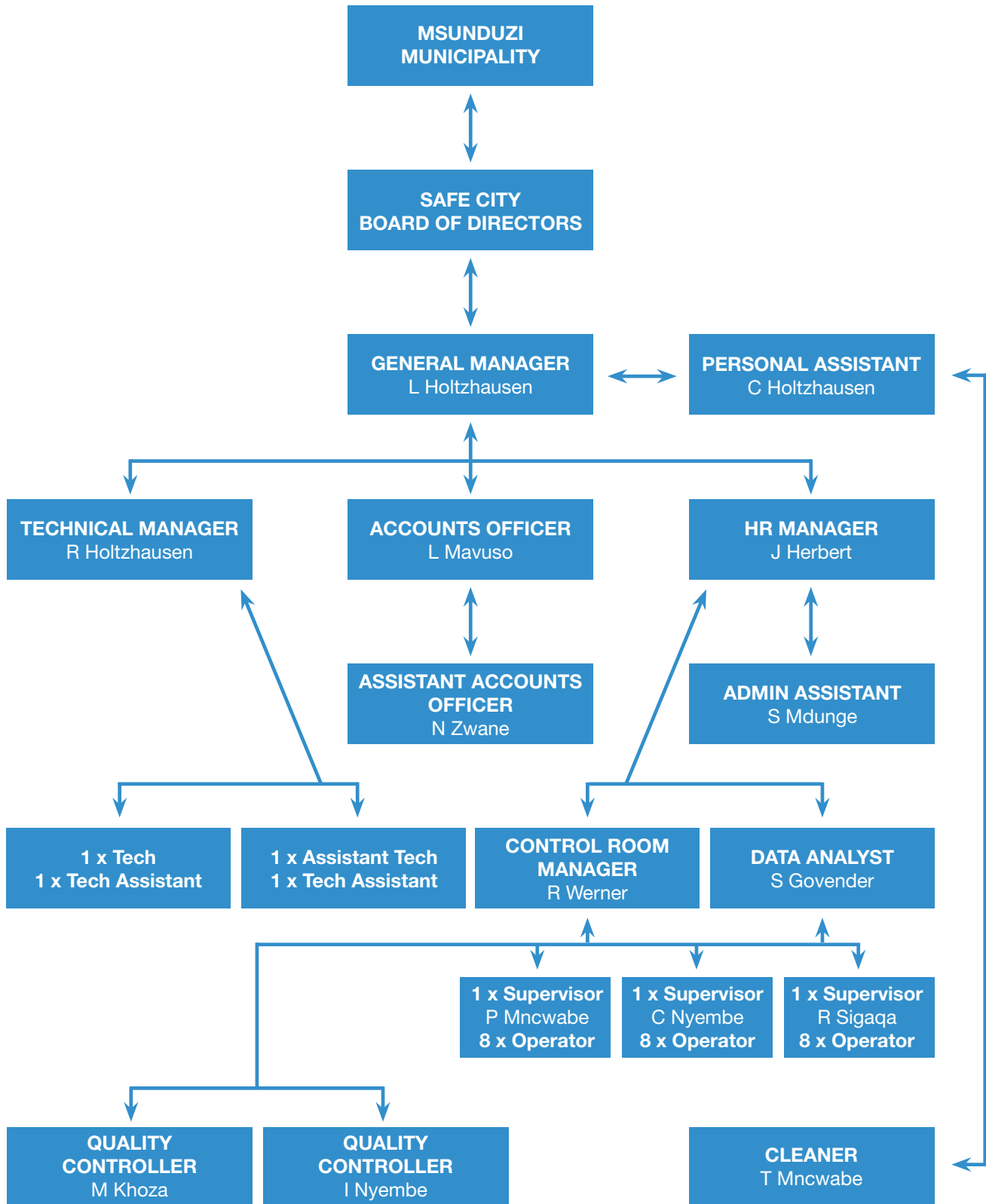
Safe City considers its partnership with the Msunduzi Municipality and the South African Police Service (SAPS) to be one of its notable strengths, while it also enjoys constructive relationships with the National Prosecuting Authority (NPA), Business Fighting Crime (BFC) and various Community Police Forums (CPF). Operational meetings are being held on a daily, weekly as well as a monthly basis to discuss crime related matters and to improve this working relationship.

Safe City have a SAPS representative present in the Control Room on a 24/7 basis, whilst Traffic - and Waste Management officials perform duties on week days between 07:00 and 16:00. A dedicated operational desk has been made available solely for the purpose to detect bylaw infringements such as littering and to monitor traffic flow during peak traffic hours. 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 are not efficient in order to combat this menace.

Through Business Fighting Crime (BFC) Safe City retain its efficient communication with the Pietermaritzburg Business Sector.

**3. STAFFING:**

**SAFE CITY MSUNDUZI NPC ORGANOGRAMME**



**4. PARTICULAR MATTERS RELATING TO THE YEAR 2018/19**

**4.1 Safe Guarding of Priority Primary Electrical Sub Stations.**

The primary sub stations as listed in the below is being monitored 24/7 at the Safe City Control Room as well as at the Electricity Dept. in Havelock Road. It needs however to be emphasized that the above installation is only phase 1 of three 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 has been reported.

Safe City has 98 CCTV cameras located at the following sub stations and monitored 24/7.

| Sub Station   | Number of CCTV cameras |
|---------------|------------------------|
| Riverside     | 19                     |
| Relief Street | 17                     |
| Prince Alfred | 13                     |
| Mkondeni      | 15                     |
| Hesketh       | 7                      |
| Woodburn      | 8                      |
| Northdale     | 8                      |
| Pine Street   | 11                     |

#### 4.2 Street Surveillance Cameras

Safe City have 71 street surveillance cameras which are 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                     |

With the exception of 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. The system has been in operation on a 24/7 basis since the 1st January 2003 and spares can no longer be obtained at reasonable prices to repair or replace crucial components. The operational capacity of the system has diminished to a point where recorded footage can become questionable for investigation or prosecuting purposes. This system needs to be upgraded as a matter of urgency.

#### 4.3 The Public Announcement System as a Law Enforcement Tool

The PA system has been used with great success during the past financial year. Please see statistics in the below.

The PA system is being utilised for the following purposes:

- When suspects are detected in an area, pedestrians or the public will be warned to be on the alert and to secure their valuables as they might become victims of crime.
- Potential victims will be advised to secure their handbags or valuables against bag-snatchers or pick-pockets.
- Suspects will be warned that they are under surveillance which in turn will be reduce their opportunities to commit a crime.
- It is envisaged that more speakers will be added in identified hotspot areas depending on the availability of funds

| Type of Announcement           | Number of Occasions |
|--------------------------------|---------------------|
| General Public Warnings        | 20                  |
| Fighting                       | 2                   |
| Suspicious Behaviour           | 35                  |
| Municipal Bylaw Infringements  | 41                  |
| Possession of Dangerous Weapon | 2                   |
| <b>Total</b>                   | <b>100</b>          |

## 5. FINANCE:

#### Safe City Banking Accounts:

First National Bank: Boom Street Branch:  
Current Acc No 62035467978  
Money Market: 62035942392

#### 5.1 Safe City Capital Budget:

##### 5.1.1 2018/19 Financial Year

The amount of R3 500 000 has been applied for in order 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 2019/20 budget application.

#### 5.2 Safe City Operating Budget:

##### 5.2.1 2018/19 Financial Year:

Safe City applied for R11 811 746 (incl vat) for the financial year in order to maintain its high level of service excellence. We would like to thank the Municipality for allocating the said amount to us. This increase has been used to maintain the ageing CCTV infrastructure and also to accommodate staff salary increases and benefits in accordance with PSIRA guidelines.



### 5.2.2 2019/20 Financial Year:

For the financial year 2019/20 Safe City has applied for R13 086 078 (incl vat). The increase in budget allocation is to accommodate inter alia the estimate cost of:

- R665 500 to be paid to the Auditor General and
- R479 160 to be paid for ensuring our assets which has been transferred from the Municipality to Safe City.

The allocation will also be used to ensure that:

- Staff salaries are as per the Sectoral 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 2019/20

### 5.3 Financial Contributors:

The following local companies and institutions paid for or gave discounts to Safe City in the day to day running of the business.

| Name of Co       | Value   | Period  | Service Provided                    |
|------------------|---------|---------|-------------------------------------|
| Ben Booysen      | R23 433 | 2018/19 | Servicing of Air conditioners       |
| Colenbrander Inc | R11 900 | 2018/19 | Book keeping and compilation of AFS |

## 6. CONTROL CENTRE PERFORMANCE:

### 6.1 Core Functions:

- The 24/7 surveillance operation is the core of Safe City's business.
- It is ISO 9001:2015 certified and SABS approved.

#### 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 CCTV system
- Oversee the design, specification and installation of new CCTV equipment.

#### Secondary Function:

- Facilitating the Disaster Management JOC
- 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 Police 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.
- Receive and disseminate crime information and public complaints via the Safe City SMS Safe project and App to the relevant role-players'.

### 6.2 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 is analysed on a daily basis. 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 prevention orientated. With all suspicious incidents detected the SAPS, Traffic or Waste representative will determine the appropriate response required to address the matter.

The yearly target for SAPS dispatches is between 50% and 60% of Incidents Detected. A record is maintained of vehicle despatches as compared with Incidents detected.

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 member to charge the suspects in these circumstances with the Possession of Stolen Property.

### 6.3 Summary of Operational Performance: 2018/19

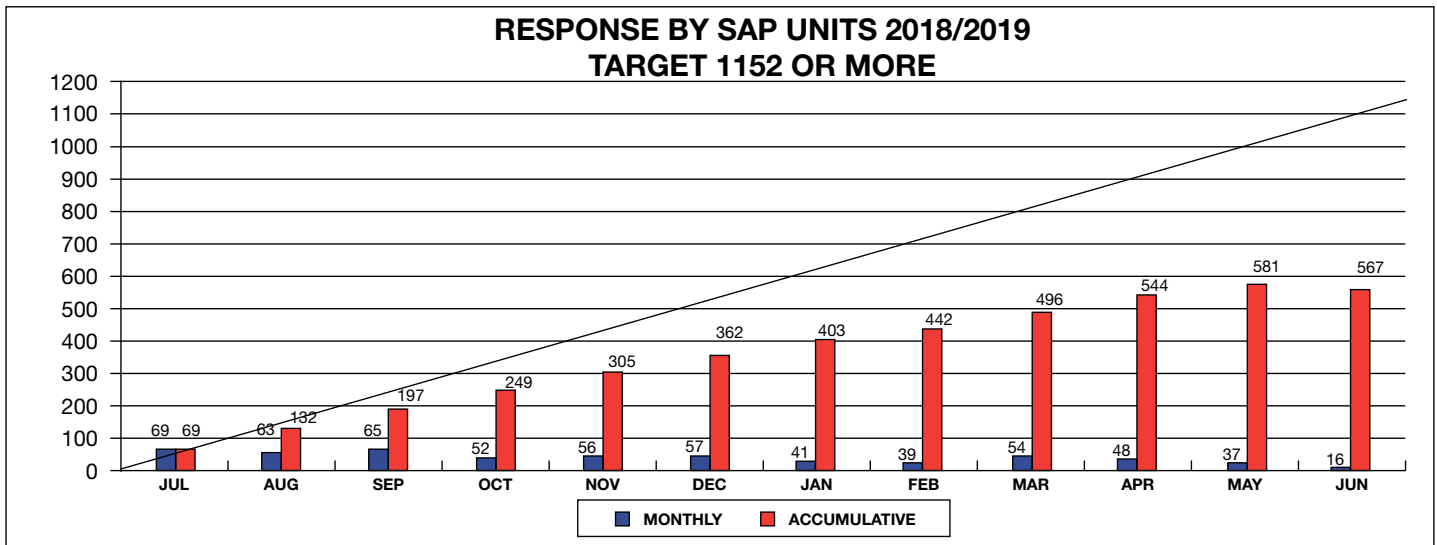
| Description                              | 2017/18      | 2018/19      |
|------------------------------------------|--------------|--------------|
| No of Incidents Detected                 | 4828         | 3719         |
| Response by SAPS Units                   | 705          | 597          |
| No Response by SAPS                      | 132          | 118          |
| SAPS Response Time                       | Ave 7.1 min  | Ave 6.8 min  |
| Bylaw Incidents detected                 | 1277         | 957          |
| Response by Municipal Law Enforcement    | 600          | 264          |
| No Response by Municipal Law Enforcement | 445          | 347          |
| Municipal Law Enforcement Response Time  | Ave 20.7 min | Ave 23.9 min |
| Arrests Effectuated                      | 282          | 219          |
| % Camera down time                       | 1.97%        | 1.28%        |

### 6.3.1 Incidents Detected

The total of 3716 incidents were detected compared to 4828 incidents the previous year. This decrease can be attributed to the redefining of general and crime incidents. Some of the incidents detected are as follows:

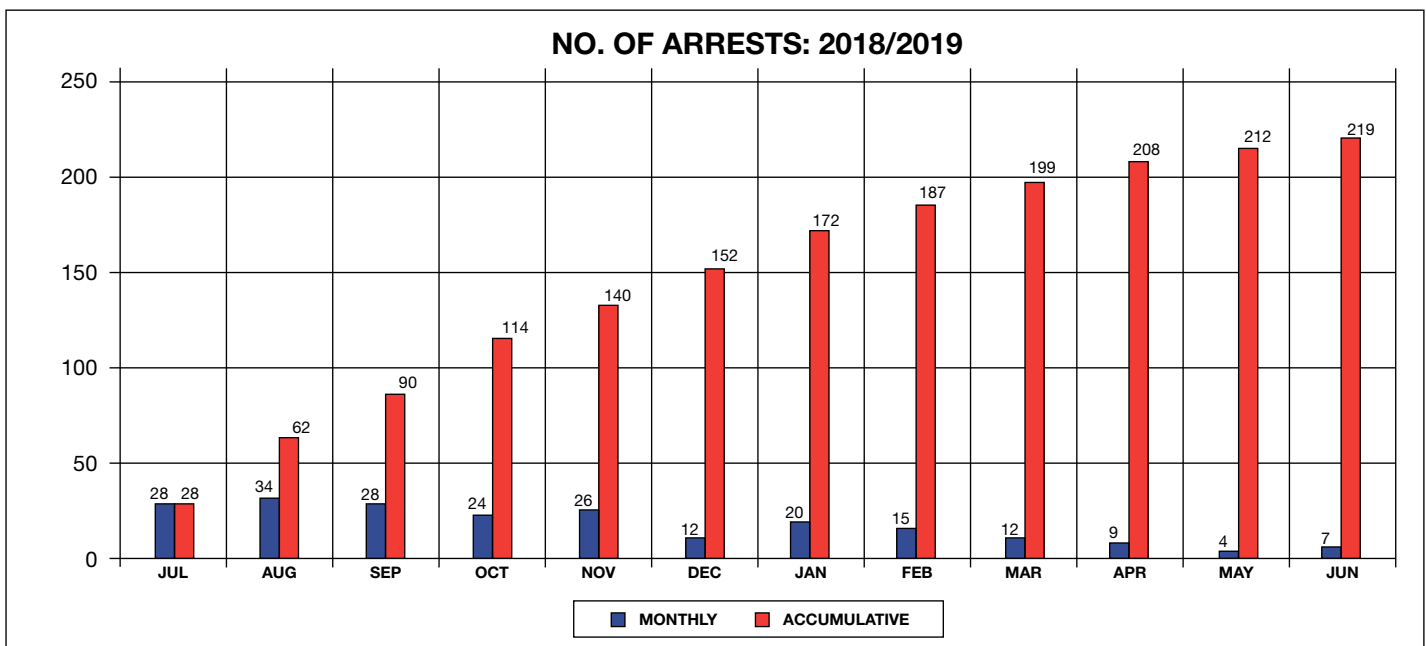
| Type                          | Number |
|-------------------------------|--------|
| Fighting                      | 739    |
| Bylaw Infringements           | 957    |
| Suspicious behaviour          | 608    |
| Motor vehicle Accidents       | 313    |
| Marches and Gatherings        | 113    |
| Medical Conditions            | 27     |
| Robbery Related               | 98     |
| Possible Poss. of Stolen Prop | 54     |

### 6.3.2 Responses by the SAPS



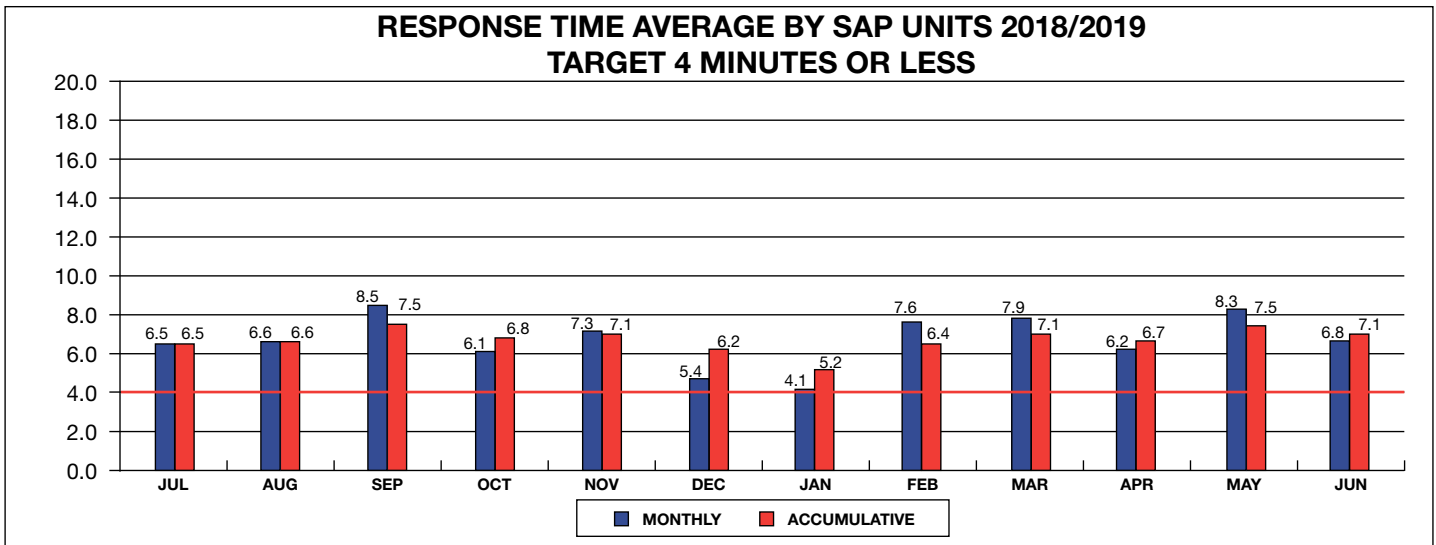
The total number of responses of the SAPS was 597 compared to the target of 1152. No Responses by SAPS units was reported in writing to the Station Commander of Pietermaritzburg Central.

### 6.3.3 Arrests Made:



The number of arrests made was 219 compared to 282 of the previous year. The decrease can be attributed to 82% of reported crimes now occurs out of camera view.

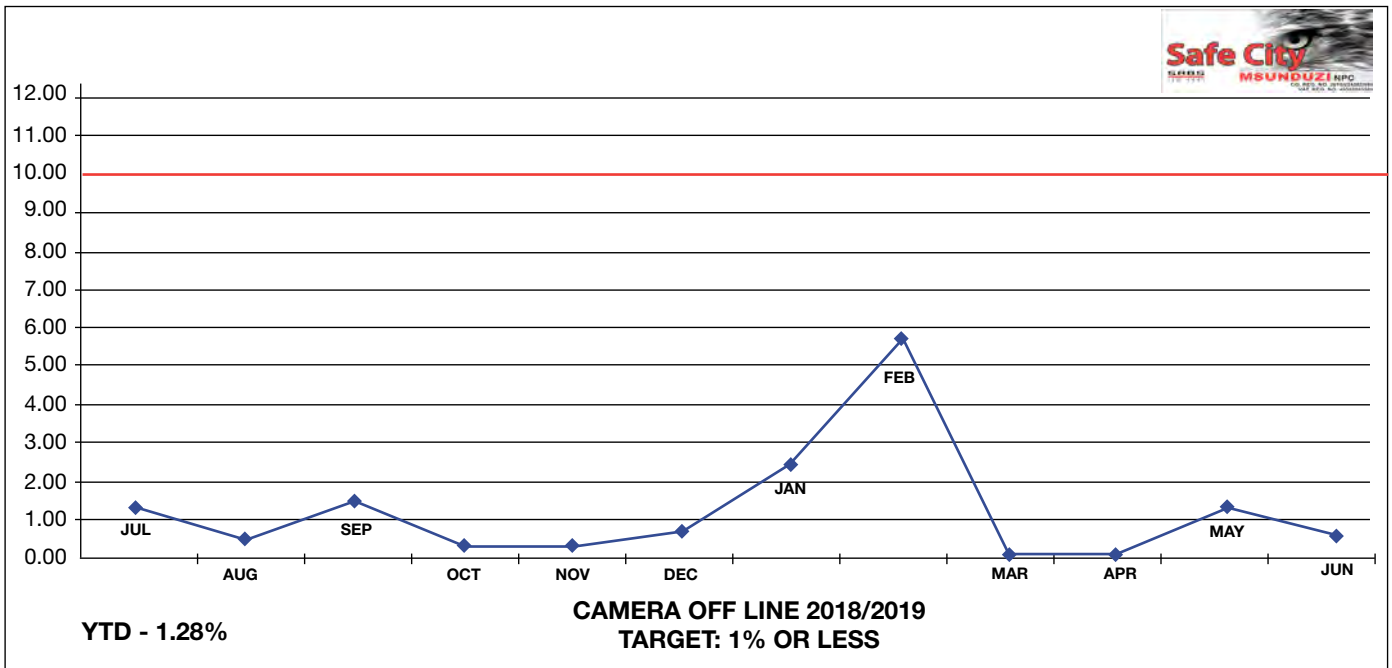
### 6.3.4 SAPS Response Time



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 the average 6.8 min compared to the ave. 4-min target.

Although the target for SAPS response times is 4 min it is subject to traffic congestion and the availability of manpower and vehicles. The Station Commander for Pietermaritzburg Central Brig Zondi has given his undertaking that Safe City complaints will receive priority attention and that competent SAPS members be sent to the Control Room.

### 7.3.5 Camera Downtime:



The average camera downtime was 1.9%. Safe City's target is 10%. There has been a number of power outages in the CBD which had a negative impact on the functionality of the CCTV cameras. A number of deep cycle batteries has been installed at high priority cameras in order to ensure that the area remains under surveillance during power outages. The Technical Manager and his team enjoy a healthy relationship with the Electricity dept. and electricity interruptions are normally restored in a short space of time.

## 7. KPA's/KPI's 2018/19

Safe City's KPA and KPI's for 2018/19 was aligned with the SDBIP.

| SAFE CITY POLICY OBJECTIVES TAKEN FROM THE IDP |                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                |                                    |                          |                                                                                              |                          |                                    |                      |                    |                                            |                                    |                      |                                                                                                                                                                                                                                |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------|----------------------------------------------------------------------------------------------|--------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------|------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SDBIP REFERENCE                                | ANNUAL TARGET                                                                                                                                                                                                                   | 2017/2018                                                                                                                                                                                                                      |                                    |                          | 2018/2019                                                                                    |                          |                                    | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                    | SDBIP / OP REFERENCE | 2019/2020 ANNUAL TARGET                                                                                                                                                                                                        |
|                                                |                                                                                                                                                                                                                                 | ANNUAL PROGRESS - ACTUAL                                                                                                                                                                                                       | ACTUAL (1,2,3,4,5, Not Applicable) | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable)                                                           | ANNUAL PROGRESS - ACTUAL | ACTUAL (1,2,3,4,5, Not Applicable) |                      |                    |                                            |                                    |                      |                                                                                                                                                                                                                                |
| CE 01                                          | 169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2018                                                                                                                              | 169 CCTV Cameras to monitored 24 hours in all areas with CCTV coverage by the 30th June 2018                                                                                                                                   | 3 (100% - 129%)                    | 3 (100% - 129%)          | 169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2019 | 3 (100% - 129%)          | N/A                                | N/A                  | N/A                | N/A                                        | Monthly report to SM City Entities | CE 05                | 169 x CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2020                                                                                                                           |
| CE 02                                          | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM; Sustainable Development and City Entities within 7 days after month end by the 30th of June 2018                          | 12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the GM; Sustainable Development and City Entities within 7 days after month end by the 30th June 2018                            | 3 (100% - 129%)                    | 3 (100% - 129%)          | N/A                                                                                          | NOT APPLICABLE           | N/A                                | N/A                  | N/A                | N/A                                        | N/A                                | 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                                                     |
| CE 03                                          | 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 of June 2018 | 1.5 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 2018 | 3 (100% - 129%)                    | 3 (100% - 129%)          | N/A                                                                                          | NOT APPLICABLE           | N/A                                | N/A                  | N/A                | N/A                                        | N/A                                | 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 |
| CE 04                                          | 240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th June 2017                                                                                                                 | 242 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th June 2018                                                                                                                | 3 (100% - 129%)                    | 3 (100% - 129%)          | N/A                                                                                          | NOT APPLICABLE           | 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                                                                                                             |

## 8. SUSTAINABILITY AND GOVERNANCE:

The Board of Directors remains committed in maintaining strict ethical standards in the operations of Safe City, and accordingly undertakes from time to time reviews of its business practices and governance responsibilities. In this regard, a number of important policies has been compiled and others reviewed and approved by the Board of Directors during 2018/19.

## 9. CONCLUSION

Safe City has again enjoyed a very fruitful relationship with the city's administration during 2018/19 and Safe City would like to thank the Mayor, Councillor Themba Njilo, the previous Municipal Manager, Mr Sizwe Hadebe, Acting Municipal Manager, Ms. Nelisiwe Ngcobo, Council 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. We are very grateful that Council has approved the nomination of Board Directors for attending board meetings for the 2018/19 financial year onwards.

It always remains an important objective for Safe City to be a centre of excellence in order 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. With the increase in the number of people visiting our city on a daily basis this objective has become more challenging year after year. Our aging surveillance system is starting to have a negative impact of our operating capability. 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 our ageing surveillance system, the completion of safeguarding the remaining electrical primary sub stations against theft and vandalism and also to expand the surveillance footprint to areas such as Edendale Business Centre. These projects have been included in our three (3) year Business Plan.

Also, of equal importance is to assist the Municipality in the enforcement of relevant bylaws. The lack of bylaw enforcement greatly contributes to crime and grime in our city. The lack of respect for the city bylaws can clearly be observed in the manner in which motorists behave whilst driving and also the amount of litter that is strewn in our streets and other public places. In order to enforce our bylaws Safe City would 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.

We 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 members of the Safe City Board are also thanked and commended for their support and commitment. The Board wishes 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.

We reserve our particular gratitude to the Msunduzi Municipality, the main funder of this operation. We also acknowledge the financial contributions from Ben Booysen, and Colenbrander Inc. in the form of considerable discounts on their respective contractual costs with Safe City as well as the valuable assistance rendered by legal advisors Venn's, and the local media on reporting safety and security matters.



## **COMPONENT H: FINANCIAL PERFORMANCE**

All relevant information relating to Financial Performance of Msunduzi Municipality & Safe City (Municipal Entity) will be dealt with in terms of the Annual Financial Statements.

## SECTION 2: ANNUAL REPORT ON THE SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN AND OPERATIONAL PLAN 2018/2019 FY

The Service Delivery and Budget Implementation Plan (SDBIP) is a legislative requirement as per the Municipal Finance Management Act (MFMA). The SDBIP gives effect to the Municipality's Integrated Development Plan (IDP) and annual budget. The SDBIP facilitates the accountable role that managers hold to the Council and that Councillors hold to the community. It also fosters the management, implementation and monitoring of the budget, the performance of senior management and the achievement of the strategic objectives as laid out in the IDP.

Chapter 1 of the MFMA describes the SDBIP as:

A detailed plan approved by the mayor of a municipality in terms of section 53 (1) (c)(ii) for implementing the Municipality's delivery of services and the execution of its annual budget and which must include the following:

- (a) projections for each month of –
  - (i) Revenue to be collected by source; and
  - (ii) Operational and capital expenditure, by vote;
- (b) Service delivery targets and performance indicators for each quarter”.

In terms of the provisions above, IN-YEAR monitoring on service delivery indicators was conducted according to the attached SDBIP on a monthly & quarterly basis and reports thereof submitted to the Operational Management Committee (OMC), EXCO, the Full Council, Portfolio Committees, Municipal Public Accounts Committee and the Audit Committee. Monitoring through the SDBIP enables the City Manager to monitor the performance of Senior Managers, the Mayor to monitor the performance of the City Manager and for the community to monitor the performance of the municipality as each activity contains outputs, outcomes and timeframes. The SDBIP is compiled on an annual basis.

As the SDBIP is a management and implementation tool, and not a policy proposal, it is not required to be approved by Council - it is however tabled before Council and made public for information and monitoring purposes. However, the top layer of the SDBIP cannot be revised without the approval of the Council. During the 2011/2012 financial year, the municipality developed a quarterly dashboard reporting process. In 2018/19 the municipality continued to implement the dashboard process of reporting. The dashboard is colour-coded in order to serve as an early indicator warning system in order to identify areas that require intervention in areas of non/under performance. Monthly & Quarterly reports on the SDBIP 2018/2019 were submitted to Council and are available on request.

During the Strategic Planning Process for the 2018/2019 financial year a management decision was taken to differentiate between service delivery indicators that have a direct impact on the community and those that are operational, support and auxiliary services. In this regard for the 2018/2019 financial year the SDBIP has been developed to focus on the service delivery indicators and the Operational Plan 2018/2019 has been developed to focus on operational, support and auxiliary services.

The SDBIP 2018/2019 contains Public Participation Units (Office of the Speaker, Office of the Mayor, Office of the MPAC Chairperson & Office of the Municipal Manager), Community Services Units (Area Based Management, Waste Management, Recreation & Facilities as well as Public Safety Enforcement and Disaster Management), Infrastructure Units (Water and Sanitation, Roads and Stormwater, Electricity & Mechanical Workshops) and Sustainable Development & City Enterprises Units (Development Services, Town Planning and Environmental Management, City Entities & Human Settlements). Also included are the Legislated Performance Indicators as regulated by the National and Provincial Departments of Cooperative Governance and Traditional Affairs (CoGTA). As prescribed by legislation, the Municipality must set and monitor key performance indicators of all municipal entities. To fulfil this, SAFE CITY the only registered municipal entity; key performance indicators were also developed and inserted in the SDBIP 2018/2019.

All other units provide operational, support and auxiliary services to the Municipality and have been placed on the Operational Plan 2018/2019. The Operational Plan 2018/2019 contains the Corporate Business Units (Internal Audit, Communications & IGR, Integrated Development Plan and Organisational Compliance, Performance & Knowledge Management), Budget & Treasury Units (Budget, Revenue Management, Expenditure Management, Supply Chain Management, SAP, Financial Governance & Performance Management & Assets & Liabilities), Infrastructure Units (Project Management Office), Corporate Services Units (Legal Services, Information Communication Technology, Secretariat & Auxiliary Services and Human Resources) and Sustainable Development & City Enterprises (Development Services, Town Planning and Environmental Management & Human Settlements).

The graphical representations below illustrate the performance of the municipality, for the 2016/2017 financial year, as per the colour-coded dashboard.

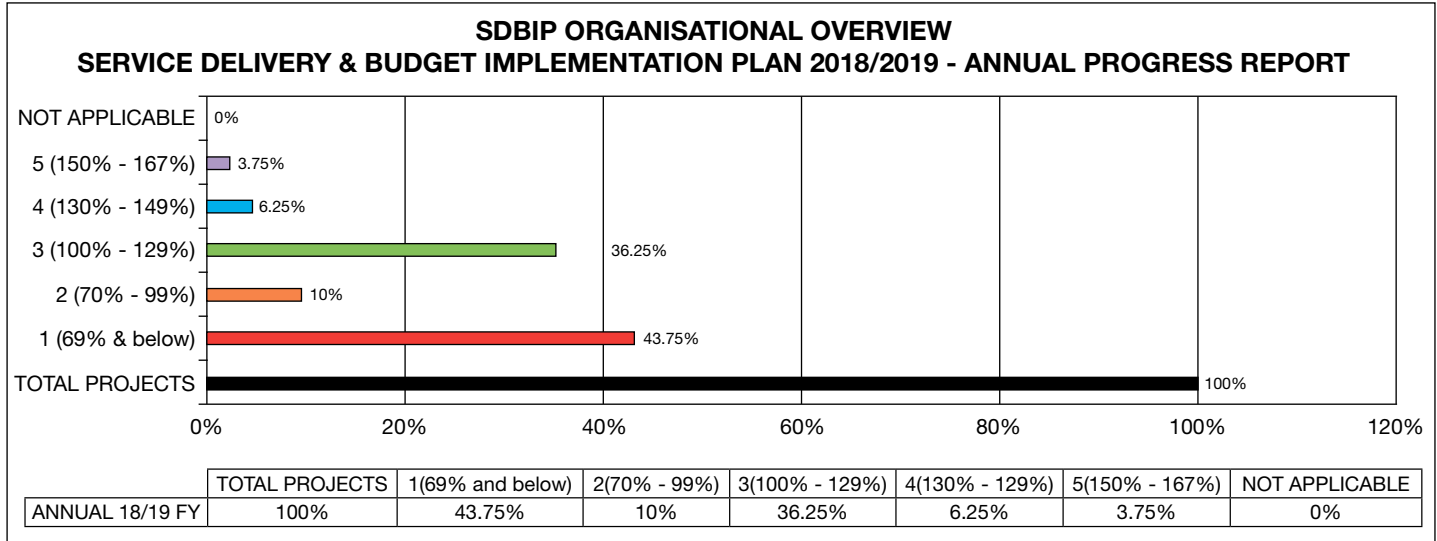
| COLOUR | SCORE          | DESCRIPTION                   | PERCENTAGE    | KEY |
|--------|----------------|-------------------------------|---------------|-----|
|        | N/A            | TOTAL PROJECTS                | N/A           | KEY |
|        | 1              | NIL ACHIEVED                  | 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           |     |

There were a total of 123 Key performance indicators on the SDBIP 2018/2019, 80 being operating projects and 43 being capital projects. There were a total of 195 Key performance indicators on the OP 2018/2019, 193 being operating projects and 2 being capital projects.

## SDBIP 2018/2019 ANNUAL PROGRESS REPORT ORGANISATIONAL OVERVIEW

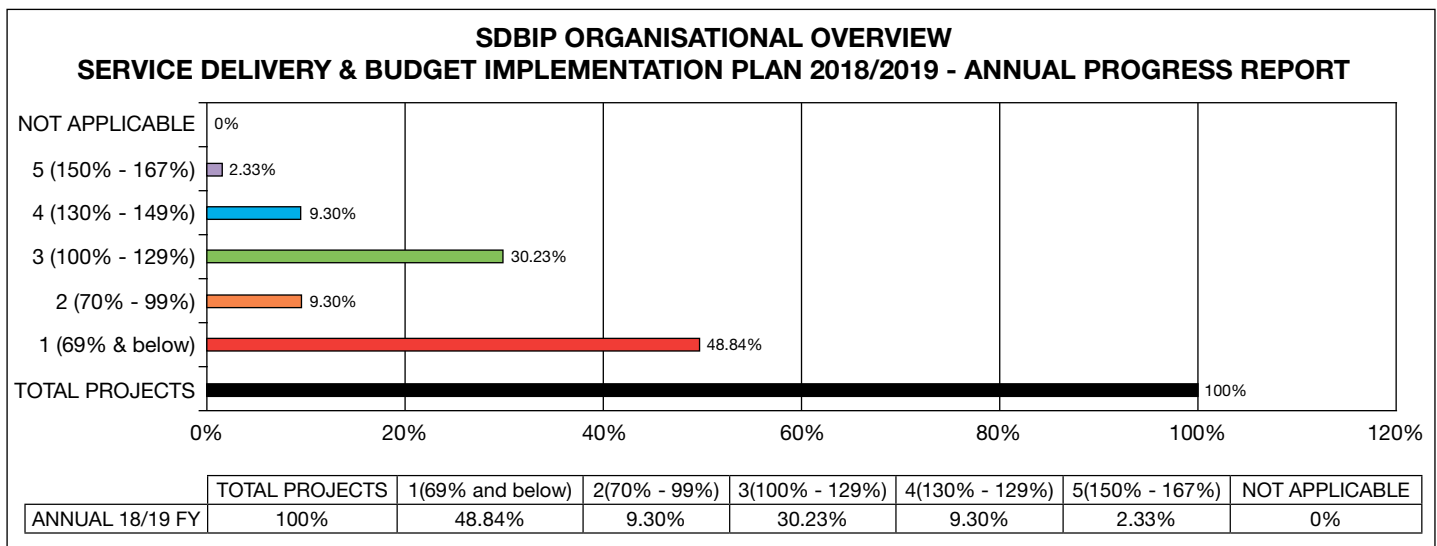
- 1. TOTAL PROJECTS: 123
- 1.1 OPERATING PROJECTS: 80
- 1.2 CAPITAL PROJECTS: 43

### GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



- 1. A total of 80 Operating Projects were reported on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 2. 43.75% of the projects were reported as having achieved a 1 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 3. 10% of the projects were reported as having achieved a 2 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 4. 36.25% of the projects were reported as having achieved a 3 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 5. 6.25% of the projects were reported as having achieved a 4 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 6. 3.75% of the projects were reported as having achieved a 5 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 7. 0% of the projects were reported as not applicable on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT

### GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

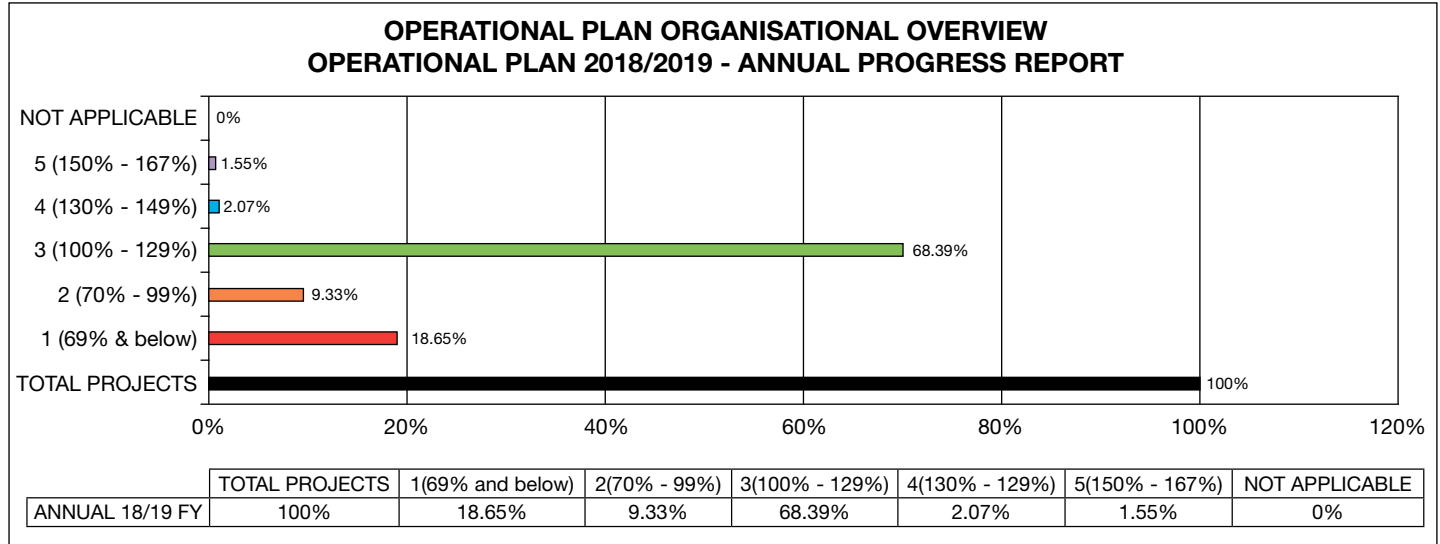


- 1. A total of 43 Capital Projects were reported on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 2. 48.84% of the projects were reported as having achieved a 1 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 3. 9.30% of the projects were reported as having achieved a 2 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 4. 30.23% of the projects were reported as having achieved a 3 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 5. 9.30% of the projects were reported as having achieved a 4 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 6. 2.33% of the projects were reported as having achieved a 5 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 7. 0% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT

**OPERATIONAL PLAN (OP) 2018/2019 ANNUAL PROGRESS REPORT  
ORGANISATIONAL OVERVIEW**

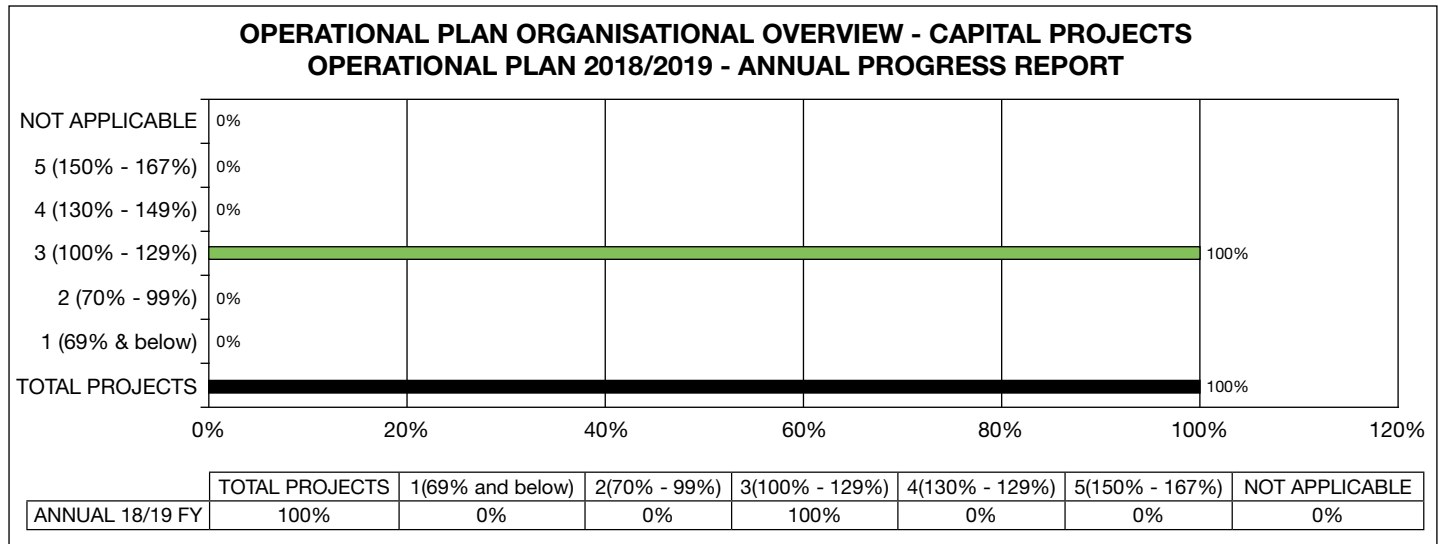
- 1. TOTAL PROJECTS: 195
- 1.1 OPERATING PROJECTS: 193
- 1.2 CAPITAL PROJECTS: 2

**GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



1. A total of 193 Operating Projects were reported on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
2. 18.65% of the projects were reported as having achieved a 1 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
3. 9.33% of the projects were reported as having achieved a 2 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
4. 68.39% of the projects were reported as having achieved a 3 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
5. 2.07% of the projects were reported as having achieved a 4 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
6. 1.55% of the projects were reported as having achieved a 5 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
7. 0% of the projects were reported as not applicable due to not having any targets on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT

**GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



1. A total of 2 Capital Projects were reported on the Operational Plan for the MAY 2019 2018/2019 ANNUAL PROGRESS REPORT
2. 0% of the projects were reported as having achieved a 1 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
3. 0% of the projects were reported as having achieved a 2 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
4. 100% of the projects were reported as having achieved a 3 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
5. 0% of the projects were reported as having achieved a 4 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
6. 0% of the projects were reported as having achieved a 5 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
7. 0% of the projects were reported as not applicable due to not having any targets on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT





**CONCLUSION:**

This Annual Performance report reflects the performance of Business Units during the financial year 2018/2019.

During the 2018/2019 financial year Msunduzi Municipality made great strides in trying to ensure that the municipality did not receive a poor Audit opinion for performance management. A number of systems, procedures and interventions were implemented during this period to assist with ensuring the alignment of the Integrated Development Plan, Budget & Service Delivery & Budget Implementation Plan (SDBIP) in order for the communities to receive quality services. The municipality also undertook several interventions to ensure that the communities it serves were continuously informed of matters pertaining to service delivery.

## CHAPTER 4 – ANNUAL FINANCIAL STATEMENTS

### THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

#### General Information

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Legal form of entity                        | Category B Municipality in terms of section 1 of the Local Government : Municipal Structures Act, 1998 (Act 117 of 1998) read with section 155(1) of the Constitution of the Republic of South Africa (Act 108 of 1996) and Municipal Finance Management Act No. 56 of 2003.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Nature of business and principal activities | The primary function of Msunduzi Local Municipality is to provide basic services i.e. water, electricity, sanitation and refuse to the Msunduzi jurisdiction. Msunduzi Local Municipality is controlled by a Mayor, Deputy Mayor, Speaker, Chief Whip, ten Executive Committee members, the Accounting Officer and five General Managers who contribute to day to day management.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Grading of local authority                  | Category - B                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Controlling entity                          | Msunduzi Local Municipality                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Economic entity                             | Safe City Msunduzi NPC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Business address                            | The City Hall<br>260 Church Street<br>Pietermaritzburg<br>3201                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Postal address                              | The City Hall<br>Private Bag X321<br>Pietermaritzburg<br>3200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Telephone                                   | (033) 392 2002                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Facsimile                                   | (033) 392 2208                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Legislation                                 | Municipal Finance Management Act (Act 56 of 2003) The Constitution of the Republic of South Africa (Act 108 of 1996) Municipal Structures Act (Act 117 of 1998) Municipal Systems Act (Act 32 of 2000) Municipal Property Rates Act (act of 6 2004) Division of Revenue Act (Act 1 of 2007) Municipal Demarcation Act (Act 27 of 1998)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Bankers                                     | First National Bank                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Website                                     | <a href="http://www.msunduzi.gov.za">www.msunduzi.gov.za</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Accounting Officer                          | Nelisiwe Margret Ngcobo (Acting)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Auditors                                    | The Auditor General of South Africa                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Chief Finance Officer (CFO)                 | Dudu Gambu (Acting)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Executive Committee                         | Mayor - Njilo Mduduzi Jerome - Refer to note 64 (Events after reporting date)<br>Deputy Mayor - Zuma Thobani - Refer to note 64 (Events after reporting date)<br>Speaker - Ngubo Jabu - Refer to note 64 (Events after reporting date) Chief Whip - Magubane Truman V. - Refer to note 64 (Events after reporting date)<br>Chairperson : Community Services portfolio - Khumalo Sphamandla Dennis - Refer to note 64 (Events after reporting date)<br>Chairperson : Corporate services portfolio - Sithole Philisiwe - Refer to note 64 (Events after reporting date)<br>Chairperson : Sustainable development and city enterprises portfolio - Majola Nomagugu Eunice - Refer to note 64 (Events after reporting date)<br>Executive Committee member - Dlamini Tholakele Ignestia - Refer to note 64 (Events after reporting date)<br>Executive Committee member - Majola Jerome Sibongiseni<br>Executive Committee member - McArthur Glenn Robert<br>Executive Committee member - Msimang Prudence Nokuthula - Refer to note 64 (Events after reporting date)<br>Executive Committee member - Ntombela Dennis T. |
| Councillors                                 | Municipal Public Accounts Committee Chairperson - Schalkwyk Mary<br>Adkins Shawn<br>Ahmed Najmah Banu                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

Councillors

Ahmed Rooksana  
Amod Michael Ismail  
Chetty Claudell Milany (resigned)  
Dlamini Ambrosia Sibongile  
Dlamini Godman Nkosivelile  
Dlamini Sandile Wellington  
Dlela Nomalady Eleanor  
Duma Prince Dumisa  
Gambu Nkosinathi Chasewell  
Goga Mohammed Salim  
Gwala Nelisiwe Jannet  
Gwala Sindisiwe Cydy (deceased)  
Inderjit Manilal  
Jugmohan Renesha (resigned)  
Lambert William Francis  
Lyne Sandra Patricia  
Madlala Linda Linford  
Madlala Siphmandla Sydney  
Madonda Sipho Innocent  
Madondo Ignatia Thandiwe  
Majola Terrence Sboniso  
Mbanjwa Nkosinathi Maxwell  
Mhlongo Snothi Raphael  
Mkhize Dorcas Sibongile  
Mkhize Mtuza Bhekithemba  
Mkhize Nkululeko Fortune  
Mncwango Gladness Sibongile  
Molefe Thabiso Patrick  
Mtshali Blessing Sbusiso  
Ndawonde Sipiwe Caiphas  
Ndlovu Nelisiwe Zanele  
Nene Jabulani  
Nene S'fiso Derrick  
Ngcobo Jeffrey Mbuyiselwa  
Ngcobo Katherine Malindi  
Ngongoma Xolani Ellington  
Ngubane Sandile Duncan  
Ngubo Gugu Mary-Jane  
Ngubo Jabulisile Joyce - Speaker  
Ngubo Manqoba  
Ngubo Zinhle Regina  
Nhlabathi Bongumusa Cyril  
Niemand Rienus  
Ntombela Ethel Zodwa (resigned)  
Nontobeko Khumalo  
Ntshangase Ntuthuko  
Oumar Mehmood-UI Hassan  
Phungula Dumisani Bernard  
Shange Sandile Cyril  
Singh Melika  
Sithole Thamsanqa Wonderboy  
Sivnath Rajdave  
Sokhela Balozile Cynthia  
Sokhela Mansizwa Simon  
Soobiah Rachel  
Strachan Ross Bryan  
Winterbach Ludwig Johann  
Zondi Dolo Phillip  
Zondi Hamilton Mlungisi  
Zondo Makhosazane Precious  
Zuma Bukelani Ephraim  
Zuma Michael Bhekabantu  
Zungu Ningi Jostinah  
Zungu Thandiwe Rose (resigned)

## INDEX

The reports and statements set out below comprise the consolidated annual financial statements presented to the provincial legislature:

|                                                       | <b>Page</b>                                                        |
|-------------------------------------------------------|--------------------------------------------------------------------|
| Accounting Officer's Responsibilities and Approval    | 243                                                                |
| Statement of Financial Position                       | 244                                                                |
| Statement of Financial Performance                    | 245                                                                |
| Statement of Changes in Net Assets                    | 246                                                                |
| Cash Flow Statement                                   | 247                                                                |
| Statement of Comparison of Budget and Actual Amounts  | 248 - 250                                                          |
| Accounting Policies                                   | 251 - 267                                                          |
| Notes to the Consolidated Annual Financial Statements | 268 - 331                                                          |
|                                                       |                                                                    |
| COID                                                  | Compensation for Occupational Injuries and Diseases                |
| CRR                                                   | Capital Replacement Reserve                                        |
| DBSA                                                  | Development Bank of South Africa                                   |
| SA GAAP                                               | South African Statements of Generally Accepted Accounting Practice |
| GRAP                                                  | Generally Recognised Accounting Practice                           |
| GAMAP                                                 | Generally Accepted Municipal Accounting Practice                   |
| HDF                                                   | Housing Development Fund                                           |
| IAS                                                   | International Accounting Standards                                 |
| IMFO                                                  | Institute of Municipal Finance Officers                            |
| IPSAS                                                 | International Public Sector Accounting Standards                   |
| ME's                                                  | Municipal Entities                                                 |
| MEC                                                   | Member of the Executive Council                                    |
| MFMA                                                  | Municipal Finance Management Act                                   |
| MIG                                                   | Municipal Infrastructure Grant (Previously CMIP)                   |

## ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the consolidated annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the consolidated annual financial statements and was given unrestricted access to all financial records and related data.

The consolidated annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The consolidated annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that she is ultimately responsible for the system of internal financial control established by the municipality and its entity and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and its entity and all employees are required to maintain the highest ethical standards in ensuring the economic entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality and its entity is on identifying, assessing, managing and monitoring all known forms of risk across the municipality and its entity. While operating risk cannot be fully eliminated, the municipality and its entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality and its entity's cash flow forecast for the year to 30 June 2020 and, in the light of this review and the current financial position, she is satisfied that the municipality and its entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although the accounting officer is primarily responsible for the financial affairs of the municipality, she is supported by the municipality's audit committee, internal and external auditors.

The external auditors are responsible for independently auditing and reporting on the municipality and its entity's consolidated annual financial statements.

I certify that the salaries, allowances and benefits of councillors as disclosed in note 51 of these Consolidated Annual Financial Statements are within the upper limits of the framework envisaged in section 219 of the Constitution, read with Remuneration of Public Officer Bearer Act and the Minister of Provincial and Local Governments determination in accordance with this Act.

The consolidated annual financial statements set out on page 244 - 371 which have been prepared on the going concern basis, were approved by the accounting officer on 30 September 2019 and were signed on its behalf by:



**Accounting Officer**  
**Nelisiwe Margret Ngcobo (Acting)**  
**Pietermaritzburg**  
**Monday, 30 September 2019**

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

| Figures in Rand                            | Note(s) | Economic entity      |                      | Controlling entity   |                      |
|--------------------------------------------|---------|----------------------|----------------------|----------------------|----------------------|
|                                            |         | 2019                 | 2018<br>Restated*    | 2019                 | 2018<br>Restated*    |
| <b>Assets</b>                              |         |                      |                      |                      |                      |
| <b>Current Assets</b>                      |         |                      |                      |                      |                      |
| Inventories                                | 3       | 329 159 386          | 357 737 917          | 329 159 386          | 357 737 917          |
| Short term investment                      | 4       | 15 674 518           | 8 869 457            | 15 674 518           | 8 869 457            |
| Receivables from exchange transactions     | 5       | 5 002 845            | 32 375 434           | 5 000 345            | 32 351 926           |
| Receivables from non-exchange transactions | 6       | 2 568 619            | 2 600 669            | 2 568 619            | 2 600 669            |
| VAT receivable                             | 7       | -                    | 25 495               | -                    | -                    |
| Consumer debtors                           | 8       | 454 837 531          | 424 770 387          | 454 837 531          | 424 770 387          |
| Cash and cash equivalents                  | 9       | 308 202 578          | 512 622 307          | 305 056 164          | 511 228 506          |
|                                            |         | <b>1 115 445 477</b> | <b>1 339 001 666</b> | <b>1 112 296 563</b> | <b>1 337 558 862</b> |
| <b>Non-Current Assets</b>                  |         |                      |                      |                      |                      |
| Agricultural assets                        | 10      | 79 700 000           | 63 863 790           | 79 700 000           | 63 863 790           |
| Heritage assets                            | 11      | 272 674 007          | 226 909 607          | 272 674 007          | 226 909 607          |
| Intangible assets                          | 12      | 41 057 963           | 52 109 485           | 41 057 963           | 52 109 485           |
| Investment property                        | 13      | 816 690 000          | 849 500 000          | 816 690 000          | 849 500 000          |
| Living resources                           | 14      | 948 425              | 928 494              | 948 425              | 928 494              |
| Property, plant and equipment              | 15      | 7 003 790 703        | 6 967 433 290        | 6 992 153 551        | 6 954 987 873        |
| Other financial assets                     | 16      | 2 642 997            | 4 664 290            | 2 642 997            | 4 664 290            |
|                                            |         | <b>8 217 504 095</b> | <b>8 165 408 956</b> | <b>8 205 866 943</b> | <b>8 152 963 539</b> |
| <b>Total Assets</b>                        |         | <b>9 332 949 572</b> | <b>9 504 410 622</b> | <b>9 318 163 506</b> | <b>9 490 522 401</b> |
| <b>Liabilities</b>                         |         |                      |                      |                      |                      |
| <b>Current Liabilities</b>                 |         |                      |                      |                      |                      |
| Consumer deposits                          | 17      | 107 229 302          | 108 809 333          | 107 229 302          | 108 809 333          |
| Other financial liabilities                | 18      | 114 310 751          | 113 888 397          | 114 310 751          | 113 888 397          |
| Payables from exchange transactions        | 19      | 935 345 680          | 899 859 935          | 935 062 364          | 899 588 775          |
| Provisions                                 | 20      | 7 257 332            | 2 750 943            | 6 746 548            | 2 347 547            |
| Employee benefit obligation                | 21      | 36 198 896           | 36 508 990           | 36 198 896           | 36 508 990           |
| Unspent conditional grants and receipts    | 22      | 127 958 878          | 122 349 562          | 127 958 878          | 122 349 562          |
| VAT payable                                | 23      | 145 090 018          | 83 659 588           | 144 732 097          | 83 659 588           |
|                                            |         | <b>1 473 390 857</b> | <b>1 367 826 748</b> | <b>1 472 238 836</b> | <b>1 367 152 192</b> |
| <b>Non-Current Liabilities</b>             |         |                      |                      |                      |                      |
| Other financial liabilities                | 18      | 366 291 537          | 451 226 205          | 366 291 537          | 451 226 205          |
| Provisions                                 | 20      | 62 662 384           | 62 323 158           | 62 662 384           | 62 323 158           |
| Employee benefit obligation                | 21      | 562 080 514          | 667 511 174          | 562 080 514          | 667 511 174          |
|                                            |         | <b>991 034 435</b>   | <b>1 181 060 537</b> | <b>991 034 435</b>   | <b>1 181 060 537</b> |
| <b>Total Liabilities</b>                   |         | <b>2 464 425 292</b> | <b>2 548 887 285</b> | <b>2 463 273 271</b> | <b>2 548 212 729</b> |
| <b>Net Assets</b>                          |         | <b>6 868 524 280</b> | <b>6 955 523 337</b> | <b>6 854 890 235</b> | <b>6 942 309 672</b> |
| <b>Reserves</b>                            |         |                      |                      |                      |                      |
| Accumulated surplus                        | 24      | 6 639 611 022        | 6 723 888 693        | 6 625 976 977        | 6 710 675 028        |
| Capital replacement reserve                | 25      | 40 992 378           | 92 323 393           | 40 992 378           | 92 323 393           |
| Housing development fund                   | 26      | 90 761 936           | 87 653 806           | 90 761 936           | 87 653 806           |
| Revaluation reserve                        | 27      | 97 158 944           | 51 657 445           | 97 158 944           | 51 657 445           |
| <b>Total Net Assets</b>                    |         | <b>6 868 524 280</b> | <b>6 955 523 337</b> | <b>6 854 890 235</b> | <b>6 942 309 672</b> |

## STATEMENT OF FINANCIAL PERFORMANCE

| Figures in Rand                                            | Note(s) | Economic entity        |                        | Controlling entity     |                        |
|------------------------------------------------------------|---------|------------------------|------------------------|------------------------|------------------------|
|                                                            |         | 2019                   | 2018<br>Restated*      | 2019                   | 2018<br>Restated*      |
| <b>Revenue</b>                                             |         |                        |                        |                        |                        |
| <b>Revenue from exchange transactions</b>                  |         |                        |                        |                        |                        |
| Agency services                                            | 28      | 1 970 390              | 2 577 730              | 1 970 390              | 2 577 730              |
| Interest - consumer debtors and receivables                | 29      | 218 926 060            | 201 961 916            | 218 926 060            | 201 961 916            |
| Interest received - bank, call and investment accounts     | 30      | 20 507 403             | 39 129 952             | 20 378 755             | 39 046 190             |
| Licences and permits                                       | 31      | 829 644                | 898 614                | 829 644                | 898 614                |
| Operational revenue                                        | 32      | 55 087 695             | 59 737 126             | 55 087 695             | 59 737 126             |
| Rental of facilities and equipment                         | 33      | 20 617 910             | 27 295 067             | 20 617 910             | 27 295 067             |
| Rendering of services                                      | 34      | 8 265 686              | 8 879 826              | 8 265 686              | 8 879 826              |
| Sale of goods                                              | 35      | 421 129                | 433 853                | 421 042                | 433 409                |
| Service charges                                            | 36      | 2 942 462 111          | 2 710 643 839          | 2 942 608 164          | 2 710 791 730          |
| <b>Total revenue from exchange transactions</b>            |         | <b>3 269 088 028</b>   | <b>3 051 557 923</b>   | <b>3 269 105 346</b>   | <b>3 051 621 608</b>   |
| <b>Revenue from non-exchange transactions</b>              |         |                        |                        |                        |                        |
| <b>Taxation revenue</b>                                    |         |                        |                        |                        |                        |
| Property rates                                             | 37      | 930 980 085            | 864 164 006            | 930 980 085            | 864 164 006            |
| Transfer revenue                                           |         |                        |                        |                        |                        |
| Fines, penalties and forfeits                              | 38      | 12 557 144             | 14 284 733             | 12 557 144             | 14 284 733             |
| Government grants and subsidies                            | 39      | 1 007 479 072          | 928 477 180            | 1 007 479 072          | 928 477 180            |
| Other transfers                                            | 40      | 9 162 557              | 14 897 250             | 9 162 557              | 14 897 250             |
| <b>Total revenue from non-exchange transactions</b>        |         | <b>1 960 178 858</b>   | <b>1 821 823 169</b>   | <b>1 960 178 858</b>   | <b>1 821 823 169</b>   |
| <b>Total revenue</b>                                       |         | <b>5 229 266 886</b>   | <b>4 873 381 092</b>   | <b>5 229 284 204</b>   | <b>4 873 444 777</b>   |
| <b>Expenditure</b>                                         |         |                        |                        |                        |                        |
| Bulk purchases                                             | 41      | (2 132 173 417)        | (1 956 998 980)        | (2 132 173 417)        | (1 956 998 980)        |
| General expenses                                           | 42      | (573 766 833)          | (617 652 766)          | (573 481 213)          | (617 351 919)          |
| Debt impairment                                            | 43      | (697 521 846)          | (908 868 803)          | (697 521 846)          | (908 868 803)          |
| Depreciation and amortisation                              | 44      | (455 235 329)          | (466 377 349)          | (454 389 103)          | (465 428 234)          |
| Employee related costs                                     | 45      | (1 310 730 366)        | (1 194 821 260)        | (1 303 016 615)        | (1 188 564 523)        |
| Finance costs                                              | 46      | (52 462 384)           | (61 439 423)           | (52 462 384)           | (61 439 423)           |
| Impairment loss/ reversal of impairments                   | 47      | (5 719 754)            | (3 728 759)            | (5 719 754)            | (3 728 759)            |
| Inventory consumed                                         | 48      | (56 479 898)           | (69 327 347)           | (56 436 683)           | (69 287 186)           |
| Operational costs                                          | 49      | (124 539 723)          | (136 728 072)          | (123 606 611)          | (135 847 278)          |
| Operating leases                                           | 50      | (33 079 463)           | (42 558 828)           | (33 068 023)           | (42 549 034)           |
| Remuneration of councillors                                | 51      | (44 130 681)           | (45 020 093)           | (44 130 681)           | (45 020 093)           |
| Transfers and subsidies                                    | 52      | (15 819 791)           | (19 201 984)           | (26 090 875)           | (27 009 938)           |
| <b>Total expenditure</b>                                   |         | <b>(5 501 659 485)</b> | <b>(5 522 723 664)</b> | <b>(5 502 097 205)</b> | <b>(5 522 094 170)</b> |
| <b>Operating deficit</b>                                   |         | <b>(272 392 599)</b>   | <b>(649 342 572)</b>   | <b>(272 813 001)</b>   | <b>(648 649 393)</b>   |
| Gain/(loss) on disposal of assets                          |         | 2 876 825              | (932 651)              | 2 876 825              | (871 236)              |
| Fair value gains/(losses) on investment property           | 53      | (32 810 000)           | 62 795 307             | (32 810 000)           | 62 795 307             |
| Actuarial gains                                            | 54      | 162 153 669            | 56 812 234             | 162 153 669            | 56 812 234             |
| Gains/(losses) on agricultural assets and living resources | 55      | 15 856 141             | 9 954 881              | 15 856 141             | 9 954 881              |
| Inventory losses                                           | 56      | (16 453 277)           | (4 743 013)            | (16 453 277)           | (4 743 013)            |
|                                                            |         | <b>131 623 358</b>     | <b>123 886 758</b>     | <b>131 623 358</b>     | <b>123 948 173</b>     |
| <b>Deficit for the year</b>                                |         | <b>(140 769 241)</b>   | <b>(525 455 814)</b>   | <b>(141 189 643)</b>   | <b>(524 701 220)</b>   |

## STATEMENT OF CHANGES IN NET ASSETS

| Figures in Rand                                                    | Revaluation<br>reserve | Housing<br>development<br>fund | Capital<br>replacement<br>reserve | Total<br>reserves  | Accumulated<br>surplus | Total net<br>assets  |
|--------------------------------------------------------------------|------------------------|--------------------------------|-----------------------------------|--------------------|------------------------|----------------------|
| <b>Economic entity</b>                                             |                        |                                |                                   |                    |                        |                      |
| <b>Balance at 01 July 2017</b>                                     | <b>51 027 945</b>      | <b>80 530 079</b>              | <b>164 290 005</b>                | <b>295 848 029</b> | <b>7 385 380 058</b>   | <b>7 681 228 087</b> |
| Changes in net assets                                              |                        |                                |                                   |                    |                        |                      |
| Transfer to housing development fund                               | -                      | (5 342 308)                    | -                                 | (5 342 308)        | -                      | (5 342 308)          |
| Revaluation of heritage assets                                     | 629 500                | -                              | -                                 | 629 500            | -                      | 629 500              |
| Cash utilised for capital expenditure                              | -                      | -                              | (80 439 527)                      | (80 439 527)       | 80 439 527             | -                    |
| Effects of prior period error                                      | -                      | -                              | -                                 | -                  | (195 536 128)          | (195 536 128)        |
| Net income (losses) recognised directly in net assets              | 629 500                | (5 342 308)                    | (80 439 527)                      | (85 152 335)       | (115 096 601)          | (200 248 936)        |
| Deficit for the year                                               | -                      | -                              | -                                 | -                  | (525 455 814)          | (525 455 814)        |
| Total recognised income and expenses for the year                  | 629 500                | (5 342 308)                    | (80 439 527)                      | (85 152 335)       | (640 552 415)          | (725 704 750)        |
| Interest earned on investment account                              | -                      | 2 466 035                      | 8 472 915                         | 10 938 950         | (10 938 950)           | -                    |
| Other transfers from KwaZulu-Natal Human Settlements               | -                      | 10 000 000                     | -                                 | 10 000 000         | (10 000 000)           | -                    |
| Total changes                                                      | 629 500                | 7 123 727                      | (71 966 612)                      | (64 213 385)       | (661 491 365)          | (725 704 750)        |
| <b>Restated* Balance at 01 July 2018</b>                           | <b>51 657 445</b>      | <b>87 653 806</b>              | <b>92 323 393</b>                 | <b>231 634 644</b> | <b>6 723 888 690</b>   | <b>6 955 523 334</b> |
| Changes in net assets                                              |                        |                                |                                   |                    |                        |                      |
| Revaluation of heritage assets                                     | 45 501 499             | -                              | -                                 | 45 501 499         | -                      | 45 501 499           |
| Cash utilised for capital expenditure                              | -                      | -                              | (65 401 584)                      | (65 401 584)       | 65 401 584             | -                    |
| Transfer to capital replacement reserve                            | -                      | -                              | 12 095 137                        | 12 095 137         | (12 095 137)           | -                    |
| Net income (losses) recognised directly in net assets              | 45 501 499             | -                              | (53 306 447)                      | (7 804 948)        | 53 306 447             | 45 501 499           |
| Deficit for the year                                               | -                      | -                              | -                                 | -                  | (140 769 241)          | (140 769 241)        |
| Total recognised income and expenses for the year                  | 45 501 499             | -                              | (53 306 447)                      | (7 804 948)        | (87 462 794)           | (95 267 742)         |
| Housing development fund utilisation                               | -                      | 106 929                        | -                                 | 106 929            | -                      | 106 929              |
| Interest earned on investment                                      | -                      | 3 001 201                      | 1 975 432                         | 4 976 633          | (4 976 633)            | -                    |
| Adjustments in accumulated surplus                                 | -                      | -                              | -                                 | -                  | 8 161 759              | 8 161 759            |
| Total changes                                                      | 45 501 499             | 3 108 130                      | (51 331 015)                      | (2 721 386)        | (84 277 668)           | (86 999 054)         |
| <b>Balance at 30 June 2019</b>                                     | <b>97 158 944</b>      | <b>90 761 936</b>              | <b>40 992 378</b>                 | <b>228 913 258</b> | <b>6 639 611 022</b>   | <b>6 868 524 280</b> |
| Note(s)                                                            | 27                     | 26                             | 25                                |                    | 24                     |                      |
| <b>Controlling entity</b>                                          |                        |                                |                                   |                    |                        |                      |
| <b>Balance at 01 July 2017</b>                                     | <b>51 027 945</b>      | <b>80 530 079</b>              | <b>164 290 005</b>                | <b>295 848 029</b> | <b>7 371 413 290</b>   | <b>7 667 261 319</b> |
| Changes in net assets                                              |                        |                                |                                   |                    |                        |                      |
| Prior year adjustment                                              | -                      | -                              | -                                 | -                  | (195 537 619)          | (195 537 619)        |
| Transfer to housing development fund                               | -                      | (5 342 308)                    | -                                 | (5 342 308)        | -                      | (5 342 308)          |
| Revaluation of heritage assets                                     | 629 500                | -                              | -                                 | 629 500            | -                      | 629 500              |
| Cash utilised for capital expenditure                              | -                      | -                              | (80 439 527)                      | (80 439 527)       | 80 439 527             | -                    |
| Net income (losses) recognised directly in net assets              | 629 500                | (5 342 308)                    | (80 439 527)                      | (85 152 335)       | (115 098 092)          | (200 250 427)        |
| Deficit for the year                                               | -                      | -                              | -                                 | -                  | (524 701 220)          | (524 701 220)        |
| Total recognised income and expenses for the year                  | 629 500                | (5 342 308)                    | (80 439 527)                      | (85 152 335)       | (639 799 312)          | (724 951 647)        |
| Interest earned on investment                                      | -                      | 2 466 035                      | 8 472 915                         | 10 938 950         | (10 938 950)           | -                    |
| Other transfers from KwaZulu Natal Department of Human Settlements | -                      | 10 000 000                     | -                                 | 10 000 000         | (10 000 000)           | -                    |
| Total changes                                                      | 629 500                | 7 123 727                      | (71 966 612)                      | (64 213 385)       | (660 738 262)          | (724 951 647)        |
| <b>Restated* Balance at 01 July 2018</b>                           | <b>51 657 445</b>      | <b>87 653 806</b>              | <b>92 323 393</b>                 | <b>231 634 644</b> | <b>6 710 675 028</b>   | <b>6 942 309 672</b> |
| Changes in net assets                                              |                        |                                |                                   |                    |                        |                      |
| Revaluation of heritage assets                                     | 45 501 499             | -                              | -                                 | 45 501 499         | -                      | 45 501 499           |
| Cash utilised for capital expenditure                              | -                      | -                              | (65 401 584)                      | (65 401 584)       | 65 401 584             | -                    |
| Transfer to capital replacement reserve                            | -                      | -                              | 12 095 137                        | 12 095 137         | (12 095 137)           | -                    |
| Net income (losses) recognised directly in net assets              | 45 501 499             | -                              | (53 306 447)                      | (7 804 948)        | 53 306 447             | 45 501 499           |
| Deficit for the year                                               | -                      | -                              | -                                 | -                  | (141 189 643)          | (141 189 643)        |
| Total recognised income and expenses for the year                  | 45 501 499             | -                              | (53 306 447)                      | (7 804 948)        | (87 883 196)           | (95 688 144)         |
| Housing development fund utilisation                               | -                      | 106 929                        | -                                 | 106 929            | -                      | 106 929              |
| Adjustments to accumulated surplus                                 | -                      | -                              | -                                 | -                  | 8 161 778              | 8 161 778            |
| Interest earned on investment                                      | -                      | 3 001 201                      | 1 975 432                         | 4 976 633          | (4 976 633)            | -                    |
| Total changes                                                      | 45 501 499             | 3 108 130                      | (51 331 015)                      | (2 721 386)        | (84 698 051)           | (87 419 437)         |
| <b>Balance at 30 June 2019</b>                                     | <b>97 158 944</b>      | <b>90 761 936</b>              | <b>40 992 378</b>                 | <b>228 913 258</b> | <b>6 625 976 977</b>   | <b>6 854 890 235</b> |
| Note(s)                                                            | 27                     | 26                             | 25                                |                    | 24                     |                      |



## CASH FLOW STATEMENT

| Figures in Rand                                             | Note(s) | Economic entity        |                        | Controlling entity     |                        |
|-------------------------------------------------------------|---------|------------------------|------------------------|------------------------|------------------------|
|                                                             |         | 2019                   | 2018<br>Restated*      | 2019                   | 2018<br>Restated*      |
| <b>Cash flows from operating activities</b>                 |         |                        |                        |                        |                        |
| <b>Receipts</b>                                             |         |                        |                        |                        |                        |
| Sale of goods and services                                  |         | 3 478 167 925          | 3 370 155 091          | 3 478 167 838          | 3 370 154 647          |
| Government grants                                           |         | 1 040 688 595          | 1 001 868 335          | 1 040 688 598          | 1 001 868 335          |
| Interest income                                             |         | 20 129 691             | 39 017 482             | 20 001 043             | 38 933 720             |
| Interest received - consumer debtors                        |         | 17 352 420             | 3 033 634              | 17 352 420             | 3 033 634              |
| Tax received                                                |         | 1 488                  | 136 375                | -                      | -                      |
|                                                             |         | <b>4 556 340 119</b>   | <b>4 414 210 917</b>   | <b>4 556 209 899</b>   | <b>4 413 990 336</b>   |
| <b>Payments</b>                                             |         |                        |                        |                        |                        |
| Employee costs                                              |         | (1 272 475 817)        | (1 164 372 452)        | (1 264 948 625)        | (1 158 133 857)        |
| Suppliers                                                   |         | (2 865 452 678)        | (2 619 895 706)        | (2 874 640 217)        | (2 626 127 943)        |
| Finance costs                                               |         | (47 404 408)           | (54 960 155)           | (47 404 409)           | (54 960 155)           |
|                                                             |         | <b>(4 185 332 903)</b> | <b>(3 839 228 313)</b> | <b>(4 186 993 251)</b> | <b>(3 839 221 955)</b> |
| <b>Net cash flows from operating activities</b>             | 57      | <b>371 007 216</b>     | <b>574 982 604</b>     | <b>369 216 648</b>     | <b>574 768 381</b>     |
| <b>Cash flows from investing activities</b>                 |         |                        |                        |                        |                        |
| Purchase of property, plant and equipment                   |         | (477 407 058)          | (668 363 578)          | (477 369 103)          | (668 314 522)          |
| Proceeds from sale of property, plant and equipment         |         | 3 715 678              | -                      | 3 715 678              | -                      |
| Purchase of other intangible assets                         |         | (800 000)              | (8 968 380)            | (800 000)              | (8 968 380)            |
| Receipts from other financial assets                        |         | 186 254                | 351 760                | 186 254                | 351 760                |
| (Increase)/decrease in short term investment                |         | (6 155 452)            | 306 236                | (6 155 452)            | 306 236                |
| <b>Net cash flows from investing activities</b>             |         | <b>(480 460 578)</b>   | <b>(676 673 962)</b>   | <b>(480 422 623)</b>   | <b>(676 624 906)</b>   |
| <b>Cash flows from financing activities</b>                 |         |                        |                        |                        |                        |
| Repayment of other financial liabilities                    |         | (94 966 367)           | (61 681 966)           | (94 966 367)           | (61 681 966)           |
| <b>Net cash flows from financing activities</b>             |         | <b>(94 966 367)</b>    | <b>(61 681 966)</b>    | <b>(94 966 367)</b>    | <b>(61 681 966)</b>    |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |         | <b>(204 419 729)</b>   | <b>(163 373 324)</b>   | <b>(206 172 342)</b>   | <b>(163 538 491)</b>   |
| Cash and cash equivalents at the beginning of the year      |         | 512 622 307            | 675 995 631            | 511 228 506            | 674 766 997            |
| <b>Cash and cash equivalents at the end of the year</b>     | 9       | <b>308 202 578</b>     | <b>512 622 307</b>     | <b>305 056 164</b>     | <b>511 228 506</b>     |

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

### Budget on Accrual Basis

|                                                                                                      | Approved<br>budget     | Adjustments          | Final Budget           | Actual amounts<br>on comparable<br>basis | Difference<br>between final<br>budget and<br>actual | Reference                                                     |
|------------------------------------------------------------------------------------------------------|------------------------|----------------------|------------------------|------------------------------------------|-----------------------------------------------------|---------------------------------------------------------------|
| <b>Figures in Rand</b>                                                                               |                        |                      |                        |                                          |                                                     |                                                               |
| <b>Economic entity</b>                                                                               |                        |                      |                        |                                          |                                                     |                                                               |
| <b>Statement of Financial Performance</b>                                                            |                        |                      |                        |                                          |                                                     |                                                               |
| <b>Revenue</b>                                                                                       |                        |                      |                        |                                          |                                                     |                                                               |
| <b>Revenue from exchange transactions</b>                                                            |                        |                      |                        |                                          |                                                     |                                                               |
| Sale of goods                                                                                        | -                      | -                    | -                      | 421 129                                  | 421 129                                             | Refer to<br>note 75 for<br>variance<br>analysis<br>comparison |
| Service charges                                                                                      | 3 024 881 461          | (39 278 846)         | <b>2 985 602 615</b>   | 2 942 462 111                            | <b>(43 140 504)</b>                                 |                                                               |
| Rendering of services                                                                                | -                      | -                    | -                      | 8 265 686                                | <b>8 265 686</b>                                    |                                                               |
| Rental of facilities and equipment                                                                   | 35 220 144             | (8 968 634)          | <b>26 251 510</b>      | 20 617 910                               | <b>(5 633 600)</b>                                  |                                                               |
| Interest received - consumer debtors and receivables                                                 | 118 141 277            | 64 631 851           | <b>182 773 128</b>     | 218 926 060                              | <b>36 152 932</b>                                   |                                                               |
| Agency services                                                                                      | -                      | 543 380              | <b>543 380</b>         | 1 970 390                                | <b>1 427 010</b>                                    |                                                               |
| Licences and permits                                                                                 | 100 067                | 910 648              | <b>1 010 715</b>       | 829 644                                  | <b>(181 071)</b>                                    |                                                               |
| Operational revenue                                                                                  | 176 830 803            | (20 994 812)         | <b>155 835 991</b>     | 55 087 695                               | <b>(100 748 296)</b>                                |                                                               |
| Interest received - bank, call investment                                                            | 39 956 400             | (13 009 315)         | <b>26 947 085</b>      | 20 507 403                               | <b>(6 439 682)</b>                                  |                                                               |
| <b>Total revenue from exchange transactions</b>                                                      | <b>3 395 130 152</b>   | <b>(16 165 728)</b>  | <b>3 378 964 424</b>   | <b>3 269 088 028</b>                     | <b>(109 876 396)</b>                                |                                                               |
| <b>Revenue from non-exchange transactions</b>                                                        |                        |                      |                        |                                          |                                                     |                                                               |
| <b>Taxation revenue</b>                                                                              |                        |                      |                        |                                          |                                                     |                                                               |
| Property rates                                                                                       | 900 836 973            | 14 726 977           | <b>915 563 950</b>     | 930 980 085                              | <b>15 416 135</b>                                   |                                                               |
| <b>Transfer revenue</b>                                                                              |                        |                      |                        |                                          |                                                     |                                                               |
| Government grants and subsidies                                                                      | 1 077 020 301          | (1 272 608)          | <b>1 075 747 693</b>   | 1 007 479 072                            | <b>(68 268 621)</b>                                 |                                                               |
| Fines, penalties and forfeits                                                                        | 75 203 073             | (60 048 349)         | <b>15 154 724</b>      | 12 557 144                               | <b>(2 597 580)</b>                                  |                                                               |
| Other transfers                                                                                      | -                      | -                    | -                      | 9 162 557                                | <b>9 162 557</b>                                    |                                                               |
| <b>Total revenue from non-exchange transactions</b>                                                  | <b>2 053 060 347</b>   | <b>(46 593 980)</b>  | <b>2 006 466 367</b>   | <b>1 960 178 858</b>                     | <b>(46 287 509)</b>                                 |                                                               |
| <b>Total revenue</b>                                                                                 | <b>5 448 190 499</b>   | <b>(62 759 708)</b>  | <b>5 385 430 791</b>   | <b>5 229 266 886</b>                     | <b>(156 163 905)</b>                                |                                                               |
| <b>Expenditure</b>                                                                                   |                        |                      |                        |                                          |                                                     |                                                               |
| Employee related costs                                                                               | (1 274 330 598)        | (3 499 448)          | <b>(1 277 830 046)</b> | (1 310 730 366)                          | <b>(32 900 320)</b>                                 |                                                               |
| Remuneration of councillors                                                                          | (48 573 498)           | (1)                  | <b>(48 573 499)</b>    | (44 130 681)                             | <b>4 442 818</b>                                    |                                                               |
| Depreciation and amortisation                                                                        | (468 636 492)          | 5 799 987            | <b>(462 836 505)</b>   | (455 235 329)                            | <b>7 601 176</b>                                    |                                                               |
| Impairment loss/ Reversal of impairments                                                             | -                      | (5 800 000)          | <b>(5 800 000)</b>     | (5 719 754)                              | <b>80 246</b>                                       |                                                               |
| Finance costs                                                                                        | (50 687 782)           | (6 988 694)          | <b>(57 676 476)</b>    | (52 462 384)                             | <b>5 214 092</b>                                    |                                                               |
| Operating leases                                                                                     | -                      | (33 100 000)         | <b>(33 100 000)</b>    | (33 079 463)                             | <b>20 537</b>                                       |                                                               |
| Debt Impairment                                                                                      | (110 178 020)          | (130 000 000)        | <b>(240 178 020)</b>   | (697 521 846)                            | <b>(457 343 826)</b>                                |                                                               |
| Bulk purchases                                                                                       | (2 050 322 398)        | (84 737 457)         | <b>(2 135 059 855)</b> | (2 132 173 417)                          | <b>2 886 438</b>                                    |                                                               |
| General expenses                                                                                     | (606 222 117)          | (65 538 594)         | <b>(671 760 711)</b>   | (573 766 833)                            | <b>97 993 878</b>                                   |                                                               |
| Transfers and Subsidies                                                                              | (57 139 566)           | 14 647 322           | <b>(42 492 244)</b>    | (15 819 791)                             | <b>26 672 453</b>                                   |                                                               |
| Inventory consumed                                                                                   | (63 796 788)           | 4 728 049            | <b>(59 068 739)</b>    | (56 479 898)                             | <b>2 588 841</b>                                    |                                                               |
| Operating costs                                                                                      | (210 836 991)          | 52 208 656           | <b>(158 628 335)</b>   | (124 539 723)                            | <b>34 088 612</b>                                   |                                                               |
| <b>Total expenditure</b>                                                                             | <b>(4 940 724 250)</b> | <b>(252 280 180)</b> | <b>(5 193 004 430)</b> | <b>(5 501 659 485)</b>                   | <b>(308 655 055)</b>                                |                                                               |
| <b>Operating deficit</b>                                                                             | <b>507 466 249</b>     | <b>(315 039 888)</b> | <b>192 426 361</b>     | <b>(272 392 599)</b>                     | <b>(464 818 960)</b>                                |                                                               |
| Gain on disposal of assets and liabilities                                                           | -                      | (22 000 000)         | <b>(22 000 000)</b>    | 2 876 825                                | <b>24 876 825</b>                                   |                                                               |
| Fair value gains/(losses) on investment property                                                     | -                      | -                    | -                      | (32 810 000)                             | <b>(32 810 000)</b>                                 |                                                               |
| Actuarial gains                                                                                      | -                      | (163 000 000)        | <b>(163 000 000)</b>   | 162 153 669                              | <b>325 153 669</b>                                  |                                                               |
| Gain/ on agricultural assets and living resources                                                    | -                      | (15 900 000)         | <b>(15 900 000)</b>    | 15 856 141                               | <b>31 756 141</b>                                   |                                                               |
| Inventory losses                                                                                     | -                      | -                    | -                      | (16 453 277)                             | <b>(16 453 277)</b>                                 |                                                               |
|                                                                                                      | -                      | <b>(200 900 000)</b> | <b>(200 900 000)</b>   | <b>131 623 358</b>                       | <b>332 523 358</b>                                  |                                                               |
| <b>Deficit before taxation</b>                                                                       | <b>507 466 249</b>     | <b>(515 939 888)</b> | <b>(8 473 639)</b>     | <b>(140 769 241)</b>                     | <b>(132 295 602)</b>                                |                                                               |
| <b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b> | <b>507 466 249</b>     | <b>(515 939 888)</b> | <b>(8 473 639)</b>     | <b>(140 769 241)</b>                     | <b>(132 295 602)</b>                                |                                                               |

**Budget on Accrual Basis**

|                                                                | Approved budget       | Adjustments            | Final Budget         | Actual amounts on comparable basis | Difference between final budget and actual | Reference                                         |
|----------------------------------------------------------------|-----------------------|------------------------|----------------------|------------------------------------|--------------------------------------------|---------------------------------------------------|
| <b>Figures in Rand</b>                                         |                       |                        |                      |                                    |                                            |                                                   |
| <b>Statement of Financial Position</b>                         |                       |                        |                      |                                    |                                            |                                                   |
| <b>Assets</b>                                                  |                       |                        |                      |                                    |                                            |                                                   |
| <b>Current Assets</b>                                          |                       |                        |                      |                                    |                                            |                                                   |
| Inventories                                                    | 74 312 250            | 70 401 793             | <b>144 714 043</b>   | 329 159 386                        | <b>184 445 343</b>                         | Refer to note 75 for variance analysis comparison |
| Other financial assets                                         | 43 081                | (43 081)               | -                    | -                                  | -                                          |                                                   |
| Short term investment                                          | 640 227 284           | (278 308 276)          | <b>361 919 008</b>   | 15 674 518                         | <b>(346 244 490)</b>                       |                                                   |
| Receivables from exchange transactions                         | -                     | -                      | -                    | 5 002 845                          | <b>5 002 845</b>                           |                                                   |
| Receivables from non-exchange transactions                     | 376 446 120           | (292 571 154)          | <b>83 874 966</b>    | 2 568 619                          | <b>(81 306 347)</b>                        |                                                   |
| Consumer debtors                                               | 1 512 750 100         | (693 613 451)          | <b>819 136 649</b>   | 454 837 531                        | <b>(364 299 118)</b>                       |                                                   |
| Cash and cash equivalents                                      | 100 096 000           | -                      | <b>100 096 000</b>   | 308 202 578                        | <b>208 106 578</b>                         |                                                   |
|                                                                | <b>2 703 874 835</b>  | <b>(1 194 134 169)</b> | <b>1 509 740 666</b> | <b>1 115 445 477</b>               | <b>(394 295 189)</b>                       |                                                   |
| <b>Non-Current Assets</b>                                      |                       |                        |                      |                                    |                                            |                                                   |
| Agricultural assets                                            | 46 520 046            | (46 520 046)           | -                    | 79 700 000                         | <b>79 700 000</b>                          |                                                   |
| Investment property                                            | 356 913 816           | 366 664 184            | <b>723 578 000</b>   | 816 690 000                        | <b>93 112 000</b>                          |                                                   |
| Property, plant and equipment                                  | 7 486 873 599         | (472 158 271)          | <b>7 014 715 328</b> | 7 003 790 703                      | <b>(10 924 625)</b>                        |                                                   |
| Living resources                                               | -                     | -                      | -                    | 948 425                            | <b>948 425</b>                             |                                                   |
| Intangible assets                                              | 27 283 200            | (1 931 430)            | <b>25 351 770</b>    | 41 057 963                         | <b>15 706 193</b>                          |                                                   |
| Heritage assets                                                | -                     | -                      | -                    | 272 674 007                        | <b>272 674 007</b>                         |                                                   |
| Other non current assets                                       | 179 008 295           | (179 008 295)          | -                    | -                                  | -                                          |                                                   |
| Other financial assets                                         | 9 455 112             | (9 455 112)            | -                    | 2 642 997                          | <b>2 642 997</b>                           |                                                   |
|                                                                | <b>8 106 054 068</b>  | <b>(342 408 970)</b>   | <b>7 763 645 098</b> | <b>8 217 504 095</b>               | <b>453 858 997</b>                         |                                                   |
| <b>Total Assets</b>                                            | <b>10 809 928 903</b> | <b>(1 536 543 139)</b> | <b>9 273 385 764</b> | <b>9 332 949 572</b>               | <b>59 563 808</b>                          |                                                   |
| <b>Liabilities</b>                                             |                       |                        |                      |                                    |                                            |                                                   |
| <b>Current Liabilities</b>                                     |                       |                        |                      |                                    |                                            |                                                   |
| Other financial liabilities                                    | 83 216 956            | 1 295 361              | <b>84 512 317</b>    | 114 310 751                        | <b>29 798 434</b>                          |                                                   |
| Payables from exchange transactions                            | 304 817 996           | 674 655 285            | <b>979 473 281</b>   | 935 345 680                        | <b>(44 127 601)</b>                        |                                                   |
| VAT payable                                                    | -                     | -                      | -                    | 145 090 018                        | <b>145 090 018</b>                         |                                                   |
| Consumer deposits                                              | 113 354 210           | (9 640 441)            | <b>103 713 769</b>   | 107 229 302                        | <b>3 515 533</b>                           |                                                   |
| Employee benefit obligation                                    | -                     | -                      | -                    | 36 198 896                         | <b>36 198 896</b>                          |                                                   |
| Unspent conditional grants and receipts                        | -                     | -                      | -                    | 127 958 878                        | <b>127 958 878</b>                         |                                                   |
| Provisions                                                     | -                     | 127 344 954            | <b>127 344 954</b>   | 7 257 332                          | <b>(120 087 622)</b>                       |                                                   |
|                                                                | <b>501 389 162</b>    | <b>793 655 159</b>     | <b>1 295 044 321</b> | <b>1 473 390 857</b>               | <b>178 346 536</b>                         |                                                   |
| <b>Non-Current Liabilities</b>                                 |                       |                        |                      |                                    |                                            |                                                   |
| Other financial liabilities                                    | 349 414 044           | 101 812 168            | <b>451 226 212</b>   | 366 291 537                        | <b>(84 934 675)</b>                        |                                                   |
| Employee benefit obligation                                    | -                     | -                      | -                    | 562 080 514                        | <b>562 080 514</b>                         |                                                   |
| Provisions                                                     | 838 082 450           | (106 506 289)          | <b>731 576 161</b>   | 62 662 384                         | <b>(668 913 777)</b>                       |                                                   |
|                                                                | <b>1 187 496 494</b>  | <b>(4 694 121)</b>     | <b>1 182 802 373</b> | <b>991 034 435</b>                 | <b>(191 767 938)</b>                       |                                                   |
| <b>Total Liabilities</b>                                       | <b>1 688 885 656</b>  | <b>788 961 038</b>     | <b>2 477 846 694</b> | <b>2 464 425 292</b>               | <b>(13 421 402)</b>                        |                                                   |
| <b>Net Assets</b>                                              | <b>9 121 043 247</b>  | <b>(2 325 504 177)</b> | <b>6 795 539 070</b> | <b>6 868 524 280</b>               | <b>72 985 210</b>                          |                                                   |
| <b>Net Assets</b>                                              |                       |                        |                      |                                    |                                            |                                                   |
| <b>Net Assets Attributable to Owners of Controlling Entity</b> |                       |                        |                      |                                    |                                            |                                                   |
| <b>Reserves</b>                                                |                       |                        |                      |                                    |                                            |                                                   |
| Revaluation reserve                                            | -                     | -                      | -                    | 97 158 944                         | <b>97 158 944</b>                          |                                                   |
| Housing development fund                                       | 152 914 142           | 130 870 939            | <b>283 785 081</b>   | 90 761 936                         | <b>(193 023 145)</b>                       |                                                   |
| Capitalisation reserve                                         | -                     | -                      | -                    | 40 992 378                         | <b>40 992 378</b>                          |                                                   |
| Accumulated surplus                                            | 8 968 129 105         | (2 456 375 116)        | <b>6 511 753 989</b> | 6 639 611 022                      | <b>127 857 033</b>                         |                                                   |
| <b>Total Net Assets</b>                                        | <b>9 121 043 247</b>  | <b>(2 325 504 177)</b> | <b>6 795 539 070</b> | <b>6 868 524 280</b>               | <b>72 985 210</b>                          |                                                   |

## Budget on Accrual Basis

|                                                         | Approved budget        | Adjustments          | Final Budget           | Actual amounts on comparable basis | Difference between final budget and actual | Reference                                         |
|---------------------------------------------------------|------------------------|----------------------|------------------------|------------------------------------|--------------------------------------------|---------------------------------------------------|
| <b>Figures in Rand</b>                                  |                        |                      |                        |                                    |                                            |                                                   |
| <b>Cash Flow Statement</b>                              |                        |                      |                        |                                    |                                            |                                                   |
| <b>Cash flows from operating activities</b>             |                        |                      |                        |                                    |                                            |                                                   |
| <b>Receipts</b>                                         |                        |                      |                        |                                    |                                            |                                                   |
| Sale of goods and services                              | 3 781 144 705          | (89 183 540)         | <b>3 691 961 165</b>   | 3 478 167 925                      | <b>(213 793 240)</b>                       | Refer to note 75 for variance analysis comparison |
| Government grants                                       | 1 077 020 300          | 19 662 820           | <b>1 096 683 120</b>   | 1 040 688 595                      | <b>(55 994 525)</b>                        |                                                   |
| Interest income                                         | 146 283 550            | 45 175 655           | <b>191 459 205</b>     | 20 129 691                         | <b>(171 329 514)</b>                       |                                                   |
| Interest received - consumer debtors                    | -                      | -                    | -                      | 17 352 420                         | <b>17 352 420</b>                          |                                                   |
| Tax received                                            | -                      | -                    | -                      | 1 488                              | <b>1 488</b>                               |                                                   |
|                                                         | <b>5 004 448 555</b>   | <b>(24 345 065)</b>  | <b>4 980 103 490</b>   | <b>4 556 340 119</b>               | <b>(423 763 371)</b>                       |                                                   |
| <b>Payments</b>                                         |                        |                      |                        |                                    |                                            |                                                   |
| Employee costs                                          | (1 186 906)            | (138 328)            | <b>(1 325 234)</b>     | (1 272 475 817)                    | <b>(1 271 150 583)</b>                     |                                                   |
| Suppliers                                               | (4 107 863 891)        | (145 551 654)        | <b>(4 253 415 545)</b> | (2 865 452 678)                    | <b>1 387 962 867</b>                       |                                                   |
| Finance costs                                           | (50 688 170)           | 15 999               | <b>(50 672 171)</b>    | (47 404 408)                       | <b>3 267 763</b>                           |                                                   |
|                                                         | <b>(4 159 738 967)</b> | <b>(145 673 983)</b> | <b>(4 305 412 950)</b> | <b>(4 185 332 903)</b>             | <b>120 080 047</b>                         |                                                   |
| <b>Net cash flows from operating activities</b>         | <b>844 709 588</b>     | <b>(170 019 048)</b> | <b>674 690 540</b>     | <b>371 007 216</b>                 | <b>(303 683 324)</b>                       |                                                   |
| Purchase of property, plant and equipment               | (571 382 146)          | (24 293 889)         | <b>(595 676 035)</b>   | (477 407 058)                      | <b>118 268 977</b>                         |                                                   |
| Proceeds from sale of property, plant and equipment     | -                      | -                    | -                      | 3 715 678                          | <b>3 715 678</b>                           |                                                   |
| Purchase of other intangible assets                     | -                      | -                    | -                      | (800 000)                          | <b>(800 000)</b>                           |                                                   |
| Net movement in financial assets                        | -                      | -                    | -                      | 186 254                            | <b>186 254</b>                             |                                                   |
| Increase / decrease in short investments                | -                      | -                    | -                      | (6 155 452)                        | <b>(6 155 452)</b>                         |                                                   |
| <b>Net cash flows from investing activities</b>         | <b>(571 382 146)</b>   | <b>(24 293 889)</b>  | <b>(595 676 035)</b>   | <b>(480 460 578)</b>               | <b>115 215 457</b>                         |                                                   |
| <b>Cash flows from financing activities</b>             |                        |                      |                        |                                    |                                            |                                                   |
| Repayment of other financial liabilities                | (83 374 956)           | -                    | <b>(83 374 956)</b>    | (94 966 367)                       | <b>(11 591 411)</b>                        |                                                   |
| Consumer deposits                                       | 6 903 495              | (6 903 495)          | -                      | -                                  | -                                          |                                                   |
| <b>Net cash flows from financing activities</b>         | <b>(76 471 461)</b>    | <b>(6 903 495)</b>   | <b>(83 374 956)</b>    | <b>(94 966 367)</b>                | <b>(11 591 411)</b>                        |                                                   |
| Net increase/(decrease) in cash and cash equivalents    | 196 855 981            | (201 216 432)        | <b>(4 360 451)</b>     | (204 419 729)                      | <b>(200 059 278)</b>                       |                                                   |
| Cash and cash equivalents at the beginning of the year  | 465 479 458            | -                    | <b>465 479 458</b>     | 512 622 307                        | <b>47 142 849</b>                          |                                                   |
| <b>Cash and cash equivalents at the end of the year</b> | <b>662 335 439</b>     | <b>(201 216 432)</b> | <b>461 119 007</b>     | <b>308 202 578</b>                 | <b>(152 916 429)</b>                       |                                                   |

## ACCOUNTING POLICIES

### 1. Presentation of Consolidated Annual Financial Statements

The consolidated annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003). The reporting Framework is as prescribed by the Accounting Standards Board in Directive 5.

These consolidated annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these consolidated annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

#### 1.1 Presentation currency

These consolidated annual financial statements are presented in South African Rand, which is the functional currency of the economic entity.

#### 1.2 Going concern assumption

These consolidated annual financial statements have been prepared based on the expectation that the economic entity will continue to operate as a going concern for at least the next 12 months.

#### 1.3 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

#### 1.4 Significant judgements and sources of estimation uncertainty

In preparing the consolidated annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the consolidated annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated annual financial statements. Significant judgements include:

##### **Allowance for slow moving, damaged and obsolete stock**

An allowance for stock to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operation surplus note.

##### **Impairment testing**

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The economic entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors.

##### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 20 - Provisions.

##### **Useful lives of waste and water network and other assets**

The economic entity's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

##### **Post retirement benefits**

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 21.

## Effective interest rate

The economic entity used the prime interest rate to discount future cash flows.

## Debt Impairment

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition unless if the effect of discounting is immaterial.

### 1.5 Agricultural assets

The entity recognises agricultural assets or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the economic entity; and
- the fair value or cost of the asset can be measured reliably.

Agricultural assets are measured at their fair value less costs to sell.

The fair value of the tree plantations is based on the combined fair value of the land and trees. The fair value of the raw land and land improvements is then deducted from the combined fair value to determine the fair value of the trees.

A gain or loss arising on initial recognition of agricultural assets or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of agricultural assets is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable is used to determine fair value.

### 1.6 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the economic entity, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

## Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the entity determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property.

Once the entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on property, plant and equipment.

### 1.7 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the economic entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost. Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item                               | Depreciation method | Average useful life |
|------------------------------------|---------------------|---------------------|
| Land                               | Straight line       | Infinite            |
| Buildings                          | Straight line       | 5 - 50 years        |
| Roads                              | Straight line       | 5 - 50 years        |
| Plant and machinery                | Straight line       | 5 - 15 years        |
| Furniture and fixtures             | Straight line       | 7 - 10 years        |
| Motor vehicles                     | Straight line       | 5 - 10 years        |
| System security                    | Straight line       | 5 - 10 years        |
| Storm water drainage               | Straight line       | 25 - 50 years       |
| Airport Infrastructure             | Straight line       | 20 years            |
| Solid waste infrastructure         | Straight line       | 5 - 10 years        |
| Water and sanitation               | Straight line       | 10 - 50 years       |
| Major substations:buildings        | Straight line       | 5 - 50 years        |
| Transformers and related equipment | Straight line       | 50 years            |
| Mains                              | Straight line       | 45 years            |
| Street lighting                    | Straight line       | 50 years            |
| Recreational facilities            | Straight line       | 5 - 50 years        |
| Fresh produce and other markets    | Straight line       | 5 - 50 years        |
| Fire engines                       | Straight line       | 20 years            |
| Transport facilities               | Straight line       | 5 - 50 years        |
| Fencing                            | Straight line       | 10 years            |
| Office equipment                   | Straight line       | 5 - 10 years        |
| Emergency equipment                | Straight line       | 5 - 15 years        |
| Electricity                        | Straight line       | 5 - 50 years        |
| Security                           | Straight line       | 5 - 10 years        |
| Landfill site                      | Straight line       | 5 - 50 years        |
| Heavy and mobile plant             | Straight line       | 10 - 15 years       |
| Bins and containers                | Straight line       | 5 - 10 years        |

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the economic entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The economic entity assesses at each reporting date whether there is any indication that the economic entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the economic entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The economic entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note).

The economic entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

## 1.8 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the economic entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the economic entity; and
- the cost or fair value of the asset can be measured reliably.

The economic entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item              | Depreciation method | Average useful life |
|-------------------|---------------------|---------------------|
| Computer software | Straight line       | 3 - 5 years         |
| Servitudes        | Straight line       | Indefinite          |

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.



## 1.9 Heritage assets

Assets are resources controlled by an economic entity as a result of past events and from which future economic benefits or service potential are expected to flow to the economic entity.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses except for artworks and jewellery.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an economic entity's operations that is shown as a single item for the purpose of disclosure in the consolidated annual financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that an economic entity is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The economic entity separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note ).

The economic entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note ). The Municipality measures Artworks and jewellery using revaluation model.

### Recognition

The economic entity recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the economic entity, and the cost or fair value of the asset can be measured reliably.

### Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

### Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses except for Artworks.

After recognition as an asset, Artworks, whose fair value can be measured reliably, are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If Artworks carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If Artworks carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

### Impairment

The economic entity assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the economic entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

### Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

## Derecognition

The economic entity derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised.

### 1.10 Living resources

Living resources are assets that undergo biological transformation.

A living resource shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits or service potential associated with the asset will flow to the entity; and
- (b) the cost or fair value of the asset can be measured reliably.

Living resources are initially measured at cost and at fair value if acquired through a non-exchange transaction. Subsequent costs shall only be recognised in the carrying amount if service potential associated with the game animals is expected to flow to the municipality.

Subsequently living resources are measured at cost less impairment.

### 1.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or non-collectable amounts.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

## Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

| Class                                      | Category                                   |
|--------------------------------------------|--------------------------------------------|
| Receivables from exchange transactions     | Financial asset measured at amortised cost |
| Receivables from non exchange transactions | Financial asset measured at amortised cost |
| Consumer debtors                           | Financial asset measured at amortised cost |
| Short term investment                      | Financial asset measured at amortised cost |
| Cash and cash equivalents                  | Financial asset measured at amortised cost |
| Housing selling schemes                    | Financial asset measured at amortised cost |

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

| Class                               | Category                                       |
|-------------------------------------|------------------------------------------------|
| Payables from exchange transactions | Financial liability measured at amortised cost |
| Consumer deposits                   | Financial liability measured at amortised cost |
| Unspent conditional grants          | Financial liability measured at amortised cost |
| Other financial liabilities         | Financial liability measured at amortised cost |

The entity has the following types of residual interests (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

## Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

## Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

### 1.12 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

#### **Operating leases - lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

#### **1.13 Inventories**

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the economic entity incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the economic entity.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### **1.14 Impairment of non-cash-generating assets**

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the economic entity; or
- the number of production or similar units expected to be obtained from the asset by the economic entity.

#### **Designation**

At initial recognition, the economic entity designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of an economic entity's objective of using the asset.

The economic entity designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

The economic entity designates an asset as non-cash-generating when its objective is not to use the asset to generate a commercial return but to deliver services.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the economic entity expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate a commercial return, the economic entity designates the asset as a non-cash-generating asset and applies this accounting policy, rather than the accounting policy on Impairment of Non-cash-generating assets.

#### **Identification**

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The economic entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the economic entity estimates the recoverable service amount of the asset.

#### **Value in use**

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

#### **Depreciated replacement cost approach**

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the economic entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

#### **Recognition and measurement**

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the economic entity recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### **Reversal of an impairment loss**

The economic entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the economic entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### **Redesignation**

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

### 1.15 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

#### Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognised the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

#### Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

The municipality provides retirement benefits for its employees and councillors. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the municipality's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

The Natal Joint Provident, Dynamique Ambrella (Pietermaritzburg Provident Fund) and Umgeni Provident Fund are defined contribution plans. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable.

The Municipality pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Municipality has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## Multi-employer plans and/or State plans and/or Composite social security programmes

The entity classifies a multi-employer plan and/or state plans and/or composite social security programmes as a defined contribution plan.

Where a plan is a defined contribution plan, the entity accounts for in the same way as for any other defined contribution plan.

### Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

### Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognise actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The entity uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date. The entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

### Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
  - those changes were enacted before the reporting date; or
  - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

### **Pension obligations**

The Municipality's employees contribute to 7 different Pension Funds, of which the Natal Joint Provident and Retirement Pension Fund cater for the majority of the staff

The following are defined contribution and benefit funds

- The Natal Joint Provident Fund,
- Dynamique Ambrella (Pietermaritzburg Provident Fund),
- Umgeni Water Provident Fund
- Government Employees Pension Fund,
- Association Institution Pension Fund,
- South African Local Authorities Pension Fund and
- Councillors Pension Fund
- LGM retirement for Municipal Manager

Actuarial valuations are conducted on an interim basis each year with a statutory valuation undertaken every three years. Consideration is given to any extent that could impact the Funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The economic entity has both defined benefit and defined contribution plans.

The liability / asset recognized in the statement of financial position in respect of defined benefit pension plans is equal to the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Past-service costs are recognised immediately against revenue.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

Natal Joint Retirement Funds, Government Employee Pension Fund and Associated Institution Pension Fund are defined benefit funds

The Natal Joint Provident Fund, Pietermaritzburg and South African Local Authority are defined contribution funds

### **Other post retirement obligations**

The municipality provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The entity shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

## 1.16 Provisions and contingencies

Provisions are recognised when:

- the economic entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where the effect is material, non-current provisions are discounted to their present value using a prevailing prime rate at year end which reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability, if any (for example in the case of obligations for the rehabilitation of land). The municipality uses the prevailing prime rate at year end.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Future events that may affect the amount required to settle an obligation shall be reflected in the amount of a provision where there is sufficient evidence of occurrence.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 62.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset is disclosed where an inflow of economic benefits or service potential is probable.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue is recognised in the financial statements of the period in which the change occurs.

A contingent liability is:

- (a) a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits or service potential has become probable. If it becomes probable that an outflow of future economic benefits or service potential will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

## 1.17 Commitments

A commitment is a binding agreement to undertake operating and capital expenditure at some set time in the future which has not yet become an actual liability.

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

## 1.18 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.



Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the economic entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the economic entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the economic entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the economic entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

#### 1.19 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Non - exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

**Recognition**

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and other funding are recognised as revenue to the extent that the municipality has complied with the criteria, conditions or obligations embodied in the grant agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

**Measurement**

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

**Taxes**

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

**Transfers**

Apart from services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

**Debt forgiveness and assumption of liabilities**

The municipality recognise revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

**Fines**

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

**Gifts and donations, including goods in-kind**

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

**Services in-kind**

Except for financial guarantee contracts, the municipality recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality disclose the nature and type of services in-kind received during the reporting period.

#### 1.20 Bad debts written off

Before any debt is written off it is proved that the debt has become irrecoverable.

Irrecoverable debt is debt which cannot be traced successfully; and after all reasonable steps were taken to recover the debt.

Bad debt write-offs are considered in terms of cost benefit; when it becomes too costly to recover and the chances of collecting the debt are remote, a write off is considered.

#### 1.21 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

#### 1.22 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

#### 1.23 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

#### 1.24 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

#### 1.25 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

#### 1.26 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

#### 1.27 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

#### 1.28 Internal reserves

##### Capital replacement reserve (CRR)

The CRR is an asset financing source that represents an alternative to the other funding sources available to the Municipality namely external loans (interest bearing borrowings) and government grants & subsidies.

Subsequent to the implementation of GRAP in 2008, Reserves and Funds had to be discontinued as they are not permissible in terms of GRAP. However, the National Treasury determined that the CRR is one of the few funds and reserves that are allowed.

As a matter of principle, the focus is the manner in which these reserves are created and accounted for, which in this instance the capital replacement of major components of Infrastructure Assets in the event of technical failure. For accounting purposes, the CRR will be created by transferring amounts out of Accumulated surpluses/deficits to the respective reserve account, or vice versa, in the Statement of Changes in Net Assets. The net effect of these transfers will be nil in the Statement of Changes in Net Assets, and will not affect the value of reserves in totality. It is the requirement of GRAP that no transactions should be accounted for, directly to the Statement of Changes in Net Assets other than those specifically allowed in terms of GRAP, i.e. Revaluation Surplus Reserve. Therefore, situations should be avoided where reserves are created and accounted for, by taking amounts directly to the Statement of Changes in Net Assets thereby circumventing the Statement of Financial Performance.

The CRR will only be utilised for the purpose of purchasing items of property, plant and equipment for the municipality and will not be used for the maintenance of such items.

#### **Self insurance reserve**

The municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally (adapt to specific circumstances).

Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

The municipality operates a self-insurance scheme under the Self-Insurance Reserve, which has a policy that is aligned with the practice in the Insurance Industry. The balance of the Self-Insurance Reserve is determined based on surpluses accumulated since inception.

#### **Compensation for occupational injuries and diseases (COID) reserve**

The Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993) is to provide for payment of medical treatment and compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases. The contribution to the COID fund is 0.75% of the salary expense. The municipality is an exempt employer in terms of Section 84 (1) (a)(ii) & (2) and as such does not pay any assessments to the COID Commissioner. In terms of the exempt status the municipality is mandated to establish its own fund and administers this fund in terms of the COID Act.

#### **1.29 Revaluation reserve**

The surplus arising from the revaluation of Heritage assets is credited to a revaluation reserve. The revaluation surplus is realised upon disposal of artworks and jewellery. On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on revalued amounts, are credited or charged to the statement of financial performance.

#### **1.30 Tax**

##### **Income tax**

The Municipality is exempted from income tax in terms of section 10(1)(a) of the Income Tax Act.

#### **1.31 Expenditure**

An expense is a decrease in the net financial position of the entity, other than decreases arising from ownership distributions

An expense arises from exchange and non-exchange transactions, other events such as unrealised increases and decreases in the value of assets and the consumption of assets through depreciation and erosion of service potential and ability to generate economic benefits through impairments.

An expense may arise from individual transactions or groups of transactions.

Expenses are recognised in the statement of financial performance when a decrease in future economic benefits or service potential related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. The recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets

Expenses encompasses losses as well as those expenses that arise in the course of the operating activities of the municipality

Losses represent other items that meet the definition of expenses and may, or may not, arise in the course of the operating activities of the entity. Losses represent decreases in economic benefits or service potential and as such, they are no different in nature from other expenses.

#### **1.32 Budget information**

Economic Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by economic entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2018/07/01 to 2019/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The consolidated annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Deviations between budget and actual amounts exceeding 10 percent are obtained monthly for the preparation of the Section 71 reporting and used during the audit process.

### 1.33 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the economic entity, including those charged with the governance of the economic entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the economic entity.

### 1.34 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The economic entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The economic entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

### 1.35 Value Added Tax (VAT)

VAT is payable on the receipt and payment basis.

The transaction date is referred to as the "time of supply". Time of supply applies to certain supplies as the prevailing rate of VAT on that date will apply to the transaction concerned.

- before 1 April 2018 – a VAT rate of 14% will apply;
- on or after 1 April 2018 – a VAT rate of 15% will apply.

## NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

### 2. New standards and interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the economic entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

| Standard/ Interpretation:                                             | Effective date:<br>Years beginning on or after | Expected impact:                                                                                                                                                                                 |
|-----------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • GRAP 16 (as amended 2016): Investment Property                      | 01 April 2018                                  | The adoption of this has not had a material impact on the results of the municipality, but has resulted in more disclosure than would have previously been provided in the financial statements. |
| • GRAP 17 (as amended 2016): Property, Plant and Equipment            | 01 April 2018                                  | The adoption of this has not had a material impact on the results of municipality, but has resulted in more disclosure than would have previously been provided in the financial statements.     |
| • GRAP 21 (as amended 2016): Impairment of non-cash-generating assets | 01 April 2018                                  | The impact of the standard is not material.                                                                                                                                                      |
| • GRAP 26 (as amended 2016): Impairment of cash-generating assets     | 01 April 2018                                  | The impact of the is not material.                                                                                                                                                               |

#### 2.2 Standards and interpretations issued, but not yet effective

The economic entity has not applied the following standards and interpretations, which have been published and are mandatory for the economic entity's accounting periods beginning on or after 01 July 2019 or later periods:

| Standard/ Interpretation:                                                                                        | Effective date:<br>Years beginning on or after | Expected impact:                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • GRAP 34: Separate Financial Statements                                                                         | 01 April 2020                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue                             | 01 April 2020                                  | Impact is currently not known. It is unlikely to result in a material impact on the financial statements.                                                                                                                                                                                                           |
| • Directive 7 (revised): The Application of Deemed Cost                                                          | 01 April 2019                                  | The directive affects future transfer of assets, mergers and assets acquired prior to measurement whose historic cost information is not available. Impact is not yet known.                                                                                                                                        |
| • Guideline: Guideline on Accounting for Landfill Sites                                                          | Effective date not determined                  | The municipality operates a landfill site, after the end of life of the landfill site, disclosure and rehabilitation is required in terms of legislation. Therefore, accounting for land, provision, expenses, discount rate has be to done in line of the guidance. Full impact of the guideline is not yet known. |
| • Guideline: Guideline on the Application of Materiality to Financial Statements                                 | Effective date not determined                  | Materiality decisions on developing policies, disclosure and assessment of misstatements is provided by this guideline. Full impact of the application of the guide                                                                                                                                                 |
| • GRAP 104 (revised): Financial Instruments                                                                      | Effective date not determined                  | Full impact of the standard is not yet known. However, additional disclosure is expected and unlikely to result in a material impact.                                                                                                                                                                               |
| • GRAP 35: Consolidated Financial Statements                                                                     | 01 April 2020                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • GRAP 36: Investments in Associates and Joint Ventures                                                          | 01 April 2020                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • GRAP 37: Joint Arrangements                                                                                    | 01 April 2020                                  | Impact is currently not known. It is unlikely to result in a material impact on the financial                                                                                                                                                                                                                       |
| • GRAP 38: Disclosure of Interests in Other Entities                                                             | 01 April 2020                                  | Impact is currently not known. It is unlikely to result in a material impact on the financial statements.                                                                                                                                                                                                           |
| • GRAP 18 (as amended 2016): Segment Reporting                                                                   | 01 April 2019                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • GRAP 20: Related parties                                                                                       | 01 April 2019                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • GRAP 32: Service Concession Arrangements: Grantor                                                              | 01 April 2019                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • GRAP 108: Statutory Receivables                                                                                | 01 April 2019                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • GRAP 109: Accounting by Principals and Agents                                                                  | 01 April 2019                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • GRAP 110 (as amended 2016) : Living and Non- living Resources                                                  | 01 April 2020                                  | The municipality has a game reserve, accounting for the fauna and flora, will be provided by this standard. Impact is currently being assessed and is not expected to be material.                                                                                                                                  |
| • IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset | 01 April 2019                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |
| • IGRAP 19: Liabilities to Pay Levies                                                                            | 01 April 2019                                  | Unlikely there will be a material impact                                                                                                                                                                                                                                                                            |

| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

The municipality formulated its own accounting policy in 2017/18 regarding the treatment of Living resources. The living resources accounting policy is based on the principles of GRAP 110 (Living and non living and resources).

### 3. Inventories

|                        |                    |                    |                    |                    |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Consumable stores      | 26 888 323         | 31 975 714         | 26 888 323         | 31 975 714         |
| Land inventory         | 274 827 186        | 272 748 814        | 274 827 186        | 272 748 814        |
| Materials and supplies | 25 679 243         | 51 589 570         | 25 679 243         | 51 589 570         |
| Water                  | 1 764 634          | 1 423 819          | 1 764 634          | 1 423 819          |
|                        | <b>329 159 386</b> | <b>357 737 917</b> | <b>329 159 386</b> | <b>357 737 917</b> |

Inventories are recorded using the weighted average cost method.

Inventories expensed during the year 2019: R56 479 898(2018 : R69 327 347)

Inventories are carried at lower of cost or net realisable value.

Inventories losses - consumables for the year ((R16 453 277 ) (2018 : (R4 743 013)).

The land inventory includes land that is earmarked for housing projects as per the municipality's Housing Development Plans and Housing Sector Plans by Human Settlements.

The land will be transferred to beneficiaries once the legal title is transferred to the beneficiaries.

#### Inventory pledged as security

No inventory was pledged as security for either overdraft facilities or any financial liabilities of the municipality.

### 4. Short term investment

|                                                            |                   |                  |                   |                  |
|------------------------------------------------------------|-------------------|------------------|-------------------|------------------|
| Compensation For Occupational Injuries and Diseases (COID) | 15 674 518        | 8 869 457        | 15 674 518        | 8 869 457        |
| Reconciliation of short term investment                    |                   |                  |                   |                  |
| Opening balance                                            | 8 869 457         | 8 318 183        | 8 869 457         | 8 318 183        |
| Interest received                                          | 649 609           | 857 510          | 649 609           | 857 510          |
| Redemption                                                 | (9 519 066)       | (9 175 693)      | (9 519 066)       | (9 175 693)      |
| Re-investment                                              | 15 674 518        | 8 869 457        | 15 674 518        | 8 869 457        |
|                                                            | <b>15 674 518</b> | <b>8 869 457</b> | <b>15 674 518</b> | <b>8 869 457</b> |

COID short term investment invested at 8.69 % (2018: 8.66%).

The current fixed deposit is invested with Standard Bank and matures on the 24th of April 2020.

The 12 month fixed deposit is re-invested annually.

### 5. Receivables from exchange transactions

|                                            |                  |                   |                  |                   |
|--------------------------------------------|------------------|-------------------|------------------|-------------------|
| Accrued revenue                            | 54 947           | 718 454           | 54 947           | 698 934           |
| Advance payments                           | 4 113 303        | 11 445 201        | 4 110 803        | 11 442 701        |
| Cashier's shortages                        | 44 442           | 22 268            | 44 442           | 22 268            |
| Cash receipts due from third parties       | 384              | 7 072 957         | 384              | 7 072 957         |
| Current tax receivable                     | -                | 1 488             | -                | -                 |
| Independent Development Trust              | -                | -                 | -                | -                 |
| Insurance claims                           | -                | 3 020 221         | -                | 3 020 221         |
| Interest accrual on bank and call accounts | 126 100          | -                 | 126 100          | -                 |
| Interest accrual on investment             | 251 612          | 112 470           | 251 612          | 112 470           |
| Land sale debtors                          | -                | 66 386            | -                | 66 386            |
| Market                                     | -                | 1 969 025         | -                | 1 969 025         |
| Payroll related                            | -                | 12 386            | -                | 12 386            |
| Uncleared staff deductions                 | -                | 7 916 085         | -                | 7 916 085         |
| Water meter refunds                        | -                | 18 493            | -                | 18 493            |
| Staff recoveries                           | 412 057          | -                 | 412 057          | -                 |
|                                            | <b>5 002 845</b> | <b>32 375 434</b> | <b>5 000 345</b> | <b>32 351 926</b> |

## Reconciliation of provision for impairment of receivables from exchange transactions

### 2019

Gross balance  
Allowance for impairment

| Land sale debtors | Insurance claims | Independent Development Trust |
|-------------------|------------------|-------------------------------|
| 66 386            | 3 020 221        | 108 836 507                   |
| (66 386)          | (3 020 221)      | (108 836 507)                 |
| -                 | -                | -                             |

### 2018

Gross balance  
Allowance for impairment

| Independent Development Trust |
|-------------------------------|
| 108 836 507                   |
| (108 836 507)                 |
| -                             |

## Receivables from exchange transactions pledged as security

There are no receivables from exchange transactions pledged as security for any financial liabilities of the municipality.

## Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

The credit quality of receivables from exchange transactions are neither past due nor impaired except for land sale debtors, insurance claims and IDT.

There is an ongoing dispute between IDT and Msunduzi Municipality on an amount that was paid by Msunduzi Municipality to IDT for the implementation of infrastructure projects. IDT was appointed as an implementing agent and advance payments were made to IDT during 2011/12 and 2012/13 financial years. The projects were implemented; however, IDT was unable to account for work amounting to R108 836 507. The municipality referred the matter to the legal team for a civil litigation and has not been finalised a yet. The receivable has been fully impaired since IDT is disputing the receivable and the matter is still under litigation.

| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

## 6. Receivables from non-exchange transactions

|       |           |           |           |           |
|-------|-----------|-----------|-----------|-----------|
| Fines | 2 568 619 | 2 600 669 | 2 568 619 | 2 600 669 |
|-------|-----------|-----------|-----------|-----------|

There are no receivables from non exchange transactions pledged as security for any of the Municipality's obligations.

## Receivables from non-exchange transactions impaired

The amount of the provision was R 64 622 491 as of 30 June 2019 (2018: R 54 201 559).

Fines impairment are based on past trends of non payment by offenders and amounts outstanding for over 365 days.

## Reconciliation of fines receivable

|                          |              |              |              |              |
|--------------------------|--------------|--------------|--------------|--------------|
| Gross debtors            | 67 191 110   | 56 802 228   | 67 191 110   | 56 802 228   |
| Allowance for impairment | (64 622 491) | (54 201 559) | (64 622 491) | (54 201 559) |
|                          | 2 568 619    | 2 600 669    | 2 568 619    | 2 600 669    |

## Gross balances

|                     |                   |                   |                   |                   |
|---------------------|-------------------|-------------------|-------------------|-------------------|
| Current (0-30 days) | 105 100           | 1 286 150         | 105 100           | 1 286 150         |
| 31 - 60 days        | 2 078 550         | 1 210 219         | 2 078 550         | 1 210 219         |
| 61 - 90 days        | 3 389 450         | 2 141 350         | 3 389 450         | 2 141 350         |
| 91 - 120 days       | 4 221 960         | 4 026 600         | 4 221 960         | 4 026 600         |
| 121 - 365 days      | 972 737           | 1 510 800         | 972 737           | 1 510 800         |
| > 365 days          | 56 423 313        | 46 627 109        | 56 423 313        | 46 627 109        |
|                     | <b>67 191 110</b> | <b>56 802 228</b> | <b>67 191 110</b> | <b>56 802 228</b> |

## 7. VAT receivable

|     |   |        |   |   |
|-----|---|--------|---|---|
| VAT | - | 25 495 | - | - |
|-----|---|--------|---|---|



| Figures in Rand                                                                              | Economic entity        |                        | Controlling entity     |                        |
|----------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                              | 2019                   | 2018                   | 2019                   | 2018                   |
| <b>8. Consumer debtors</b>                                                                   |                        |                        |                        |                        |
| <b>Gross balances</b>                                                                        |                        |                        |                        |                        |
| Electricity                                                                                  | 435 790 233            | 502 696 929            | 435 790 233            | 502 696 929            |
| Other service charges                                                                        | 394 485 783            | 195 175 698            | 394 485 783            | 195 175 698            |
| Property rental                                                                              | 46 076 843             | 47 913 495             | 46 076 843             | 47 913 495             |
| Rates                                                                                        | 810 574 134            | 647 121 161            | 810 574 134            | 647 121 161            |
| Refuse                                                                                       | 168 202 781            | 130 012 852            | 168 202 781            | 130 012 852            |
| Sanitation                                                                                   | 293 941 294            | 234 513 690            | 293 941 294            | 234 513 690            |
| Water                                                                                        | 1 518 020 053          | 1 209 118 117          | 1 518 020 053          | 1 209 118 117          |
|                                                                                              | <b>3 667 091 121</b>   | <b>2 966 551 942</b>   | <b>3 667 091 121</b>   | <b>2 966 551 942</b>   |
| <b>Less: Allowance for impairment</b>                                                        |                        |                        |                        |                        |
| Electricity                                                                                  | (320 651 422)          | (242 873 022)          | (320 651 422)          | (242 873 022)          |
| Other services charges                                                                       | (371 729 853)          | (194 993 615)          | (371 729 853)          | (194 993 615)          |
| Property rental                                                                              | (44 303 593)           | (40 974 212)           | (44 303 593)           | (40 974 212)           |
| Rates                                                                                        | (610 019 520)          | (629 672 338)          | (610 019 520)          | (629 672 338)          |
| Refuse                                                                                       | (146 045 214)          | (115 293 929)          | (146 045 214)          | (115 293 929)          |
| Sanitation                                                                                   | (267 859 486)          | (194 575 165)          | (267 859 486)          | (194 575 165)          |
| Water                                                                                        | (1 451 644 502)        | (1 123 399 274)        | (1 451 644 502)        | (1 123 399 274)        |
|                                                                                              | <b>(3 212 253 590)</b> | <b>(2 541 781 555)</b> | <b>(3 212 253 590)</b> | <b>(2 541 781 555)</b> |
| <b>Net balance</b>                                                                           |                        |                        |                        |                        |
| Electricity                                                                                  | 115 138 811            | 259 823 907            | 115 138 811            | 259 823 907            |
| Other service charges                                                                        | 22 755 930             | 182 083                | 22 755 930             | 182 083                |
| Property rental                                                                              | 1 773 250              | 6 939 283              | 1 773 250              | 6 939 283              |
| Rates                                                                                        | 200 554 614            | 17 448 823             | 200 554 614            | 17 448 823             |
| Refuse                                                                                       | 22 157 567             | 14 718 923             | 22 157 567             | 14 718 923             |
| Sanitation                                                                                   | 26 081 808             | 39 938 525             | 26 081 808             | 39 938 525             |
| Water                                                                                        | 66 375 551             | 85 718 843             | 66 375 551             | 85 718 843             |
|                                                                                              | <b>454 837 531</b>     | <b>424 770 387</b>     | <b>454 837 531</b>     | <b>424 770 387</b>     |
| <b>Included in above is receivables from exchange transactions</b>                           |                        |                        |                        |                        |
| Electricity                                                                                  | 115 138 811            | 259 823 907            | 115 138 811            | 259 823 907            |
| Other services charges                                                                       | 22 755 930             | 182 083                | 22 755 930             | 182 083                |
| Property rental                                                                              | 1 773 250              | 6 939 283              | 1 773 250              | 6 939 283              |
| Refuse                                                                                       | 22 157 567             | 14 718 923             | 22 157 567             | 14 718 923             |
| Sanitation                                                                                   | 26 081 808             | 39 938 525             | 26 081 808             | 39 938 525             |
| Water                                                                                        | 66 375 551             | 85 718 843             | 66 375 551             | 85 718 843             |
|                                                                                              | <b>254 282 917</b>     | <b>407 321 564</b>     | <b>254 282 917</b>     | <b>407 321 564</b>     |
| <b>Included in above is receivables from non-exchange transactions (taxes and transfers)</b> |                        |                        |                        |                        |
| Rates                                                                                        | 200 554 614            | 17 448 823             | 200 554 614            | 17 448 823             |
|                                                                                              | <b>454 837 531</b>     | <b>424 770 387</b>     | <b>454 837 531</b>     | <b>424 770 387</b>     |
| <b>Rates</b>                                                                                 |                        |                        |                        |                        |
| Current (0 -30 days)                                                                         | 134 087 367            | 119 189 000            | 134 087 367            | 119 189 000            |
| 31 - 60 days                                                                                 | 5 220 534              | (532 953)              | 5 220 534              | (532 953)              |
| 61 - 90 days                                                                                 | 21 423 618             | 18 557 120             | 21 423 618             | 18 557 120             |
| 91 - 120 days                                                                                | 19 238 633             | 31 215 563             | 19 238 633             | 31 215 563             |
| 121 - 365 days                                                                               | 147 705 852            | 111 327 147            | 147 705 852            | 111 327 147            |
| > 365 days                                                                                   | 482 898 130            | 367 365 284            | 482 898 130            | 367 365 284            |
|                                                                                              | <b>810 574 134</b>     | <b>647 121 161</b>     | <b>810 574 134</b>     | <b>647 121 161</b>     |

| Figures in Rand                                      | Economic entity      |                      | Controlling entity   |                      |
|------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                                      | 2019                 | 2018                 | 2019                 | 2018                 |
| <b>Electricity</b>                                   |                      |                      |                      |                      |
| Current (0 -30 days)                                 | 265 570 532          | 281 461 095          | 265 570 532          | 281 461 095          |
| 31 - 60 days                                         | (8 568 541)          | 16 423 317           | (8 568 541)          | 16 423 317           |
| 61 - 90 days                                         | 8 350 546            | 4 655 143            | 8 350 546            | 4 655 143            |
| 91 - 120 days                                        | 3 999 316            | 13 677 362           | 3 999 316            | 13 677 362           |
| 121 - 365 days                                       | 31 929 176           | 33 760 723           | 31 929 176           | 33 760 723           |
| > 365 days                                           | 134 509 204          | 152 719 289          | 134 509 204          | 152 719 289          |
|                                                      | <b>435 790 233</b>   | <b>502 696 929</b>   | <b>435 790 233</b>   | <b>502 696 929</b>   |
| <b>Water</b>                                         |                      |                      |                      |                      |
| Current (0 -30 days)                                 | 165 924 746          | 128 351 753          | 165 924 746          | 128 351 753          |
| 31 - 60 days                                         | 8 467 367            | 842 776              | 8 467 367            | 842 776              |
| 61 - 90 days                                         | 40 746 149           | 29 510 594           | 40 746 149           | 29 510 594           |
| 91 - 120 days                                        | 34 183 303           | 52 597 846           | 34 183 303           | 52 597 846           |
| 121 - 365 days                                       | 275 807 702          | 213 797 877          | 275 807 702          | 213 797 877          |
| > 365 days                                           | 992 890 786          | 784 017 271          | 992 890 786          | 784 017 271          |
|                                                      | <b>1 518 020 053</b> | <b>1 209 118 117</b> | <b>1 518 020 053</b> | <b>1 209 118 117</b> |
| <b>Sanitation</b>                                    |                      |                      |                      |                      |
| Current (0 -30 days)                                 | 32 254 944           | 27 816 056           | 32 254 944           | 27 816 056           |
| 31 - 60 days                                         | 1 576 074            | 315 063              | 1 576 074            | 315 063              |
| 61 - 90 days                                         | 6 861 797            | 5 584 337            | 6 861 797            | 5 584 337            |
| 91 - 120 days                                        | 6 468 250            | 9 195 424            | 6 468 250            | 9 195 424            |
| 121 - 365 days                                       | 49 444 398           | 41 856 479           | 49 444 398           | 41 856 479           |
| > 365 days                                           | 197 335 831          | 149 745 331          | 197 335 831          | 149 745 331          |
|                                                      | <b>293 941 294</b>   | <b>234 512 690</b>   | <b>293 941 294</b>   | <b>234 512 690</b>   |
| <b>Other service charges</b>                         |                      |                      |                      |                      |
| Current (0 -30 days)                                 | 2 312 170            | 3 435 750            | 2 312 170            | 3 435 750            |
| 31 - 60 days                                         | 2 654 783            | 266 222              | 2 654 783            | 266 222              |
| 61 - 90 days                                         | 2 587 380            | 1 657 595            | 2 587 380            | 1 657 595            |
| 91 - 120 days                                        | 2 846 465            | 2 127 992            | 2 846 465            | 2 127 992            |
| 121 - 365 days                                       | 20 162 118           | 16 259 428           | 20 162 118           | 16 259 428           |
| > 365 days                                           | 363 922 867          | 171 428 711          | 363 922 867          | 171 428 711          |
|                                                      | <b>394 485 783</b>   | <b>195 175 698</b>   | <b>394 485 783</b>   | <b>195 175 698</b>   |
| <b>Refuse</b>                                        |                      |                      |                      |                      |
| Current (0 -30 days)                                 | 18 470 726           | 20 182 459           | 18 470 726           | 20 182 459           |
| 31 - 60 days                                         | 1 470 419            | 865 106              | 1 470 419            | 865 106              |
| 61 - 90 days                                         | 3 954 262            | 3 124 567            | 3 954 262            | 3 124 567            |
| 91 - 120 days                                        | 3 906 384            | 5 638 249            | 3 906 384            | 5 638 249            |
| 121 - 365 days                                       | 31 379 344           | 19 879 416           | 31 379 344           | 19 879 416           |
| > 365 days                                           | 109 021 646          | 80 323 055           | 109 021 646          | 80 323 055           |
|                                                      | <b>168 202 781</b>   | <b>130 012 852</b>   | <b>168 202 781</b>   | <b>130 012 852</b>   |
| <b>Property rental</b>                               |                      |                      |                      |                      |
| Current (0 -30 days)                                 | 539 219              | 3 586 605            | 539 219              | 3 586 605            |
| 31 - 60 days                                         | 1 296 994            | 1 428 981            | 1 296 994            | 1 428 981            |
| 61 - 90 days                                         | 1 165 917            | 1 034 640            | 1 165 917            | 1 034 640            |
| 91 - 120 days                                        | 160 820              | 1 945 167            | 160 820              | 1 945 167            |
| 121 - 365 days                                       | 7 729 975            | 7 164 782            | 7 729 975            | 7 164 782            |
| > 365 days                                           | 35 183 918           | 32 753 320           | 35 183 918           | 32 753 320           |
|                                                      | <b>46 076 843</b>    | <b>47 913 495</b>    | <b>46 076 843</b>    | <b>47 913 495</b>    |
| <b>Summary of debtors by customer classification</b> |                      |                      |                      |                      |
| <b>Consumers</b>                                     |                      |                      |                      |                      |
| Current (0 -30 days)                                 | 304 093 748          | 271 805 068          | 304 093 748          | 271 805 068          |
| 31 - 60 days                                         | 12 835 843           | 2 776 824            | 12 835 843           | 2 776 824            |
| 61 - 90 days                                         | 63 219 212           | 51 845 732           | 63 219 212           | 51 845 732           |
| 91 - 120 days                                        | 54 707 737           | 86 481 035           | 54 707 737           | 86 481 035           |
| 121 - 365 days                                       | 454 800 604          | 354 567 868          | 454 800 604          | 354 567 868          |
| > 365 days                                           | 1 980 643 725        | 1 533 080 254        | 1 980 643 725        | 1 533 080 254        |
|                                                      | <b>2 870 300 869</b> | <b>2 300 556 781</b> | <b>2 870 300 869</b> | <b>2 300 556 781</b> |

| Figures in Rand                                   | Economic entity        |                        | Controlling entity     |                        |
|---------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                   | 2019                   | 2018                   | 2019                   | 2018                   |
| <b>Industrial/ commercial</b>                     |                        |                        |                        |                        |
| Current (0 -30 days)                              | 262 175 210            | 257 145 689            | 262 175 210            | 257 145 689            |
| 31 - 60 days                                      | (1 327 833)            | 16 666 469             | (1 327 833)            | 16 666 469             |
| 61 - 90 days                                      | 14 359 574             | 6 112 699              | 14 359 574             | 6 112 699              |
| 91 - 120 days                                     | 9 535 466              | 19 765 381             | 9 535 466              | 19 765 381             |
| 121 - 365 days                                    | 72 744 880             | 47 069 175             | 72 744 880             | 47 069 175             |
| > 365 days                                        | 225 236 705            | 136 296 148            | 225 236 705            | 136 296 148            |
|                                                   | <b>582 724 002</b>     | <b>483 055 561</b>     | <b>582 724 002</b>     | <b>483 055 561</b>     |
| <b>National and provincial government</b>         |                        |                        |                        |                        |
| Current (0 -30 days)                              | 52 888 534             | 55 071 961             | 52 888 534             | 55 071 961             |
| 31 - 60 days                                      | 604 366                | 165 219                | 604 366                | 165 219                |
| 61 - 90 days                                      | 7 509 321              | 6 166 565              | 7 509 321              | 6 166 565              |
| 91 - 120 days                                     | 6 559 656              | 10 151 187             | 6 559 656              | 10 151 187             |
| 121 - 365 days                                    | 36 626 319             | 42 408 809             | 36 626 319             | 42 408 809             |
| > 365 days                                        | 109 878 054            | 68 975 859             | 109 878 054            | 68 975 859             |
|                                                   | <b>214 066 250</b>     | <b>182 939 600</b>     | <b>214 066 250</b>     | <b>182 939 600</b>     |
| <b>Total</b>                                      |                        |                        |                        |                        |
| Current (0 -30 days)                              | 619 157 492            | 584 022 718            | 619 157 492            | 584 022 718            |
| 31 - 60 days                                      | 12 112 376             | 19 608 512             | 12 112 376             | 19 608 512             |
| 61 - 90 days                                      | 85 088 107             | 64 124 996             | 85 088 107             | 64 124 996             |
| 91 - 120 days                                     | 70 802 859             | 116 397 603            | 70 802 859             | 116 397 603            |
| 121 - 365 days                                    | 564 171 803            | 444 045 852            | 564 171 803            | 444 045 852            |
| > 365 days                                        | 2 315 758 484          | 1 738 352 261          | 2 315 758 484          | 1 738 352 261          |
|                                                   | <b>3 667 091 121</b>   | <b>2 966 551 942</b>   | <b>3 667 091 121</b>   | <b>2 966 551 942</b>   |
| <b>Reconciliation of allowance for impairment</b> |                        |                        |                        |                        |
| Balance at beginning of the year                  | (2 541 781 555)        | (1 673 021 042)        | (2 541 781 555)        | (1 673 021 042)        |
| Contributions to allowance                        | (680 817 745)          | (869 579 701)          | (680 817 745)          | (869 579 701)          |
| Debt impairment written off against allowance     | 10 345 710             | 819 188                | 10 345 710             | 819 188                |
|                                                   | <b>(3 212 253 590)</b> | <b>(2 541 781 555)</b> | <b>(3 212 253 590)</b> | <b>(2 541 781 555)</b> |

#### Consumer debtors pledged as security

There are no consumer debtors pledged as security for overdraft facilities of the municipality.

#### Consumer debtors impaired

The amount of the provision was R3 212 253 590 as of 30 June 2019 (2018: R 2 541 781 555).

#### 9. Cash and cash equivalents

Cash and cash equivalents consist of:

|                     |                    |                    |                    |                    |
|---------------------|--------------------|--------------------|--------------------|--------------------|
| Cash on hand        | 58 661             | 66 112             | 50 925             | 62 395             |
| Bank balances       | 30 436 602         | 89 863 463         | 30 356 115         | 89 817 870         |
| Short-term deposits | 277 707 315        | 422 692 732        | 274 649 124        | 421 348 241        |
|                     | <b>308 202 578</b> | <b>512 622 307</b> | <b>305 056 164</b> | <b>511 228 506</b> |

Average rate of return is based on average interest rate on all bank and investment accounts 6.79 % (2018: 6.15%)

Due to the short term nature of these investments, no amortisation was performed.

No cash and cash equivalents were pledged as security for any financial liabilities.

No restrictions exist with regard to the use of cash.

No portion is past due or impaired.

## The municipality had the following bank accounts

| Account number / description                         | Bank statement balances |                    | Cash book balances |                    |
|------------------------------------------------------|-------------------------|--------------------|--------------------|--------------------|
|                                                      | 30 June 2019            | 30 June 2018       | 30 June 2019       | 30 June 2018       |
| FNB - Primary - 50941827782                          | 11 687 594              | 63 685 283         | 12 598 152         | 67 356 542         |
| FNB - Market - 50941840627                           | 3 276 208               | 5 873 398          | 3 276 208          | 5 873 398          |
| FNB - Airport - 62069378539                          | 1 063 538               | 5 525 356          | 1 063 538          | 5 525 356          |
| Post Office - Account -62006041157                   | -                       | -                  | 13 348 925         | 10 750 594         |
| FNB - Salaries - 62003432846                         | 69 291                  | 311 980            | 69 291             | 311 980            |
| FNB - Call (Airport Development Fund) -62548639725   | 2 981 779               | 2 794 599          | 2 981 779          | 2 794 599          |
| FNB - Call (MIG Grant) - 62548629403                 | 17 299 699              | 40 988 477         | 17 299 699         | 40 988 477         |
| FNB - Call (Unspent Conditional Grant) - 62548623231 | 103 110 455             | 138 451 872        | 103 110 455        | 138 451 872        |
| FNB - Call (Insurance Fund) - 62548634460            | 17 246 717              | 59 021 154         | 17 246 717         | 59 021 154         |
| FNB - Call (MHOA) - 62548632901                      | 47 166 754              | 44 195 553         | 47 166 754         | 44 195 553         |
| FNB - Call (Housing Accreditation) - 62548630822     | 44 420 702              | 40 471 354         | 44 420 702         | 40 471 354         |
| FNB - Call (Vat Recovery on Grants) - 62551687563    | 343 132                 | 918 540            | 343 132            | 918 540            |
| FNB - Call (Vat Refunds - CRR)- 62600253984          | 40 992 378              | 92 323 393         | 40 992 378         | 92 323 393         |
| FNB - Call (General Reserves) - 62531891879          | -                       | 1 162 574          | -                  | 1 162 574          |
| ABSA - 7 day notice - 9309193266                     | 1 087 509               | 1 020 725          | 1 087 509          | 1 020 725          |
| FNB - current account - 62035467978                  | 80 487                  | 45 593             | 80 487             | 45 593             |
| FNB - money market - 9317549203                      | 3 058 191               | 1 344 491          | 3 058 191          | 1 344 491          |
| <b>Total</b>                                         | <b>293 884 434</b>      | <b>498 134 342</b> | <b>308 143 917</b> | <b>512 556 195</b> |

## 10. Agricultural assets

| Economic entity                | 2019                                   |                           |                       | 2018                                   |                           |                       |
|--------------------------------|----------------------------------------|---------------------------|-----------------------|----------------------------------------|---------------------------|-----------------------|
|                                | Valuation at the beginning of the year | Net movement for the year | Valuation at year end | Valuation at the beginning of the year | Net movement for the year | Valuation at year end |
| Biological assets - Consumable | 63 863 790                             | 15 836 210                | 79 700 000            | 54 067 677                             | 9 796 113                 | 63 863 790            |

| Controlling entity             | 2019                                   |                           |                       | 2018                                   |                           |                       |
|--------------------------------|----------------------------------------|---------------------------|-----------------------|----------------------------------------|---------------------------|-----------------------|
|                                | Valuation at the beginning of the year | Net movement for the year | Valuation at year end | Valuation at the beginning of the year | Net movement for the year | Valuation at year end |
| Biological assets - Consumable | 63 863 790                             | 15 836 210                | 79 700 000            | 54 067 677                             | 9 796 113                 | 63 863 790            |

### Reconciliation of agricultural assets - Economic entity - 2019

|                                | Valuation at the beginning of the year | Fair value adjustments | Valuation at year end |
|--------------------------------|----------------------------------------|------------------------|-----------------------|
| Biological assets - Consumable | 63 863 790                             | 15 836 210             | 79 700 000            |

### Reconciliation of agricultural assets - Economic entity - 2018

|                                | Opening balance | Fair value adjustments | Valuation at year end |
|--------------------------------|-----------------|------------------------|-----------------------|
| Biological assets - Consumable | 54 067 677      | 9 796 113              | 63 863 790            |

### Reconciliation of agricultural assets - Controlling entity - 2019

|                                | Opening balance | Fair value adjustments | Total      |
|--------------------------------|-----------------|------------------------|------------|
| Biological assets - Consumable | 63 863 790      | 15 836 210             | 79 700 000 |

### Reconciliation of agricultural assets - Controlling entity - 2018

|                                | Opening balance | Fair value adjustments | Total      |
|--------------------------------|-----------------|------------------------|------------|
| Biological assets - Consumable | 54 067 677      | 9 796 113              | 63 863 790 |

## Non-financial information

The municipality owns a plantation forest that produces felled trees for timber production, separately disclosed as consumable biological assets.

There were no harvests or sales made during the year.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Agricultural assets have been measured at fair value less costs to sell in accordance with GRAP 27.

Refer to note 72 for risk management strategies on agricultural assets

#### Pledged as security

No agricultural assets have been pledged as security.

#### Restrictions imposed by regulations

There are no agricultural assets whose use or capacity to sell is subject to restrictions imposed by regulation.

#### Methods and assumptions used in determining fair value

Agricultural assets has been accounted for in terms of GRAP 27 and comprises of plantation owned by the municipality. Agricultural assets are not depreciated annually but valued at year end in order to determine their fair value as prescribed in GRAP 27.

The valuation at 30 June 2019 was performed by Malcolm Gardiner.

Malcolm Gardiner is a member of the South African Council for Property Valuers Profession (SACPVP), and has the required qualifications and expertise in the valuation of agricultural assets.

The valuations conform to South African Valuation Standards and were arrived at by reference to market evidence of transaction prices.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

### 11. Heritage assets

#### Economic entity

|                         | 2019               |                               |                    | 2018               |                               |                    |
|-------------------------|--------------------|-------------------------------|--------------------|--------------------|-------------------------------|--------------------|
|                         | Cost / Valuation   | Accumulated impairment losses | Carrying value     | Cost / Valuation   | Accumulated impairment losses | Carrying value     |
| Artworks                | 238 589 522        | (6 809 930)                   | 231 779 592        | 193 247 122        | (6 809 930)                   | 186 437 192        |
| Crematoriums            | 8 181 348          | -                             | 8 181 348          | 8 181 348          | -                             | 8 181 348          |
| Jewellery               | 1 185 000          | -                             | 1 185 000          | 763 000            | -                             | 763 000            |
| Museums and art gallery | 23 315 796         | (22 973)                      | 23 292 823         | 23 315 796         | (22 973)                      | 23 292 823         |
| Other                   | 1 785 373          | -                             | 1 785 373          | 1 785 373          | -                             | 1 785 373          |
| Parks                   | 2 487 908          | -                             | 2 487 908          | 2 487 908          | -                             | 2 487 908          |
| Stadiums                | 3 961 963          | -                             | 3 961 963          | 3 961 963          | -                             | 3 961 963          |
| <b>Total</b>            | <b>279 506 910</b> | <b>(6 832 903)</b>            | <b>272 674 007</b> | <b>233 742 510</b> | <b>(6 832 903)</b>            | <b>226 909 607</b> |

#### Controlling entity

|                         | 2019               |                               |                    | 2018               |                               |                    |
|-------------------------|--------------------|-------------------------------|--------------------|--------------------|-------------------------------|--------------------|
|                         | Cost / Valuation   | Accumulated impairment losses | Carrying value     | Cost / Valuation   | Accumulated impairment losses | Carrying value     |
| Artworks                | 238 589 522        | (6 809 930)                   | 231 779 592        | 193 247 122        | (6 809 930)                   | 186 437 192        |
| Crematoriums            | 8 181 348          | -                             | 8 181 348          | 8 181 348          | -                             | 8 181 348          |
| Jewellery               | 1 185 000          | -                             | 1 185 000          | 763 000            | -                             | 763 000            |
| Museums and art gallery | 23 315 796         | (22 973)                      | 23 292 823         | 23 315 796         | (22 973)                      | 23 292 823         |
| Other                   | 1 785 373          | -                             | 1 785 373          | 1 785 373          | -                             | 1 785 373          |
| Parks                   | 2 487 908          | -                             | 2 487 908          | 2 487 908          | -                             | 2 487 908          |
| Stadiums                | 3 961 963          | -                             | 3 961 963          | 3 961 963          | -                             | 3 961 963          |
| <b>Total</b>            | <b>279 506 910</b> | <b>(6 832 903)</b>            | <b>272 674 007</b> | <b>233 742 510</b> | <b>(6 832 903)</b>            | <b>226 909 607</b> |

## Reconciliation of heritage assets Economic entity - 2019

|                         | Opening balance    | Additions      | Revaluation       | Total              |
|-------------------------|--------------------|----------------|-------------------|--------------------|
| Artworks                | 186 437 192        | 262 900        | 45 079 500        | 231 779 592        |
| Crematoriums            | 8 181 348          | -              | -                 | 8 181 348          |
| Jewellery               | 763 000            | -              | 422 000           | 1 185 000          |
| Museums and art gallery | 23 292 823         | -              | -                 | 23 292 823         |
| Other                   | 1 785 373          | -              | -                 | 1 785 373          |
| Parks                   | 2 487 908          | -              | -                 | 2 487 908          |
| Stadiums                | 3 961 963          | -              | -                 | 3 961 963          |
|                         | <b>226 909 607</b> | <b>262 900</b> | <b>45 501 500</b> | <b>272 674 007</b> |

## Reconciliation of heritage assets Economic entity - 2018

|                         | Opening balance    | Prior period error | Revaluation    | Impairment     | Total              |
|-------------------------|--------------------|--------------------|----------------|----------------|--------------------|
| Artworks                | 186 369 431        | 73 961             | -              | (6 200)        | 186 437 192        |
| Crematoriums            | 8 181 348          | -                  | -              | -              | 8 181 348          |
| Jewellery               | 133 500            | -                  | 629 500        | -              | 763 000            |
| Museums and art gallery | 23 292 823         | -                  | -              | -              | 23 292 823         |
| Other                   | 1 785 373          | -                  | -              | -              | 1 785 373          |
| Parks                   | 2 487 908          | -                  | -              | -              | 2 487 908          |
| Stadiums                | 3 961 963          | -                  | -              | -              | 3 961 963          |
|                         | <b>226 212 346</b> | <b>73 961</b>      | <b>629 500</b> | <b>(6 200)</b> | <b>226 909 607</b> |

## Reconciliation of heritage assets Controlling entity - 2019

|                         | Opening balance    | Additions      | Revaluation increase/ (decrease) | Total              |
|-------------------------|--------------------|----------------|----------------------------------|--------------------|
| Crematoriums            | 8 181 348          | -              | -                                | 8 181 348          |
| Jewellery               | 763 000            | -              | 422 000                          | 1 185 000          |
| Museums and art gallery | 23 292 823         | -              | -                                | 23 292 823         |
| Parks                   | 2 487 908          | -              | -                                | 2 487 908          |
| Stadiums                | 3 961 963          | -              | -                                | 3 961 963          |
| Other                   | 1 785 373          | -              | -                                | 1 785 373          |
| Artworks                | 186 437 192        | 262 900        | 45 079 500                       | 231 779 592        |
|                         | <b>226 909 607</b> | <b>262 900</b> | <b>45 501 500</b>                | <b>272 674 007</b> |

## Reconciliation of heritage assets Controlling entity - 2018

|                         | Opening balance    | Prior period error | Revaluation    | Impairment losses | Total              |
|-------------------------|--------------------|--------------------|----------------|-------------------|--------------------|
| Crematoriums            | 8 181 348          | -                  | -              | -                 | 8 181 348          |
| Jewellery               | 133 500            | -                  | 629 500        | -                 | 763 000            |
| Museums and art gallery | 23 292 823         | -                  | -              | -                 | 23 292 823         |
| Parks                   | 2 487 908          | -                  | -              | -                 | 2 487 908          |
| Stadiums                | 3 961 963          | -                  | -              | -                 | 3 961 963          |
| Other                   | 1 785 373          | -                  | -              | -                 | 1 785 373          |
| Artworks                | 186 369 431        | 73 961             | -              | (6 200)           | 186 437 192        |
|                         | <b>226 212 346</b> | <b>73 961</b>      | <b>629 500</b> | <b>(6 200)</b>    | <b>226 909 607</b> |

## Restrictions on heritage assets

There are no ownership and disposal restrictions on heritage assets.

There are no contractual commitments for the acquisitions, maintenance and restoration of heritage assets.

## Pledged as security

No heritage assets have been pledged as security for any financial liabilities.

| Figures in Rand                                                                                                   | Economic entity |         | Controlling entity |         |
|-------------------------------------------------------------------------------------------------------------------|-----------------|---------|--------------------|---------|
|                                                                                                                   | 2019            | 2018    | 2019               | 2018    |
| <b>Expenditure incurred to repair and maintain heritage assets</b>                                                |                 |         |                    |         |
| <b>Expenditure incurred to repair and maintain heritage assets included in Statement of Financial Performance</b> |                 |         |                    |         |
| Sale of goods/Inventory                                                                                           | -               | 110 644 | -                  | 110 644 |

**Other information**

The municipality has elected to use the cost model when accounting for heritage assets, except for artworks and jewellery.

Artworks and jewellery whose fair value can be measured reliably are carried at the revalued amount, being their fair value at the date of valuation less any subsequent impairment losses.

Artworks has been valued on 30 June 2019 for the 2018/19 financial year.

According to the municipality's accounting policy, artworks are revalued every 4 years.

Artworks were last valued in the 2014/15 financial year.

Jewellery was last valued in the 2018/19 financial year.

According to the municipality's accounting policy, jewellery are revalued every year.

**List of heritage assets where the values cannot be determined**

**Legal Deposit collection at the Bessie Head Library**

In 1916, the Natal Society Library (now the Msunduzi Municipal Library – Bessie Head Library) was identified as one of five libraries in South Africa accorded Legal Deposit status. This privilege helped make it into one of South Africa's major research and information libraries. Legal Deposit libraries play a unique and very important role as custodians, in perpetuity, of this country's cultural wealth and information. They also have to make this information available, as widely as possible, to the citizens of South Africa. The Legal Deposit Collection has become an important asset. Since 1916, the Msunduzi Municipal Library has amassed a huge collection of South African books, pamphlets, periodicals, maps and newspapers which it has to preserve for future generations. Due to the nature of the class of heritage assets, the Department of Arts and Culture has confirmed that there is no monetary value as there is no active market.

The valuation of artworks was performed by Harriet Marry Giffillan who is an independent professional Appraiser and has experience in the valuation of artworks and jewelleries.

The valuations were arrived at by reference to market analysis, market records and trends relating to each artist and type of artwork was researched in order to arrive at a fair value.

**12. Intangible assets**

| Economic entity    | 2019               |                                                     |                   | 2018              |                                                              |                   |
|--------------------|--------------------|-----------------------------------------------------|-------------------|-------------------|--------------------------------------------------------------|-------------------|
|                    | Cost / Valuation   | Accumulated amortisation and accumulated impairment | Carrying value    | Restated cost     | Restated accumulated amortisation and accumulated impairment | Carrying value    |
| Computer software  | 107 616 190        | (67 362 073)                                        | 40 254 117        | 92 879 543        | (41 573 904)                                                 | 51 305 639        |
| Servitudes         | 803 846            | -                                                   | 803 846           | 803 846           | -                                                            | 803 846           |
| <b>Total</b>       | <b>108 420 036</b> | <b>(67 362 073)</b>                                 | <b>41 057 963</b> | <b>93 683 389</b> | <b>(41 573 904)</b>                                          | <b>52 109 485</b> |
| Controlling entity | 2019               |                                                     |                   | 2018              |                                                              |                   |
|                    | Cost / Valuation   | Accumulated amortisation and accumulated impairment | Carrying value    | Restated costs    | Restated Accumulated amortisation and accumulated impairment | Carrying value    |
| Computer software  | 107 616 190        | (67 362 073)                                        | 40 254 117        | 92 879 543        | (41 573 904)                                                 | 51 305 639        |
| Servitudes         | 803 846            | -                                                   | 803 846           | 803 846           | -                                                            | 803 846           |
| <b>Total</b>       | <b>108 420 036</b> | <b>(67 362 073)</b>                                 | <b>41 057 963</b> | <b>93 683 389</b> | <b>(41 573 904)</b>                                          | <b>52 109 485</b> |

| Figures in Rand                                                     | Economic entity        |                  | Controlling entity  |                   |
|---------------------------------------------------------------------|------------------------|------------------|---------------------|-------------------|
|                                                                     | 2019                   | 2018             | 2019                | 2018              |
| <b>Reconciliation of intangible assets - Economic entity - 2019</b> |                        |                  |                     |                   |
|                                                                     | <b>Opening balance</b> | <b>Additions</b> | <b>Amortisation</b> | <b>Total</b>      |
| Computer software                                                   | 51 305 639             | 800 000          | (11 851 522)        | 40 254 117        |
| Servitudes                                                          | 803 846                | -                | -                   | 803 846           |
|                                                                     | <b>52 109 485</b>      | <b>800 000</b>   | <b>(11 851 522)</b> | <b>41 057 963</b> |

#### Reconciliation of intangible assets - Economic entity - 2018

|                   | <b>Opening balance</b> | <b>Additions</b> | <b>Amortisation</b> | <b>Total</b>      |
|-------------------|------------------------|------------------|---------------------|-------------------|
| Computer software | 60 156 141             | 8 968 381        | (17 818 883)        | 51 305 639        |
| Servitudes        | 803 846                | -                | -                   | 803 846           |
|                   | <b>60 959 987</b>      | <b>8 968 381</b> | <b>(17 818 883)</b> | <b>52 109 485</b> |

#### Reconciliation of intangible assets - Controlling entity - 2019

|                   | <b>Opening balance</b> | <b>Additions</b> | <b>Amortisation</b> | <b>Total</b>      |
|-------------------|------------------------|------------------|---------------------|-------------------|
| Computer software | 51 305 639             | 800 000          | (11 851 522)        | 40 254 117        |
| Servitudes        | 803 846                | -                | -                   | 803 846           |
|                   | <b>52 109 485</b>      | <b>800 000</b>   | <b>(11 851 522)</b> | <b>41 057 963</b> |

#### Reconciliation of intangible assets - Controlling entity - 2018

|                   | <b>Opening balance</b> | <b>Additions</b> | <b>Amortisation</b> | <b>Total</b>      |
|-------------------|------------------------|------------------|---------------------|-------------------|
| Computer software | 60 156 141             | 8 968 381        | (17 818 883)        | 51 305 639        |
| Servitudes        | 803 846                | -                | -                   | 803 846           |
|                   | <b>60 959 987</b>      | <b>8 968 381</b> | <b>(17 818 883)</b> | <b>52 109 485</b> |

#### Pledged as security

No intangible assets have been pledged as security for any financial liabilities.

#### Restricted title

There are no intangible assets whose title is restricted.

#### Details of valuation

The municipality elected to use the cost model when accounting for intangible assets. After initial recognition, an intangible asset shall be carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets were assessed for impairment using the depreciated replacement cost method.

Servitudes have an infinite useful life as they are rights held by the Municipality to property.

### 13. Investment Property

| Economic entity     | 2019             |                        |             | 2018             |                        |             |
|---------------------|------------------|------------------------|-------------|------------------|------------------------|-------------|
|                     | Cost / Valuation | Fair value adjustments | Fair value  | Cost / Valuation | Fair value adjustments | Fair value  |
| Investment property | 849 500 000      | (32 810 000)           | 816 690 000 | 786 704 692      | 62 795 308             | 849 500 000 |
| Controlling entity  | 2019             |                        |             | 2018             |                        |             |
|                     | Cost / Valuation | Fair value adjustments | Fair value  | Cost / Valuation | Fair value adjustments | Fair value  |
| Investment property | 849 500 000      | (32 810 000)           | 816 690 000 | 786 704 692      | 62 795 308             | 849 500 000 |



**Reconciliation of investment property - Economic entity - 2019**

|                     | Valuation at the beginning of the year | Fair value adjustments | Total       |
|---------------------|----------------------------------------|------------------------|-------------|
| Investment property | 849 500 000                            | (32 810 000)           | 816 690 000 |

**Reconciliation of investment property - Economic entity - 2018**

|                     | Valuation previously reported | Restated fair value adjustments | Total       |
|---------------------|-------------------------------|---------------------------------|-------------|
| Investment property | 786 704 692                   | 62 795 308                      | 849 500 000 |

**Reconciliation of investment property - Controlling entity - 2019**

|                     | Valuation at the beginning of the year | Fair value adjustments | Total       |
|---------------------|----------------------------------------|------------------------|-------------|
| Investment property | 849 500 000                            | (32 810 000)           | 816 690 000 |

**Reconciliation of investment property - Controlling entity - 2018**

|                     | Valuation previously reported | Restated fair value adjustments | Total       |
|---------------------|-------------------------------|---------------------------------|-------------|
| Investment property | 786 704 692                   | 62 795 308                      | 849 500 000 |

**Pledged as security**

No investment property has been pledged as security for any financial liabilities.

**Details of property**

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

**Details of valuation**

The effective date of the latest revaluations was 30 June 2019. Revaluations were performed by an independent valuer, Martin Ficht who is not connected to the municipality and has recent experience in location and category of the investment property being valued.

The valuation was based on open market value for existing use.

Adjustments to the valuation is attributable to change in market value of investment property.

These assumptions are based on current market conditions.

Martin Fichet and Mike Hanlsoo are members of the South African Council for Property Valuers Profession (SACPVP), and have the required qualifications and expertise in the valuation of investment properties. The valuations conform to South African Valuation Standards and were arrived at by reference to market evidence of transaction prices for similar properties.

Investment property has been accounted for in terms of GRAP 16 and comprises both land and buildings owned by the municipality.

| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

**Amounts recognised in surplus or deficit**

|                                         |           |           |           |           |
|-----------------------------------------|-----------|-----------|-----------|-----------|
| Rental revenue from Investment property | 1 111 112 | 1 691 065 | 1 111 112 | 1 691 065 |
|-----------------------------------------|-----------|-----------|-----------|-----------|

There are no restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal of investment property.

The municipality has adopted the fair value model in accounting for investment properties.

The municipality does not hold any operating property interest.

There were no repairs, maintenance and direct operating expenses related to investment property.

Tenants are responsible for repairs and maintenance.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Included in Investment is vacant land which has been invaded/illegally occupied. The land has a carrying value R 25 330 000.

The illegally occupied land is not considered impaired by management as the service potential is not considered affected as this land is addressed by the Rapid urbanisation management within the parameters of the approved land use scheme.

#### 14. Living Resources

| Economic entity | 2019      |              |                | 2018      |              |                |
|-----------------|-----------|--------------|----------------|-----------|--------------|----------------|
|                 | Valuation | Net movement | Carrying value | Valuation | Net movement | Carrying value |
| Game animals    | 928 494   | 19 931       | 948 425        | 769 726   | 158 768      | 928 494        |

| Controlling entity | 2019      |              |                | 2018      |              |                |
|--------------------|-----------|--------------|----------------|-----------|--------------|----------------|
|                    | Valuation | Net movement | Carrying value | Valuation | Net movement | Carrying value |
| Game animals       | 928 494   | 19 931       | 948 425        | 769 726   | 158 768      | 928 494        |

#### Reconciliation of living resources - Economic entity - 2019

|              | Opening balance | Additions | Fair value adjustments | Disposals | Total   |
|--------------|-----------------|-----------|------------------------|-----------|---------|
| Game animals | 928 494         | 207 375   | (170 644)              | (16 800)  | 948 425 |

#### Reconciliation of living resources - Economic entity - 2018

|              | Opening balance | Additions | Fair value adjustments | Total   |
|--------------|-----------------|-----------|------------------------|---------|
| Game animals | 769 726         | 66 006    | 92 762                 | 928 494 |

#### Reconciliation of living resources - Controlling entity - 2019

|              | Opening balance | Additions | Fair value adjustments | Disposal | Total   |
|--------------|-----------------|-----------|------------------------|----------|---------|
| Game animals | 928 494         | 207 375   | (170 644)              | (16 800) | 948 425 |

#### Reconciliation of living resources - Controlling entity - 2018

|              | Opening balance | Additions | Fair value adjustments | Total   |
|--------------|-----------------|-----------|------------------------|---------|
| Game animals | 769 726         | 66 006    | 92 762                 | 928 494 |

#### Pledged as security

No living resources have been pledged as security for any financial liabilities.

#### General Information

The Msunduzi Municipality Bisley Nature Reserve's main purpose is the conservation of a representative system of biodiversity encompassing fauna, flora and unique scenery within the nature reserve. The municipality does not manage the reserve for reproduction of biodiversity.

The municipality is involved in biological transformation of fauna and flora primarily as a service to the community for the main purpose of recreation rather than for sale.

#### Other information

The living animals assets have been measured at fair value.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

#### Details of valuation

The valuation as at 30 June 2019 was performed internally, using values provided by Ezemvelo KZN Wildlife as a guide.

15. Property, plant and equipment

| Economic entity    | 2019                  |                                                     |                      | 2018                  |                                                     |                      |
|--------------------|-----------------------|-----------------------------------------------------|----------------------|-----------------------|-----------------------------------------------------|----------------------|
|                    | Cost / Valuation      | Accumulated depreciation and accumulated impairment | Carrying value       | Cost / Valuation      | Accumulated depreciation and accumulated impairment | Carrying value       |
| Land and buildings | 1 510 593 745         | (291 846 048)                                       | 1 218 747 697        | 1 508 822 237         | (269 454 656)                                       | 1 239 367 581        |
| Infrastructure     | 7 808 981 281         | (2 926 281 246)                                     | 4 882 700 035        | 7 415 407 677         | (2 592 414 915)                                     | 4 822 992 762        |
| Community assets   | 784 173 008           | (335 768 178)                                       | 448 404 830          | 756 150 153           | (310 279 136)                                       | 445 871 017          |
| Other assets       | 1 026 855 165         | (572 917 024)                                       | 453 938 141          | 1 034 373 418         | (575 171 488)                                       | 459 201 930          |
| <b>Total</b>       | <b>11 130 603 199</b> | <b>(4 126 812 496)</b>                              | <b>7 003 790 703</b> | <b>10 714 753 485</b> | <b>(3 747 320 195)</b>                              | <b>6 967 433 290</b> |

| Controlling entity | 2019                  |                                                     |                      | 2018                  |                                                     |                      |
|--------------------|-----------------------|-----------------------------------------------------|----------------------|-----------------------|-----------------------------------------------------|----------------------|
|                    | Cost / Valuation      | Accumulated depreciation and accumulated impairment | Carrying value       | Cost / Valuation      | Accumulated depreciation and accumulated impairment | Carrying value       |
| Land and buildings | 1 510 593 745         | (291 846 048)                                       | 1 218 747 697        | 1 508 822 237         | (269 454 656)                                       | 1 239 367 581        |
| Infrastructure     | 7 808 981 281         | (2 926 281 246)                                     | 4 882 700 035        | 7 415 407 677         | (2 592 414 915)                                     | 4 822 992 762        |
| Community assets   | 784 173 008           | (335 768 178)                                       | 448 404 830          | 756 150 153           | (310 279 136)                                       | 445 871 017          |
| Other assets       | 1 006 178 442         | (563 877 453)                                       | 442 300 989          | 1 013 729 730         | (566 973 217)                                       | 446 756 513          |
| <b>Total</b>       | <b>11 109 926 476</b> | <b>(4 117 772 925)</b>                              | <b>6 992 153 551</b> | <b>10 694 109 797</b> | <b>(3 739 121 924)</b>                              | <b>6 954 987 873</b> |

Reconciliation of property, plant and equipment - Economic entity - 2019

|                    | Carrying value opening balance | Additions          | Disposals        | Capital under construction | Transfers        | Depreciation         | Impairment loss    | Total                |
|--------------------|--------------------------------|--------------------|------------------|----------------------------|------------------|----------------------|--------------------|----------------------|
| Land and buildings | 1 239 367 581                  | 579 541            | -                | 1 866 159                  | (670 880)        | (22 394 704)         | -                  | 1 218 747 697        |
| Infrastructure     | 4 822 992 762                  | 172 580 098        | -                | 218 564 286                | 2 430 469        | (330 746 904)        | (3 120 676)        | 4 882 700 035        |
| Community          | 445 871 017                    | 7 882 627          | -                | 21 445 806                 | (1 253 571)      | (25 539 698)         | (1 351)            | 448 404 830          |
| Other assets       | 459 201 930                    | 26 756 705         | (379 171)        | 36 556 373                 | (897 469)        | (64 702 501)         | (2 597 726)        | 453 938 141          |
| <b>Total</b>       | <b>6 967 433 290</b>           | <b>207 798 971</b> | <b>(379 171)</b> | <b>278 432 624</b>         | <b>(391 451)</b> | <b>(443 383 807)</b> | <b>(5 719 753)</b> | <b>7 003 790 703</b> |

Reconciliation of property, plant and equipment - Economic entity - 2018

|                    | Carrying value opening balance | Additions          | Disposals          | Capital under construction | Transfers    | Derecognition    | Depreciation         | Impairment loss    | Total                |
|--------------------|--------------------------------|--------------------|--------------------|----------------------------|--------------|------------------|----------------------|--------------------|----------------------|
| Land and buildings | 1 256 281 677                  | 297 085            | -                  | 6 406 986                  | (931 700)    | (404 462)        | (22 282 005)         | -                  | 1 239 367 581        |
| Infrastructure     | 4 684 714 917                  | 41 249 517         | -                  | 414 620 362                | 15 166 244   | -                | (329 154 782)        | (3 603 496)        | 4 822 992 762        |
| Community          | 436 956 419                    | 5 704 319          | -                  | 34 297 216                 | -            | -                | (31 086 937)         | -                  | 445 871 017          |
| Other assets       | 444 914 814                    | 76 767 411         | (2 851 651)        | 20 759 701                 | (14 234 544) | -                | (66 034 740)         | (119 061)          | 459 201 930          |
| <b>Total</b>       | <b>6 822 867 827</b>           | <b>124 018 332</b> | <b>(2 851 651)</b> | <b>476 084 265</b>         | <b>-</b>     | <b>(404 462)</b> | <b>(448 558 464)</b> | <b>(3 722 557)</b> | <b>6 967 433 290</b> |

Reconciliation of property, plant and equipment - Controlling entity - 2019

|                    | Opening balance      | Additions          | Disposals        | Capital under construction | Transfers        | Depreciation         | Impairment loss    | Total                |
|--------------------|----------------------|--------------------|------------------|----------------------------|------------------|----------------------|--------------------|----------------------|
| Land and buildings | 1 239 367 581        | 579 541            | -                | 1 866 159                  | (670 880)        | (22 394 704)         | -                  | 1 218 747 697        |
| Infrastructure     | 4 822 992 762        | 172 580 098        | -                | 218 564 286                | 2 430 469        | (330 746 904)        | (3 120 676)        | 4 882 700 035        |
| Community          | 445 871 017          | 7 882 627          | -                | 21 445 806                 | (1 253 571)      | (25 539 698)         | (1 351)            | 448 404 830          |
| Other assets       | 446 756 513          | 26 718 743         | (379 171)        | 36 556 373                 | (897 469)        | (63 856 273)         | (2 597 727)        | 442 300 989          |
| <b>Total</b>       | <b>6 954 987 873</b> | <b>207 761 009</b> | <b>(379 171)</b> | <b>278 432 624</b>         | <b>(391 451)</b> | <b>(442 537 579)</b> | <b>(5 719 754)</b> | <b>6 992 153 551</b> |

## Reconciliation of property, plant and equipment - Controlling entity - 2018

|                    | Opening balance      | Additions          | Disposals          | Capital under construction | Transfers    | Derecognitions   | Depreciation         | Impairment loss    | Total                |
|--------------------|----------------------|--------------------|--------------------|----------------------------|--------------|------------------|----------------------|--------------------|----------------------|
| Land and buildings | 1 256 281 677        | 297 085            | -                  | 6 406 986                  | (931 700)    | (404 462)        | (22 282 005)         | -                  | 1 239 367 581        |
| Infrastructure     | 4 684 714 917        | 41 249 517         | -                  | 414 620 362                | 15 166 244   | -                | (329 154 782)        | (3 603 496)        | 4 822 992 762        |
| Community          | 436 956 419          | 5 704 319          | -                  | 34 297 216                 | -            | -                | (31 086 937)         | -                  | 445 871 017          |
| Other assets       | 431 507 920          | 76 718 359         | (2 790 236)        | 20 759 701                 | (14 234 544) | -                | (65 085 626)         | (119 061)          | 446 756 513          |
|                    | <b>6 809 460 933</b> | <b>123 969 280</b> | <b>(2 790 236)</b> | <b>476 084 265</b>         | <b>-</b>     | <b>(404 462)</b> | <b>(447 609 350)</b> | <b>(3 722 557)</b> | <b>6 954 987 873</b> |

### Pledged as security

No property, plant and equipment has been pledged as security for any financial liabilities.

### Other information

Refer to Appendix A for detailed property, plant and equipment schedule.

The Msunduzi Municipality has elected the Cost Model when accounting for property, plant and equipment, and property, plant and equipment is depreciated using the straight line method.

During the year the municipality undertook a conditional assessment of fixed assets, which culminated in the additional decreases/increases in remaining useful lives of assets.

The municipality applies the depreciated replacement cost method to calculate impairment.

Property, plant and equipment were assessed for impairment.

Property plant and equipment were impaired by R5 719 753 (2018 : R3 722 558) as a result of conditional assessment.

Included in property, plant and equipment is vacant land which has been invaded/illegally occupied. The land has a carrying value of R52 437 457.

The illegally occupied land is not considered impaired by management as the service potential is not considered affected as this land is addressed by the Rapid urbanisation management within the parameters of the approved land use scheme.

## Reconciliation of Work-in-Progress Economic entity - 2019

### Reconciliation of Work-in-Progress 2019

|                                 | Included within buildings | Included within Infrastructure | Included within community assets | Included with other PPE | Total                |
|---------------------------------|---------------------------|--------------------------------|----------------------------------|-------------------------|----------------------|
| Opening balance                 | 20 012 055                | 1 099 646 394                  | 63 924 797                       | 46 907 055              | 1 230 490 301        |
| Additions                       | 1 866 159                 | 218 564 286                    | 21 445 806                       | 36 556 373              | 278 432 624          |
| Transferred to completed assets | (806 434)                 | (251 891 623)                  | (13 694 118)                     | (14 353 919)            | (280 746 094)        |
|                                 | <b>21 071 780</b>         | <b>1 066 319 057</b>           | <b>71 676 485</b>                | <b>69 109 509</b>       | <b>1 228 176 831</b> |

## Reconciliation of Work-in-Progress Economic entity - 2018

### Reconciliation of Work-in-Progress 2018

|                                 | Included within Buildings | Included within Infrastructure | Included within Community assets | Included within other PPE | Total                |
|---------------------------------|---------------------------|--------------------------------|----------------------------------|---------------------------|----------------------|
| Opening balance                 | 13 605 069                | 729 519 615                    | 130 581 080                      | 42 209 228                | 915 914 992          |
| Additions                       | 6 406 986                 | 414 620 362                    | 34 297 216                       | 20 759 702                | 476 084 266          |
| Transferred to completed assets | -                         | (44 493 583)                   | (100 953 499)                    | (16 061 875)              | (161 508 957)        |
|                                 | <b>20 012 055</b>         | <b>1 099 646 394</b>           | <b>63 924 797</b>                | <b>46 907 055</b>         | <b>1 230 490 301</b> |

## Reconciliation of Work-in-Progress Controlling entity - 2019

### Reconciliation of Work-in-Progress 2019

|                                 | Included within Buildings | Included within Infrastructure | Included within Community assets | Included with other PPE | Total                |
|---------------------------------|---------------------------|--------------------------------|----------------------------------|-------------------------|----------------------|
| Opening balance                 | 20 012 055                | 1 099 646 394                  | 63 924 797                       | 46 907 055              | 1 230 490 301        |
| Additions                       | 1 866 159                 | 218 564 286                    | 21 445 806                       | 36 556 373              | 278 432 624          |
| Transferred to completed assets | (806 434)                 | (251 891 623)                  | (13 694 118)                     | (14 353 919)            | (280 746 094)        |
|                                 | <b>21 071 780</b>         | <b>1 066 319 057</b>           | <b>71 676 485</b>                | <b>69 109 509</b>       | <b>1 228 176 831</b> |

**Reconciliation of Work-in-Progress Controlling entity - 2018**

| Reconciliation of Work-in-Progress 2018 | Included within buildings | Included within Infrastructure | Included with community assets | Included with other PPE | Total                |
|-----------------------------------------|---------------------------|--------------------------------|--------------------------------|-------------------------|----------------------|
| Opening balance                         | 13 605 069                | 729 519 615                    | 130 581 080                    | 42 209 228              | 915 914 992          |
| Additions                               | 6 406 986                 | 414 620 362                    | 34 297 216                     | 20 759 702              | 476 084 266          |
| Transferred to completed assets         | -                         | (44 493 583)                   | (100 953 499)                  | (16 061 875)            | (161 508 957)        |
|                                         | <b>20 012 055</b>         | <b>1 099 646 394</b>           | <b>63 924 797</b>              | <b>46 907 055</b>       | <b>1 230 490 301</b> |

| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

**Expenditure incurred to repair and maintain property, plant and equipment**

**Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance**

|                                 |                    |                    |                    |                    |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| Computer services               | 18 022             | 6 871              | 18 022             | 6 871              |
| Contracted services             | 104 941 470        | 127 431 123        | 104 941 470        | 127 431 123        |
| Internal charges- labour        | 27 885 696         | 16 533 625         | 27 885 696         | 16 533 625         |
| Inventory consumed              | 10 336 673         | 21 052 272         | 10 336 673         | 21 052 272         |
| Operating leases                | 3 590 436          | 36 678             | 3 590 436          | 36 678             |
| Preservation and restoration    | -                  | 199 658            | -                  | 199 658            |
| Uniform and protective clothing | -                  | 5 212              | -                  | 5 212              |
|                                 | <b>146 772 297</b> | <b>165 265 439</b> | <b>146 772 297</b> | <b>165 265 439</b> |

**Property, plant and equipment taking longer to complete than expected**

| Reasons for project being halted          |                                                                                                                                                                                                                                                                                                                                                            | 2019               | 2018               |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| Sewer reticulation - Azalea PH2           | Multi year project and technical delays - Service Provider on penalties                                                                                                                                                                                                                                                                                    | -                  | 30 679 602         |
| IRPTN project                             | "This is a multi year project. The delays were due to:<br>a) The relocation of houses and infrastructure currently built on road reserve.<br>b) Community strike action and objections to relocations and compensation.<br>c) Land acquisition for relocations and road reserves.<br>d) Procurement disputes of local subcontractors and court Interdicts. | 255 852 938        | 288 856 482        |
| Station road bridge                       | Project delayed due to:<br>a) Escalation of electricity relocation costs by Eskom.<br>b) Sporadic construction of relocations by Eskom as opposed to the agreed upon plan.<br>c) Community unrest due to interruption of services by Eskom.<br>d) Contractual disputes with contractor over payments.                                                      | 22 804 829         | 14 293 430         |
| Youth Enterprise Park                     | The project was not fully funded in the current financial year by COGTA and the preapproved site for the project lacked the necessary infrastructure.                                                                                                                                                                                                      | 829 350            | 336 656            |
| Unit H                                    | Project delayed due to contractual disputes with originally appointed contractor.                                                                                                                                                                                                                                                                          | 23 066 905         | 18 663 146         |
| Rehabilitation of roads in Ashdown        | Project delayed due to political unrest.                                                                                                                                                                                                                                                                                                                   | 2 213 450          | 1 614 346          |
| Upgrade gravel roads - Edendale - Ward 17 | Project delays due to the contractor being unable to meet contractual obligations as a result of financial difficulties.                                                                                                                                                                                                                                   | 744 849            | 1 253 281          |
| Upgrade road in Peace Valley              | Project delays due to community protests and strike action by employees of contractor over non payment of salaries.                                                                                                                                                                                                                                        | 6 920 537          | 1 807 744          |
| Unit BB community hall                    | Project delayed due to political unrest which resulted in community protests and subcontractors demanding upfront payments.                                                                                                                                                                                                                                | 8 720 780          | 558 263            |
|                                           |                                                                                                                                                                                                                                                                                                                                                            | <b>321 153 638</b> | <b>358 062 950</b> |

**Projects halted**

| Projects halted                  | Reasons                                                                                                                                 | 2019             | 2018             |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| The Hollingwood cemetery project | The community boycotted the project                                                                                                     | 4 874 038        | 4 874 038        |
| Edendale Town Centre             | Legal complexities, expropriation and relocation of Informal settlements caused the project to be halted until the issues are resolved. | 3 100 603        | 4 874 038        |
|                                  |                                                                                                                                         | <b>7 974 641</b> | <b>9 748 076</b> |

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality and its entity.

| Figures in Rand                                                                                                                                                                                                                                 | Economic entity    |                    | Controlling entity |                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                                                                                                                                                                                                 | 2019               | 2018               | 2019               | 2018               |
| <b>16. Other financial assets</b>                                                                                                                                                                                                               |                    |                    |                    |                    |
| <b>At amortised cost</b>                                                                                                                                                                                                                        |                    |                    |                    |                    |
| Housing selling scheme loans                                                                                                                                                                                                                    | 14 680 909         | 13 539 580         | 14 680 909         | 13 539 580         |
|                                                                                                                                                                                                                                                 | 14 680 909         | 13 539 580         | 14 680 909         | 13 539 580         |
| Impairments                                                                                                                                                                                                                                     | (12 037 912)       | (8 875 290)        | (12 037 912)       | (8 875 290)        |
|                                                                                                                                                                                                                                                 | <b>2 642 997</b>   | <b>4 664 290</b>   | <b>2 642 997</b>   | <b>4 664 290</b>   |
| <b>Non-current assets</b>                                                                                                                                                                                                                       |                    |                    |                    |                    |
| At amortised cost                                                                                                                                                                                                                               | 2 642 997          | 4 664 290          | 2 642 997          | 4 664 290          |
| <b>Other financial assets reconciliation</b>                                                                                                                                                                                                    |                    |                    |                    |                    |
| Opening balance                                                                                                                                                                                                                                 | 13 539 580         | 11 936 735         | 13 539 580         | 11 936 735         |
| Interest and fees raised                                                                                                                                                                                                                        | 1 327 583          | 1 954 605          | 1 327 583          | 1 954 605          |
| Repayments                                                                                                                                                                                                                                      | (186 254)          | (351 760)          | (186 254)          | (351 760)          |
| Closing balance                                                                                                                                                                                                                                 | <b>14 680 909</b>  | <b>13 539 580</b>  | <b>14 680 909</b>  | <b>13 539 580</b>  |
| Housing selling schemes loans are granted to qualifying individuals in terms of the provincial administration housing programme. These loans attract interest in terms of the State directives and guidelines and are re-payable over 30 years. |                    |                    |                    |                    |
| <b>17. Consumer deposits</b>                                                                                                                                                                                                                    |                    |                    |                    |                    |
| Building plans and wayleaves                                                                                                                                                                                                                    | 483                | 483                | 483                | 483                |
| Electricity                                                                                                                                                                                                                                     | 82 002 737         | 80 368 125         | 82 002 737         | 80 368 125         |
| Market buyer's card                                                                                                                                                                                                                             | 1 892 143          | 5 873 398          | 1 892 143          | 5 873 398          |
| Poster applications                                                                                                                                                                                                                             | 180 785            | 180 785            | 180 785            | 180 785            |
| Refuse                                                                                                                                                                                                                                          | 7 100              | 2 200              | 7 100              | 2 200              |
| Rental properties                                                                                                                                                                                                                               | 2 135 598          | 1 962 036          | 2 135 598          | 1 962 036          |
| Sanitation                                                                                                                                                                                                                                      | 3 500              | 1 500              | 3 500              | 1 500              |
| Valuation appeal                                                                                                                                                                                                                                | 8 907              | 8 907              | 8 907              | 8 907              |
| Water                                                                                                                                                                                                                                           | 20 998 049         | 20 411 899         | 20 998 049         | 20 411 899         |
|                                                                                                                                                                                                                                                 | <b>107 229 302</b> | <b>108 809 333</b> | <b>107 229 302</b> | <b>108 809 333</b> |
| <b>18. Other financial liabilities</b>                                                                                                                                                                                                          |                    |                    |                    |                    |
| <b>At amortised cost</b>                                                                                                                                                                                                                        |                    |                    |                    |                    |
| DBSA Loan                                                                                                                                                                                                                                       | 480 602 288        | 565 114 602        | 480 602 288        | 565 114 602        |
| DBSA - funding required for capital expenditure. Loans bear interest rates between 6.75% and 16.50% (2018: 6.75% and 16.50%).<br>Loans are repayable over a period between 10 to 20 years, repayments are made quarterly and bi-annually.       |                    |                    |                    |                    |
| During the reporting period the municipality did not default on any of the interest or capital repayments of the external loans.                                                                                                                |                    |                    |                    |                    |
| <b>Non-current liabilities</b>                                                                                                                                                                                                                  |                    |                    |                    |                    |
| At amortised cost                                                                                                                                                                                                                               | 366 291 537        | 451 226 205        | 366 291 537        | 451 226 205        |
| <b>Current liabilities</b>                                                                                                                                                                                                                      |                    |                    |                    |                    |
| At amortised cost                                                                                                                                                                                                                               | 114 310 751        | 113 888 397        | 114 310 751        | 113 888 397        |
| <b>Reconciliation of other financial liabilities</b>                                                                                                                                                                                            |                    |                    |                    |                    |
| Opening balance                                                                                                                                                                                                                                 | 565 114 605        | 615 106 857        | 565 114 605        | 615 106 857        |
| Interest capitalised                                                                                                                                                                                                                            | 10 454 050         | 11 689 714         | 10 454 050         | 11 689 714         |
| Capital repayments                                                                                                                                                                                                                              | (94 966 367)       | (61 681 969)       | (94 966 367)       | (61 681 969)       |
| Closing balance                                                                                                                                                                                                                                 | <b>480 602 288</b> | <b>565 114 602</b> | <b>480 602 288</b> | <b>565 114 602</b> |

| Figures in Rand                                | Economic entity    |                    | Controlling entity |                    |
|------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                | 2019               | 2018               | 2019               | 2018               |
| <b>19. Payables from exchange transactions</b> |                    |                    |                    |                    |
| Trade payables                                 | 78 629 877         | 111 165 955        | 78 629 864         | 111 165 963        |
| Accrued leave pay                              | 107 539 694        | 90 462 844         | 107 318 504        | 90 230 250         |
| Retention liability                            | 30 137 573         | 19 759 518         | 30 137 573         | 19 759 518         |
| Accruals                                       | 317 809 252        | 269 227 058        | 317 747 139        | 269 188 484        |
| Credit balances in debtors                     | 103 944 718        | 115 335 605        | 103 944 718        | 115 335 605        |
| Accrued interest                               | 5 057 976          | 6 479 268          | 5 057 976          | 6 479 268          |
| Advance payments                               | 3 616 545          | 3 548 319          | 3 616 545          | 3 548 319          |
| Auditor General                                | 178 230            | 113 265            | 178 230            | 113 265            |
| Water bulk purchases                           | 77 149 902         | 64 622 581         | 77 149 902         | 64 622 581         |
| Electricity bulk purchases                     | 209 470 837        | 206 120 912        | 209 470 837        | 206 120 912        |
| Unallocated deposits                           | 1 811 076          | 13 023 758         | 1 811 076          | 13 023 758         |
| Payroll related                                | -                  | 852                | -                  | 852                |
|                                                | <b>935 345 680</b> | <b>899 859 935</b> | <b>935 062 364</b> | <b>899 588 775</b> |

**20. Provisions**

**Reconciliation of provisions - Economic entity - 2019**

|                         | Opening Balance   | Additions        | Utilised during the year | Change in discount factor | Total             |
|-------------------------|-------------------|------------------|--------------------------|---------------------------|-------------------|
| Bonus                   | 403 396           | 510 784          | (403 396)                | -                         | 510 784           |
| Landfill rehabilitation | 64 670 705        | 2 390 680        | -                        | 2 347 547                 | 69 408 932        |
|                         | <b>65 074 101</b> | <b>2 901 464</b> | <b>(403 396)</b>         | <b>2 347 547</b>          | <b>69 919 716</b> |

**Reconciliation of provisions - Economic entity - 2018**

|                         | Opening Balance   | Additions        | Change in discount factor | Total             |
|-------------------------|-------------------|------------------|---------------------------|-------------------|
| Bonus                   | 363 293           | 40 103           | -                         | 403 396           |
| Landfill rehabilitation | 56 007 366        | 6 921 510        | 1 741 829                 | 64 670 705        |
|                         | <b>56 370 659</b> | <b>6 961 613</b> | <b>1 741 829</b>          | <b>65 074 101</b> |

**Reconciliation of provisions - Controlling entity - 2019**

|                         | Opening Balance | Additions | Change in discount factor | Total      |
|-------------------------|-----------------|-----------|---------------------------|------------|
| Landfill rehabilitation | 64 670 705      | 2 390 680 | 2 347 547                 | 69 408 932 |

**Reconciliation of provisions - Controlling entity - 2018**

|                         | Opening Balance | Additions | Change in discount factor | Total      |
|-------------------------|-----------------|-----------|---------------------------|------------|
| Landfill rehabilitation | 56 007 366      | 6 921 510 | 1 741 829                 | 64 670 705 |

| Figures in Rand         | Economic entity   |                   | Controlling entity |                   |
|-------------------------|-------------------|-------------------|--------------------|-------------------|
|                         | 2019              | 2018              | 2019               | 2018              |
| Non-current liabilities | 62 662 384        | 62 323 158        | 62 662 384         | 62 323 158        |
| Current liabilities     | 7 257 332         | 2 750 943         | 6 746 548          | 2 347 547         |
|                         | <b>69 919 716</b> | <b>65 074 101</b> | <b>69 408 932</b>  | <b>64 670 705</b> |

**Landfill rehabilitation provision**

The landfill site provision represents management's best estimate of the municipality's rehabilitation liability based on a valuation provided by an external consultant on the remaining useful life of the landfill site.

One Pangaea Financial was appointed to provide the provision for the programme for closure of the New England Road landfill site. At the end of the life of the landfill site, the municipality is expected to restore the landfill site to the condition it was before its use.

According to the National Environmental Management Act, Act 107 of 1998, the operation of a landfill results in an obligation to rehabilitate the landfill and prevent any further pollution after closure thereof. The landfill site provision was created to ensure that the site is environmentally and publicly acceptable and suited to the implementation of the proposed end-use. The rehabilitation cost is anticipated to be spent in 2024, the expected end of life of the landfill site, according to expert's report. As at 30 June 2019, the estimated remaining life of the landfill site is six years.

**The key assumptions used by the experts were:**

Net discount rate 3.20%  
 Type of waste – domestic waste mostly  
 Average density of waste - 0.75 tonnes per cubic metre  
 Expected growth rate of waste generation - 1.12%  
 Excavatable cover depth - 2.5 metres  
 Cover to waste ratio – 1: 4

At the reporting date there were no future events that could affect the cost of rehabilitating the land fill site.

**Alien vegetation provision**

According to the National Environmental Management Act, 1998 (Act No. 107 of 1998) the municipality was encouraged to recognise a provision in this regard.

The Department of Agriculture has since 2006 provided considerable support to the municipality in terms of clearing listed alien invasive plants.

The municipality's involvement and responsibility is effectively operational support to the Department of Agriculture for the clearing of listed alien invasive plants.

No work has been carried out during the current reporting period.

**Litigation**

Litigations against the Municipality recognized as provisions are those that the appointed attorneys have considered probable that the Municipality is liable and an outflow of economic benefits associated with the litigation is expected and the costs can be measured reliably.

**Key assumptions provided by legal counsel are -**

Net effective discount rate - 15.5%

**21. Employee benefit obligations**

**Defined contribution plan**

The Council provides retirement benefits to its employees by contributing to either a Provident fund, Retirement Pension Fund or Superannuation Pension Fund.

Membership to either a pension or provident fund is compulsory for all permanent employees.

The majority of the members and the Council contributes to the Natal Joint Municipal Pension and Provident funds (NJMP), employees contribute to the South African Local Authorities Pension Fund (SALA) and, Associated Institution Pension Fund (AIPF), Pietermaritzburg Provident Fund and Government Employees Pension Fund (GEPF). Employees contributing to SALA, AIPF, Pietermaritzburg Provident Fund and GEPF make up the minority of members contribution to the pension funds. The municipality's liability in these funds cannot be determined owing mainly to the assets not being allocated to each employer and one set of financials being compiled for each fund and not for each contributing employer.

The majority of personnel are members of the following pension funds:

**KwaZulu-Natal Joint Municipal Provident Fund**

An actuarial valuation was performed on 31 March 2018 by Argen Actuarial Solutions.

The market value of the fund's assets was R4 105 682 000 as at 31 March 2018.

*Results of the valuation*

The Fund self-insures its risk benefits in excess of the full benefit. It therefore maintains a Risk Reserve Account as a measure of protection against volatility in claims experience. The amount of R23 071 000 required to be held in the Risk Reserve Account.

The Fund is financially sound as at the valuation date.

Benefits of the fund:

- 1) Pension age - 65 years
- 2) Earliest retirement age - 58 years (55 years if more than 10 years continuous service)
- 3) Full benefit - Initial transfer plus member's contributions plus employer's contributions for full benefits plus investment earnings and bonuses.
- 4) Member's portion of full benefits - Initial transfer plus members' contributions plus local authorities' contributions for full benefits plus interim, special and final bonuses.
- 5) Benefit on retirement after earliest retirement age or pension age - full benefit.
- 6) Benefit on retirement because of ill health - full benefit.
- 7) Benefit on death in service - Full benefit plus 0.7% of annual pensionable salary for each month of potential service to a maximum of 2.1 years salary.



### Contributions to the fund

Members may choose to contribute at a rate of 5%, 7% or 9.25% of their pensionable emoluments in terms of regulation 14(a).

Local Authorities Contributions.

Participating employers contribute at a rate of 1.95 times of the rate of members contribution in terms of regulation 17(1)(b).

### Benchmark:

#### Investments:

|                           |                |
|---------------------------|----------------|
| Domestic Investments      | R3,280,115,000 |
| International Investments | R960,210,000,  |
| Risk Reserve Account      | R23,071,000    |
| Membership                | R15,917        |

#### Liabilities and reserves

|                       |                |
|-----------------------|----------------|
| Member share account  | R3,886,728,000 |
| Reserves and accounts | R295,142,000   |

### Natal Joint Municipal Pension Fund: (Superannuation) actuarial valuation

An actuarial valuation was performed on 31 March 2018 by Argen Actuarial Solutions.

The market value of the fund's assets was R 11 685 250 000 as at 31 March 2018.

The regulations of the fund have been amended with effect from 1 July 2004, so that the Committee of Management is able to levy a separate surcharge on local authorities which grant excessive salary increases, thereby causing a financial strain on the fund to the detriment of other stakeholders. The employers are no longer permitting members to join the Fund, so that it is effectively closed to new members. This means that the average age will increase over time which, in turn, means that the required rate of contribution will also increase. Thus, once the surcharge ceases, the underlying rate of contribution will not be sufficient to meet the cost of the benefits. It is necessary to set aside a reserve to hold assets equal to the expected shortfall. For this reason a "Contribution Reserve is held equal to the present value of the shortfall in terms of the Financial Services Board's Circular PF117 for the 5 years to 2015 when it is expected that the surcharge will cease.

#### Benefits of the fund:

- 1) Members Contributions - 9.25% of pensionable salaries.
- 2) Pension age 65 years.
- 3) Final average salary - average annual pensionable salaries during the last year of service.
- 4) Pension on retirement at pension age - 2.2% of final average emoluments per year of continuous service.
- 5) Lump sum on retirement at pension age - 8.25% of final average emoluments per year of service.
- 6) Pension on retirement because of ill-health (minimum ten years continuous service) - pension as for retirement at pension age.
- 7) Lump sum on retirement because of ill-health (minimum 10 years continuous service) - lump sum as for retirement at pension age.
- 8) Lump sum on retirement because of ill health (less than ten years continuous service) - the greater of the resignation benefit or twice the members contributions
- 9) Surviving spouses pension on death in service - 1,2% of final average emoluments per year of continuous service that the member would have had at the pension age.
- 10) Surviving spouses pension on death of pensioner - 1,2% (0,77% in the case of a pensioner who retired before 1 July 1999) of final average emoluments per year of continuous service.
- 11) Lump sum on death in service - Annual pensionable emoluments.10.75% of final average salaries.
- 12) Withdrawal - members contribution plus 5/12% for each month of continuous service (the addition is approximately equal to compound interest at 10% a year) and increased by 5% for each complete year of service up to a maximum of 20 years.

### Benchmark

#### Investments

|               |                |
|---------------|----------------|
| Domestic      | R8,920,263,000 |
| International | R2,856,862,000 |
| Membership    | R4,098         |

#### Liabilities and reserve

|                   |                |
|-------------------|----------------|
| Accrued liability | R4,600,700,000 |
| Risk reserve      | R102,805,000   |
| Solvency reserve  | R732,980,000   |
| Balance of assets | R91,865,000    |
| Active members    | R6,156,900,000 |

### Natal Joint Municipal Pension Fund: (Retirement) actuarial valuation

An actuarial valuation was performed on 31 March 2018 by Argen Actuarial Solutions.

The market value of the fund's assets was R 4 055 121 000 as at 31 March 2018.

The regulations of the fund have been amended with effect from 1 July 2004, so that the Committee of Management is able to levy a separate surcharge on local authorities which grant excessive salary increases, thereby causing a financial strain on the fund to the detriment of other stakeholders.

The employers are no longer permitting members to join the Fund, so that it is effectively closed to new members. This means that the average age will increase over time which, in turn, means that the required rate of contribution will also increase. Thus once the surcharge ceases, the underlying rate of contribution will not be sufficient to meet the cost of the benefits. It is necessary to set aside a reserve to hold assets equal to the expected shortfall. For this reason a "Contribution Reserve is held equal to the present value of the shortfall in terms of the Financial Services Board's Circular PF117 for the 5 years to 2015 when it is expected that the surcharge will cease.

Benefits of the fund:

- 1) Members Contributions - 7 % of pensionable salaries.
- 2) Pension age 65 years.
- 3) Final average salary - average annual pensionable salaries during the last year of service.
- 4) Pension on retirement at pension age - 2.2% of final average emoluments per year of continuous service.
- 5) Lump sum on retirement at pension age - 8.25% of final average emoluments per year of service.
- 6) Pension on retirement because of ill-health (minimum ten years continuous service) - pension as for retirement at pension age.
- 7) Lump sum on retirement because of ill-health (minimum 10 years continuous service) - lump sum as for retirement at pension age.
- 8) Lump sum on retirement because of ill health (less than ten years continuous service) - the greater of the resignation benefit or twice the members contributions.
- 9) Surviving spouses pension on death in service - 1,2% of final average emoluments per year of continuous service that the member would have had at the pension age.
- 10) Surviving spouses pension on death of pensioner - 1,2% (0,77% in the case of a pensioner who retired before 1 July 1999) of final average emoluments per year of continuous service.
- 11) Lump sum on death in service - Annual pensionable emoluments.10.75% of final average salaries.
- 12) Withdrawal - members contribution plus 5/12% for each month of continuous service (the addition is approximately equal to compound interest at 10% a year) and increased by 5% for each complete year of service up to a maximum of 20 years.

## Benchmark

### Investments

|               |                |
|---------------|----------------|
| Domestic      | R3,104,927,000 |
| International | R1,012,485,000 |
| Membership    | R1,782         |

### Liabilities and reserve

|                             |                |
|-----------------------------|----------------|
| Accrued liability           | R3,421,652,000 |
| Risk reserve                | R82,440,000    |
| Solvency reserve            | R343,917,000   |
| Balance of assets           | R115,921,000   |
| Prescribed minimum benefits | R252,008,000   |

| Figures in Rand                                                                                                                                                 | Economic entity    |                    | Controlling entity |                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                                                                                                                 | 2019               | 2018               | 2019               | 2018               |
| <b>The employees of the Council as well as the Council as employer contribute to municipal pension, retirement and various provident funds as listed below:</b> |                    |                    |                    |                    |
| Associated Institution Pension Fund                                                                                                                             | 132 942            | 124 131            | 132 942            | 124 131            |
| Councillors Pension Fund                                                                                                                                        | 7 444 202          | 7 436 514          | 7 444 202          | 7 436 514          |
| Dynamique Ambrella (Pietermaritzburg Provident Fund)                                                                                                            | -                  | 136 042            | -                  | 136 042            |
| Government Employees Pension Fund                                                                                                                               | 3 032 679          | 3 158 544          | 3 032 679          | 3 158 544          |
| Natal Joint Pension Fund                                                                                                                                        | 100 127 887        | 100 578 494        | 100 127 887        | 100 578 494        |
| Natal Joint Provident Fund                                                                                                                                      | 103 901 170        | 90 473 201         | 103 901 170        | 90 473 201         |
| South African Local Authorities Pension Fund                                                                                                                    | 391 860            | 366 022            | 391 860            | 366 022            |
|                                                                                                                                                                 | <b>215 030 740</b> | <b>202 272 948</b> | <b>215 030 740</b> | <b>202 272 948</b> |

## Post employment medical aid

The municipality's employees and councillors are members on 6 accredited medical aid schemes, namely:

- 1) Bonitas,
- 2) Discovery Health,
- 3) Hosmed,
- 4) Key-Health,
- 5) LA Health
- 6) SAMWU Med,

Pensioners continue on the option they belonged to on the day of their retirement.

The latest actuarial valuation was performed by Arch Actuarial Consulting for the period ended 30 June 2019.

The valuation undertaken in accordance with the requirements of Professional Guidance Note (PPN) 301 of the Actuarial

Society of South Africa.

The expert is independent and an approved pension fund valuator and a member of the Actuarial Society of South Africa (ASSA).

According to the last valuation the accrued liability amounted to R 526 821 870 (2018: R 629 854 699).

#### Long service awards

The long service awards provision represents the amount of money that should be set aside in present day terms to cover all expected long service awards for current employees.

The long service award provision is created to ensure adherence to SALGA collective agreement requirements. The liability was estimated by an Actuary in terms of GRAP 25 (Employee Benefits).

Long service awards payments are expected on the anniversary of appointment for all the qualifying employees.

At the reporting date there were no future events that could affect the future payment costs for long service awards.

As at 30 June 2019, the liability was estimated by experts, Arch Actuarial Consulting.

The key assumptions used by the experts were:

Net effective discount rate - 2.43%

Average retirement age - 62 years

Mortality during employment - SA 85 - 90

| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

A reconciliation of the municipality's accrued liability for the period ending 30 June 2019 is set out below:

#### The amounts recognised in the statement of financial position are as follows:

##### Carrying value

|                             |                      |                      |                      |                      |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| Post employment medical aid | (526 821 870)        | (629 854 699)        | (526 821 870)        | (629 854 699)        |
| Long service awards         | (71 457 540)         | (74 165 465)         | (71 457 540)         | (74 165 465)         |
|                             | <b>(598 279 410)</b> | <b>(704 020 164)</b> | <b>(598 279 410)</b> | <b>(704 020 164)</b> |

|                         |                      |                      |                      |                      |
|-------------------------|----------------------|----------------------|----------------------|----------------------|
| Non-current liabilities | (562 080 514)        | (667 511 174)        | (562 080 514)        | (667 511 174)        |
| Current liabilities     | (36 198 896)         | (36 508 990)         | (36 198 896)         | (36 508 990)         |
|                         | <b>(598 279 410)</b> | <b>(704 020 164)</b> | <b>(598 279 410)</b> | <b>(704 020 164)</b> |

##### Current

|                             |                     |                     |                     |                     |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
| Post employment medical aid | (26 751 131)        | (25 880 067)        | (26 751 131)        | (25 880 067)        |
| Long service awards         | (9 447 765)         | (10 628 923)        | (9 447 765)         | (10 628 923)        |
|                             | <b>(36 198 896)</b> | <b>(36 508 990)</b> | <b>(36 198 896)</b> | <b>(36 508 990)</b> |

##### Non current

|                             |                      |                      |                      |                      |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| Post employment medical aid | (500 070 739)        | (603 974 632)        | (500 070 739)        | (603 974 632)        |
| Long service awards         | (62 009 775)         | (63 536 542)         | (62 009 775)         | (63 536 542)         |
|                             | <b>(562 080 514)</b> | <b>(667 511 174)</b> | <b>(562 080 514)</b> | <b>(667 511 174)</b> |

#### Changes in the present value of post employment medical aid benefit obligation are as follows:

|                      |                      |                      |                      |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| Opening balance      | (629 854 699)        | (631 618 511)        | (629 854 699)        | (631 618 511)        |
| Current service cost | (20 528 209)         | (21 446 589)         | (20 528 209)         | (21 446 589)         |
| Interest cost        | (58 758 277)         | (59 682 706)         | (58 758 277)         | (59 682 706)         |
| Benefits paid        | 26 610 741           | 25 554 019           | 26 610 741           | 25 554 019           |
| Actuarial gain       | 155 708 574          | 57 339 088           | 155 708 574          | 57 339 088           |
|                      | <b>(526 821 870)</b> | <b>(629 854 699)</b> | <b>(526 821 870)</b> | <b>(629 854 699)</b> |

#### Changes in the present value of long service awards obligation are as follows:

|                       |                     |                     |                     |                     |
|-----------------------|---------------------|---------------------|---------------------|---------------------|
| Opening balance       | (74 165 465)        | (70 693 313)        | (74 165 465)        | (70 693 313)        |
| Past service cost     | (2 332 793)         | -                   | (2 332 793)         | -                   |
| Interest cost         | (5 868 453)         | (5 585 974)         | (5 868 453)         | (5 585 974)         |
| Current service cost  | (6 352 108)         | (6 080 749)         | (6 352 108)         | (6 080 749)         |
| Actuarial gain/(loss) | 6 445 095           | (526 854)           | 6 445 095           | (526 854)           |
| Benefits paid         | 10 816 184          | 8 721 425           | 10 816 184          | 8 721 425           |
|                       | <b>(71 457 540)</b> | <b>(74 165 465)</b> | <b>(71 457 540)</b> | <b>(74 165 465)</b> |

The total post employment medical aid benefit obligation decreased by R 103 032 829 (16%) from the previous valuation due the actuarial gain.

The significant actuarial gain arose chiefly due to the reasons stated below:

- 1) Fewer than expected members remained on a medical aid scheme at retirement
- 2) On average, members who retired on a medical aid scheme did so with a lower proportion of spouse dependants (about 60%).
- 3) On average, members bought down to cheaper medical aid options.
- 4) There were more exits than expected since the last valuation.

| Figures in Rand                                                                                      | Economic entity     |                   | Controlling entity  |                   |
|------------------------------------------------------------------------------------------------------|---------------------|-------------------|---------------------|-------------------|
|                                                                                                      | 2019                | 2018              | 2019                | 2018              |
| <b>Net expense recognised in the statement of financial performance(Post employment medical aid)</b> |                     |                   |                     |                   |
| Current service cost                                                                                 | (20 528 209)        | (21 446 589)      | (20 528 209)        | (21 446 589)      |
| Interest cost                                                                                        | (58 758 277)        | (59 682 706)      | (58 758 277)        | (59 682 706)      |
| Actuarial gains(losses)                                                                              | 155 708 574         | 57 339 088        | 155 708 574         | 57 339 088        |
|                                                                                                      | <b>(76 422 088)</b> | <b>23 790 207</b> | <b>(76 422 088)</b> | <b>23 790 207</b> |

**Net expense recognised in the statement of financial performance (Long service awards)**

|                         |                   |                   |                   |                   |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| Past service cost       | (2 332 793)       | -                 | (2 332 793)       | -                 |
| Interest cost           | (5 868 453)       | (5 585 974)       | (5 868 453)       | (5 585 974)       |
| Current service cost    | (6 352 108)       | (6 080 749)       | (6 352 108)       | (6 080 749)       |
| Actuarial (gain)/losses | 6 445 095         | (526 854)         | 6 445 095         | (526 854)         |
|                         | <b>20 998 449</b> | <b>11 139 869</b> | <b>20 998 449</b> | <b>11 139 869</b> |

**Key assumptions used**

Assumptions used at the reporting date:

|                                                  |        |         |        |         |
|--------------------------------------------------|--------|---------|--------|---------|
| Discount rates used                              | 9,24%  | 9,52%   | 9,24%  | 9,52%   |
| Health care inflation rate                       | 6,74%  | 7,32%   | 6,74%  | 7,32%   |
| Maximum subsidy inflation rate                   | 4,68%  | 5,12%   | 4,68%  | 5,12%   |
| Proportion with a spouse dependant at retirement | 60,00% | 90,00%  | 60,00% | 90,00%  |
| Continuation of membership at retirement         | 75,00% | 100,00% | 75,00% | 100,00% |

The projected unit credit method is used as the standard valuation methodology for the valuation done during the reporting period.

On average, members who retired on a medical aid scheme did so with a lower proportion of spouse dependants (about 60%) compared to the previous valuation (90%).

**Other assumptions**

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

|                                            | One percentage point increase | One percentage point decrease | One percentage point increase | One percentage point decrease |
|--------------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Health care inflation on accrued liability | 573 565 000                   | 477 115 000                   | 573 565 000                   | 477 115 000                   |
| Discount rate                              | 467 228 000                   | 600 432 000                   | 467 228 000                   | 600 432 000                   |

Amounts for the current and previous four years are as follows:

|                                            | 2019<br>R     | 2018<br>R     | 2017<br>R     | 2016<br>R     | 2015<br>R     |
|--------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Defined benefit obligation                 | 526 822 000   | 629 855 000   | 631 619 000   | 646 841 000   | 609 937 000   |
| Surplus (deficit)                          | (526 822 000) | (629 855 000) | (631 619 000) | (646 841 000) | (609 937 000) |
| Experience adjustments on plan liabilities | (22 837 000)  | (17 781 000)  | (4 119 000)   | (22 463 000)  | (15 095 000)  |

| Figures in Rand                                                   | Economic entity    |                    | Controlling entity |                    |
|-------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                   | 2019               | 2018               | 2019               | 2018               |
| <b>Total contribution to medical aid (employer and employees)</b> |                    |                    |                    |                    |
| Bonitas                                                           | 25 078 313         | 22 996 805         | 25 078 313         | 22 996 805         |
| Discovery                                                         | 233 501            | 179 727            | 233 501            | 179 727            |
| Hosmed                                                            | 516 562            | 602 131            | 516 562            | 602 131            |
| Key Health                                                        | 30 329 878         | 32 838 935         | 30 329 878         | 32 838 935         |
| LA Health                                                         | 64 740 981         | 56 166 918         | 64 740 981         | 56 166 918         |
| Profmed                                                           | 128 452            | -                  | 128 452            | -                  |
| Samwumed                                                          | 3 106 895          | 3 465 572          | 3 106 895          | 3 465 572          |
|                                                                   | <b>124 134 582</b> | <b>116 250 088</b> | <b>124 134 582</b> | <b>116 250 088</b> |

Experience adjustments are the effects of differences between the previous actuarial assumptions and what has actually occurred.

#### Long service awards

The long service awards provision represents the amount of money that should be set aside in present day terms to cover all expected long service awards for current employees.

The long service award provision is created to ensure adherence to SALGA collective agreement requirements. The liability was estimated by an Actuary in terms of GRAP 25 (Employee Benefits).

Long service awards payments are expected on the anniversary of appointment for all the qualifying employees.

At the reporting date there were no future events that could affect the future payment costs for long service awards.

As at 30 June 2019, the liability was estimated by experts, Arch Actuarial Consulting.

The key assumptions used by the experts were:

Net effective discount rate - 2.43%  
Average retirement age - 62 years  
Mortality during employment- SA 85-9

## 22. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

| <b>Unspent conditional grants and receipts</b> |                    |                    |                    |                    |
|------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Municipal Infrastructure Grant                 | 15 480 869         | 6 865 803          | 15 480 869         | 6 865 803          |
| Tatham Art Gallery                             | 537 142            | 719 459            | 537 142            | 719 459            |
| Neighbourhood Development Partnership Grant    | 13 828 445         | 603 783            | 13 828 445         | 603 783            |
| Public Transportation Infrastructure Grant     | -                  | 26 145 263         | -                  | 26 145 263         |
| Housing Accreditation Funding                  | 42 192 231         | 36 401 052         | 42 192 231         | 36 401 052         |
| Greater Edendale Development Initiative        | 260 234            | 14 858 424         | 260 234            | 14 858 424         |
| Library                                        | 7 872 161          | 811 497            | 7 872 161          | 811 497            |
| Market                                         | 167 184            | 925 534            | 167 184            | 925 534            |
| Publicity House Renovations                    | -                  | 3 108              | -                  | 3 108              |
| Manaye Area Precinct Upgrade                   | 2 719 215          | 4 154 687          | 2 719 215          | 4 154 687          |
| Youth Enterprise Park                          | 8 436 694          | 9 670 473          | 8 436 694          | 9 670 473          |
| Beneficiary Audit and Transfers                | 6 858 629          | 9 602 390          | 6 858 629          | 9 602 390          |
| Development of a Single Scheme                 | -                  | 715 102            | -                  | 715 102            |
| Oribi Village                                  | -                  | 689 836            | -                  | 689 836            |
| Military Veterans                              | 8 624 156          | 8 624 156          | 8 624 156          | 8 624 156          |
| Electricity Grant - COGTA                      | -                  | 4 877              | -                  | 4 877              |
| Pietermaritzburg Airport                       | -                  | 54 118             | -                  | 54 118             |
| Operation Dlulisumlando                        | 1 500 000          | 1 500 000          | 1 500 000          | 1 500 000          |
| Jika Joe Community Residential Units           | 10 515 927         | -                  | 10 515 927         | -                  |
| Title Deed Restoration Programme               | 8 965 991          | -                  | 8 965 991          | -                  |
|                                                | <b>127 958 878</b> | <b>122 349 562</b> | <b>127 958 878</b> | <b>122 349 562</b> |

| Figures in Rand                                            | Economic entity    |                    | Controlling entity |                    |
|------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                            | 2019               | 2018               | 2019               | 2018               |
| <b>Movement during the year</b>                            |                    |                    |                    |                    |
| Balance at the beginning of the year                       | 122 349 562        | 80 408 959         | 122 349 562        | 80 408 959         |
| Funds paid back to National Treasury                       | (33 614 849)       | (26 936 831)       | (33 614 849)       | (26 936 831)       |
| Current year receipts                                      | 534 835 748        | 523 438 335        | 534 835 748        | 523 438 335        |
| Current year interest received                             | 6 100 950          | 5 733 379          | 6 100 950          | 5 733 379          |
| VAT recovered from national grants as per MFMA circular 58 | (46 570 842)       | (39 398 187)       | (46 570 842)       | (39 398 187)       |
| Refund to grant provider                                   | (86 311)           | (247 097)          | (86 311)           | (247 097)          |
| Prior year expenditure recovered from current allocation   | (7 096 415)        | -                  | (7 096 415)        | -                  |
| Conditions met -transferred to revenue                     | (447 958 965)      | (420 648 996)      | (447 958 965)      | (420 648 996)      |
|                                                            | <b>127 958 878</b> | <b>122 349 562</b> | <b>127 958 878</b> | <b>122 349 562</b> |

The extent of government grants recognised in the statement of financial performance relates to the extent of the grant conditions having been met.

Refer to Appendix D for details of Unspent Conditional Grants, Receipts and Transfers from National, Provincial, Government and other departments.

### 23. VAT payable

|                          |                    |                   |                    |                   |
|--------------------------|--------------------|-------------------|--------------------|-------------------|
| VAT payable              | 145 090 018        | 83 659 588        | 144 732 097        | 83 659 588        |
| VAT Reconciliation       |                    |                   |                    |                   |
| Accrued output tax       | 225 362 440        | 181 930 070       | 225 362 440        | 181 930 070       |
| Accrued input tax        | (67 557 425)       | (76 095 044)      | (67 555 313)       | (76 095 044)      |
| VAT refund due from SARS | (12 714 997)       | (22 175 438)      | (13 075 030)       | (22 175 438)      |
|                          | <b>145 090 018</b> | <b>83 659 588</b> | <b>144 732 097</b> | <b>83 659 588</b> |

VAT is claimed on a payment basis.

All VAT returns have been submitted by the due date throughout the year.

Only once an invoice is paid is VAT claimed and receivable from SARS.

### 24. Accumulated surplus

#### Ring-fenced internal funds and reserves within accumulated surplus - Economic entity - 2019

|                                         | Accumulated surplus  | Insurance reserve | COID reserve      | Total                |
|-----------------------------------------|----------------------|-------------------|-------------------|----------------------|
| Opening balance                         | 6 664 349 841        | 50 556 923        | 8 981 927         | 6 723 888 691        |
| Cash utilised for capital expenditure   | 65 401 582           | -                 | 787 171           | 66 188 753           |
| Interest earned - COID                  | (787 171)            | -                 | -                 | (787 171)            |
| Transfer to COID                        | (6 155 453)          | -                 | 6 155 453         | -                    |
| Interest on capital replacement reserve | (1 975 422)          | -                 | -                 | (1 975 422)          |
| Interest on housing development fund    | (3 001 201)          | -                 | -                 | (3 001 201)          |
| Interest earned - Insurance reserve     | (1 473 920)          | 1 473 920         | -                 | -                    |
| Transfer out of insurance               | 19 129 258           | (19 129 258)      | -                 | -                    |
| Adjustments in accumulated surplus      | 8 161 750            | -                 | -                 | 8 161 750            |
| Transfers to/from reserves              | (12 095 137)         | -                 | -                 | (12 095 137)         |
| Deficit for the year                    | (140 769 241)        | -                 | -                 | (140 769 241)        |
|                                         | <b>6 590 784 886</b> | <b>32 901 585</b> | <b>15 924 551</b> | <b>6 639 611 022</b> |

#### Ring-fenced internal funds and reserves within accumulated surplus - Economic entity - 2018

|                                         | Accumulated Surplus  | Insurance reserve | COID reserve     | Total                |
|-----------------------------------------|----------------------|-------------------|------------------|----------------------|
| Opening balance                         | 7 326 625 612        | 50 436 261        | 8 318 183        | 7 385 380 056        |
| Interest earned on COID reserve         | (663 744)            | -                 | 663 744          | -                    |
| Interest on capital replacement reserve | (8 472 915)          | -                 | -                | (8 472 915)          |
| Interest on housing development fund    | (2 466 035)          | -                 | -                | (2 466 035)          |
| Interest earned on insurance reserve    | (3 731 761)          | 3 731 761         | -                | -                    |
| Insurance claims                        | 3 611 099            | (3 611 099)       | -                | -                    |
| Other transfers                         | (10 000 000)         | -                 | -                | (10 000 000)         |
| Prior year adjustments                  | (195 536 130)        | -                 | -                | (195 536 130)        |
| Deficit for the year                    | (525 455 813)        | -                 | -                | (525 455 813)        |
| Transfers to/from reserves              | 80 439 527           | -                 | -                | 80 439 527           |
|                                         | <b>6 664 349 840</b> | <b>50 556 923</b> | <b>8 981 927</b> | <b>6 723 888 690</b> |

**Ring-fenced internal funds and reserves within accumulated surplus - Controlling entity - 2019**

|                                         | Accumulated surplus  | Insurance reserve | COID reserve      | Total                |
|-----------------------------------------|----------------------|-------------------|-------------------|----------------------|
| Opening balance                         | 6 651 136 178        | 50 556 923        | 8 981 927         | 6 710 675 028        |
| Cash utilised for capital expenditure   | 65 401 582           | -                 | -                 | 65 401 582           |
| Interest earned - COID                  | (787 171)            | -                 | 787 171           | -                    |
| Transfer to COID                        | (6 155 453)          | -                 | 6 155 453         | -                    |
| Interest on capital replacement reserve | (1 975 422)          | -                 | -                 | (1 975 422)          |
| Interest on housing development fund    | (3 001 201)          | -                 | -                 | (3 001 201)          |
| Interest earned - Insurance reserve     | (1 473 920)          | 1 473 920         | -                 | -                    |
| Transfer out of insurance               | 19 129 258           | (19 129 258)      | -                 | -                    |
| Adjustments in accumulated surplus      | 8 161 770            | -                 | -                 | 8 161 770            |
| Transfers to/from reserves              | (12 095 137)         | -                 | -                 | (12 095 137)         |
| Deficit for the year                    | (141 189 643)        | -                 | -                 | (141 189 643)        |
|                                         | <b>6 577 150 841</b> | <b>32 901 585</b> | <b>15 924 551</b> | <b>6 625 976 977</b> |

**Ring-fenced internal funds and reserves within accumulated surplus - Controlling entity - 2018**

|                                         | Accumulated surplus  | Insurance reserve | COID reserve     | Total                |
|-----------------------------------------|----------------------|-------------------|------------------|----------------------|
| Opening balance                         | 7 312 653 851        | 50 436 261        | 8 318 183        | 7 371 408 295        |
| Interest earned on COID reserve         | (663 744)            | -                 | 663 744          | -                    |
| Interest on capital replacement reserve | (8 472 915)          | -                 | -                | (8 472 915)          |
| Interest on housing development fund    | (2 461 035)          | -                 | -                | (2 461 035)          |
| Interest earned on insurance reserve    | (3 731 761)          | 3 731 761         | -                | -                    |
| Insurance claims                        | 3 611 099            | (3 611 099)       | -                | -                    |
| Other transfers                         | (10 000 000)         | -                 | -                | (10 000 000)         |
| Prior year adjustments                  | (195 537 621)        | -                 | -                | (195 537 621)        |
| Deficit for the year                    | (524 701 223)        | -                 | -                | (524 701 223)        |
| Transfers to/from reserves              | 80 439 527           | -                 | -                | 80 439 527           |
|                                         | <b>6 651 136 178</b> | <b>50 556 923</b> | <b>8 981 927</b> | <b>6 710 675 028</b> |

**25. Capital replacement reserve**

Based on the approval by the strategic management committee on the 7th April 2015 the CRR was created by transferring funds of R 151 935 999 from the accumulated surplus. This reserve will be used for the funding of property, plant and equipment.

Included in the reserve is an amount of R1 975 432 (2018: R8 472 914) in respect to interest earned on the reserve.

| Figures in Rand                  | Economic entity   |                   | Controlling entity |                   |
|----------------------------------|-------------------|-------------------|--------------------|-------------------|
|                                  | 2019              | 2018              | 2019               | 2018              |
| The CRR is a cash backed reserve |                   |                   |                    |                   |
| Opening balance                  | 92 323 393        | 164 290 005       | 92 323 393         | 164 290 005       |
| Utilised for capital expenditure | (65 401 584)      | (80 439 526)      | (65 401 584)       | (80 439 526)      |
| Interest earned                  | 1 975 432         | 8 472 914         | 1 975 432          | 8 472 914         |
| Transfers to / from reserves     | 12 095 137        | -                 | 12 095 137         | -                 |
|                                  | <b>40 992 378</b> | <b>92 323 393</b> | <b>40 992 378</b>  | <b>92 323 393</b> |

**26. Housing development fund**

|                                                  |                   |                   |                   |                   |
|--------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Accumulative HDF utilisation                     | 56 505 044        | 53 396 914        | 56 505 044        | 53 396 914        |
| Loans extinguished by Government on 1 April 1998 | 34 256 892        | 34 256 892        | 34 256 892        | 34 256 892        |
|                                                  | <b>90 761 936</b> | <b>87 653 806</b> | <b>90 761 936</b> | <b>87 653 806</b> |

**27. Revaluation reserve**

|                                |                   |                   |                   |                   |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| Opening balance                | 51 657 445        | 51 027 945        | 51 657 445        | 51 027 945        |
| Revaluation of heritage assets | 45 501 499        | 629 500           | 45 501 499        | 629 500           |
|                                | <b>97 158 944</b> | <b>51 657 445</b> | <b>97 158 944</b> | <b>51 657 445</b> |

The municipality has elected to adopt the revaluation model when accounting for heritage assets - artworks and jewellery, due to their nature.

| Figures in Rand                                                   | Economic entity    |                    | Controlling entity |                    |
|-------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                   | 2019               | 2018               | 2019               | 2018               |
| <b>28. Agency services</b>                                        |                    |                    |                    |                    |
| Commission earned on driver's licenses renewals                   | 1 970 390          | 2 577 730          | 1 970 390          | 2 577 730          |
| <b>29. Interest - consumer debtors and receivables</b>            |                    |                    |                    |                    |
| Electricity                                                       | 23 537 696         | 39 773 724         | 23 537 696         | 39 773 724         |
| Merchandising, jobbing and contracts                              | -                  | 459 762            | -                  | 459 762            |
| Property rental                                                   | 2 391 153          | 1 989 211          | 2 391 153          | 1 989 211          |
| Property rates                                                    | 58 283 518         | 48 212 298         | 58 283 518         | 48 212 298         |
| Sanitation                                                        | 18 849 900         | 17 599 963         | 18 849 900         | 17 599 963         |
| Service charges                                                   | 10 009 880         | 321 231            | 10 009 880         | 321 231            |
| South African Revenue Services                                    | -                  | 35 637             | -                  | 35 637             |
| Waste management                                                  | 10 734 629         | 9 084 676          | 10 734 629         | 9 084 676          |
| Water                                                             | 95 119 284         | 84 485 414         | 95 119 284         | 84 485 414         |
|                                                                   | <b>218 926 060</b> | <b>201 961 916</b> | <b>218 926 060</b> | <b>201 961 916</b> |
| <b>30. Interest received - bank, call and investment accounts</b> |                    |                    |                    |                    |
| <b>Interest revenue</b>                                           |                    |                    |                    |                    |
| Bank                                                              | 2 113 917          | 2 894 660          | 2 113 917          | 2 894 660          |
| Short term investments                                            | 18 393 486         | 36 235 292         | 18 264 838         | 36 151 530         |
|                                                                   | <b>20 507 403</b>  | <b>39 129 952</b>  | <b>20 378 755</b>  | <b>39 046 190</b>  |
| <b>31. Licences and permits (exchange)</b>                        |                    |                    |                    |                    |
| Abnormal loads                                                    | 494 461            | 574 501            | 494 461            | 574 501            |
| Market Porters                                                    | 6 691              | 2 922              | 6 691              | 2 922              |
| Taxi ranks                                                        | 226 352            | 198 155            | 226 352            | 198 155            |
| Trading                                                           | 102 140            | 123 036            | 102 140            | 123 036            |
|                                                                   | <b>829 644</b>     | <b>898 614</b>     | <b>829 644</b>     | <b>898 614</b>     |
| <b>32. Operational revenue</b>                                    |                    |                    |                    |                    |
| Administration and handling fees                                  | 709 312            | 1 700 548          | 709 312            | 1 700 548          |
| Breakages and losses recovered                                    | 2 701              | 1 987              | 2 701              | 1 987              |
| Bursary refund                                                    | 7 910              | 186 143            | 7 910              | 186 143            |
| Collection charges                                                | 11 430 735         | 9 870 545          | 11 430 735         | 9 870 545          |
| Commission insurance                                              | 703 269            | 633 368            | 703 269            | 633 368            |
| Commission - transaction handling fees                            | 18 241 326         | 20 659 584         | 18 241 326         | 20 659 584         |
| Incidental cash surplus                                           | 13 017             | 2 282              | 13 017             | 2 282              |
| Landing fees                                                      | 2 892 171          | 3 365 225          | 2 892 171          | 3 365 225          |
| Insurance refund                                                  | 182 014            | 23 318             | 182 014            | 23 318             |
| Merchandising, jobbing and contracts                              | 12 287 438         | 14 800 548         | 12 287 438         | 14 800 548         |
| Passenger levy                                                    | 5 890 492          | 6 830 866          | 5 890 492          | 6 830 866          |
| Request for information - plan printing and duplicates            | 97 810             | 49 676             | 97 810             | 49 676             |
| Sale of property                                                  | 1 887              | 227 052            | 1 887              | 227 052            |
| Skills development levy                                           | 2 473 537          | 1 385 256          | 2 473 537          | 1 385 256          |
| Staff recoveries                                                  | 154 076            | 728                | 154 076            | 728                |
|                                                                   | <b>55 087 695</b>  | <b>59 737 126</b>  | <b>55 087 695</b>  | <b>59 737 126</b>  |
| <b>33. Rental of facilities and equipment</b>                     |                    |                    |                    |                    |
| <b>Premises</b>                                                   |                    |                    |                    |                    |
| Non - residential                                                 | 15 207 711         | 18 503 743         | 15 207 711         | 18 503 743         |
| Residential                                                       | 5 226 127          | 8 556 572          | 5 226 127          | 8 556 572          |
|                                                                   | <b>20 433 838</b>  | <b>27 060 315</b>  | <b>20 433 838</b>  | <b>27 060 315</b>  |
| <b>Facilities and equipment</b>                                   |                    |                    |                    |                    |
| Rental of facilities                                              | 184 072            | 234 752            | 184 072            | 234 752            |
|                                                                   | <b>20 617 910</b>  | <b>27 295 067</b>  | <b>20 617 910</b>  | <b>27 295 067</b>  |



| Figures in Rand                                                                                     | Economic entity      |                      | Controlling entity   |                      |
|-----------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                                                                                     | 2019                 | 2018                 | 2019                 | 2018                 |
| <b>34. Rendering of services</b>                                                                    |                      |                      |                      |                      |
| Building plan approval                                                                              | 2 483 347            | 2 264 280            | 2 483 347            | 2 264 280            |
| Cemetery and burial fees                                                                            | 3 339 928            | 2 993 253            | 3 339 928            | 2 993 253            |
| Entrance fees                                                                                       | 252 748              | 276 978              | 252 748              | 276 978              |
| Fire services                                                                                       | 194 472              | 236 382              | 194 472              | 236 382              |
| Legal fees                                                                                          | 77 461               | 139 660              | 77 461               | 139 660              |
| Management fees                                                                                     | 185 047              | 134 123              | 185 047              | 134 123              |
| Parking fees                                                                                        | 114 521              | 589 448              | 114 521              | 589 448              |
| Rates clearance certificates                                                                        | 1 159 107            | 1 178 515            | 1 159 107            | 1 178 515            |
| Sign application fee                                                                                | 205 603              | 280 050              | 205 603              | 280 050              |
| Town planning and servitudes                                                                        | 248 093              | 760 931              | 248 093              | 760 931              |
| Wayleave tariffs                                                                                    | 5 031                | 25 465               | 5 031                | 25 465               |
| Weighbridge fees                                                                                    | 328                  | 741                  | 328                  | 741                  |
|                                                                                                     | <b>8 265 686</b>     | <b>8 879 826</b>     | <b>8 265 686</b>     | <b>8 879 826</b>     |
| <b>35. Sale of goods</b>                                                                            |                      |                      |                      |                      |
| Cleaning and removal                                                                                | 65 223               | 35 576               | 65 223               | 35 576               |
| Demolition application fees                                                                         | 1 926                | 2 143                | 1 926                | 2 143                |
| Photocopies and faxes                                                                               | 6 900                | 5 487                | 6 900                | 5 487                |
| Posters and charts                                                                                  | 97                   | -                    | 97                   | -                    |
| Sale of scrap and waste                                                                             | 18 250               | 2 490                | 18 163               | 2 046                |
| Sub-division and consolidation                                                                      | 129 692              | 19 870               | 129 692              | 19 870               |
| Tender documents                                                                                    | 100 973              | 189 564              | 100 973              | 189 564              |
| Timber sales                                                                                        | 75 711               | 150 000              | 75 711               | 150 000              |
| Valuation services                                                                                  | 18 913               | 26 440               | 18 913               | 26 440               |
| Waste paper                                                                                         | 3 444                | 2 283                | 3 444                | 2 283                |
|                                                                                                     | <b>421 129</b>       | <b>433 853</b>       | <b>421 042</b>       | <b>433 409</b>       |
| <b>36. Service charges</b>                                                                          |                      |                      |                      |                      |
| Sale of electricity                                                                                 | 2 032 091 624        | 1 904 923 329        | 2 032 237 677        | 1 905 071 220        |
| Sale of water                                                                                       | 649 733 747          | 563 095 497          | 649 733 747          | 563 095 497          |
| Sanitation                                                                                          | 161 144 633          | 142 391 879          | 161 144 633          | 142 391 879          |
| Refuse removal                                                                                      | 99 492 107           | 100 233 134          | 99 492 107           | 100 233 134          |
|                                                                                                     | <b>2 942 462 111</b> | <b>2 710 643 839</b> | <b>2 942 608 164</b> | <b>2 710 791 730</b> |
| Service charges are net of revenue (ie total service charges less rebates and free basis services). |                      |                      |                      |                      |
| <b>37. Property rates</b>                                                                           |                      |                      |                      |                      |
| <b>Rates received</b>                                                                               |                      |                      |                      |                      |
| Commercial                                                                                          | 267 579 957          | 235 737 331          | 267 579 957          | 235 737 331          |
| Communal land other                                                                                 | 933 842              | 6 963 006            | 933 842              | 6 963 006            |
| Farm properties                                                                                     | 1 086 093            | 1 042 645            | 1 086 093            | 1 042 645            |
| Industrial                                                                                          | 126 105 072          | 119 304 148          | 126 105 072          | 119 304 148          |
| Mining                                                                                              | 89 680               | 84 360               | 89 680               | 84 360               |
| Other categories                                                                                    | 847 291              | 5 438 089            | 847 291              | 5 438 089            |
| Public benefit organisation                                                                         | 2 354 257            | 1 909 108            | 2 354 257            | 1 909 108            |
| Residential                                                                                         | 526 849 729          | 488 071 412          | 526 849 729          | 488 071 412          |
| Small home business                                                                                 | 2 305 061            | 2 292 592            | 2 305 061            | 2 292 592            |
| Unauthorised use                                                                                    | 2 829 103            | 3 321 315            | 2 829 103            | 3 321 315            |
|                                                                                                     | <b>930 980 085</b>   | <b>864 164 006</b>   | <b>930 980 085</b>   | <b>864 164 006</b>   |

| Figures in Rand                               | Economic entity                    |                                    | Controlling entity    |                       |
|-----------------------------------------------|------------------------------------|------------------------------------|-----------------------|-----------------------|
|                                               | 2019                               | 2018                               | 2019                  | 2018                  |
| <b>Valuations</b>                             | <b>Rates per<br/>2019 category</b> | <b>Rates per<br/>2018 category</b> |                       |                       |
| Agriculture                                   | 0,0033                             | 0,0031                             | 334 162 000           | 335 762 000           |
| Commercial/Mining / Industrial / Unauthorised | -                                  | -                                  | 21 705 911 424        | 21 459 009 424        |
| Municipal properties                          | -                                  | -                                  | 374 191 000           | 371 771 000           |
| Residential                                   | 0,0134                             | 0,0127                             | 37 340 571 027        | 37 243 415 027        |
| Rural communal land                           | 0,0182                             | 0,0172                             | 533 290 000           | 533 290 000           |
| Public Benefit Organisation                   | 0,0033                             | 0,0031                             | 718 876 000           | 720 676 000           |
| Public Service Infrastructure                 | 0,0033                             | 0,0031                             | 114 787 000           | 112 787 000           |
| Vacant land                                   | 0,0243                             | 0,0230                             | 1 301 533 000         | 1 259 803 000         |
|                                               |                                    |                                    | <u>62 423 321 451</u> | <u>62 036 513 451</u> |

Valuations on land and buildings are performed every 4 years in terms of the Municipal Property Rates Act. The last general valuation came into effect on 1 July 2014. Interim/ supplementary valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

The municipality applied for one year exemption and was granted by the MEC COGTA. The new general valuation will be implemented on 01 July 2019.

### 38. Fines, penalties and forfeits

|                             |                   |                   |                   |                   |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| Building fines              | 24 024            | 71 671            | 24 024            | 71 671            |
| Court traffic fines         | 12 139 550        | 13 513 484        | 12 139 550        | 13 513 484        |
| Law enforcement fines       | 374 657           | 653 926           | 374 657           | 653 926           |
| Overdue books fines         | 2 913             | 13 652            | 2 913             | 13 652            |
| Tender withdrawal penalties | 16 000            | 32 000            | 16 000            | 32 000            |
|                             | <b>12 557 144</b> | <b>14 284 733</b> | <b>12 557 144</b> | <b>14 284 733</b> |

### 39. Government grants and subsidies

#### Operating grants

|                                         |                    |                    |                    |                    |
|-----------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Equitable share                         | 505 852 849        | 468 430 000        | 505 852 849        | 468 430 000        |
| Municipal Infrastructure Grant          | 18 059 880         | 17 747 663         | 18 059 880         | 17 747 663         |
| Expanded Public Works Programme         | 2 890 000          | 8 022 000          | 2 890 000          | 8 022 000          |
| Finance Management Grant                | 1 700 000          | 1 700 000          | 1 700 000          | 1 700 000          |
| Public Transport Infrastructure Grant   | 40 793 385         | 12 798 631         | 40 793 385         | 12 798 631         |
| Housing Accreditation Funding           | 9 346 841          | 8 555 915          | 9 346 841          | 8 555 915          |
| Greater Edendale Development Initiative | 5 489 801          | 1 630 281          | 5 489 801          | 1 630 281          |
| Tatham Art Gallery                      | 666 982            | 126 533            | 666 982            | 126 533            |
| Library                                 | 11 220 020         | 14 704 467         | 11 220 020         | 14 704 467         |
| Housing                                 | -                  | 151 416            | -                  | 151 416            |
| Manaye Area Precinct Upgrade            | 205 442            | 339 591            | 205 442            | 339 591            |
| Youth Enterprise Park                   | 1 316 864          | -                  | 1 316 864          | -                  |
| Development of a Single Scheme - COGTA  | 650 000            | 350 000            | 650 000            | 350 000            |
| Beneficiary Audit and Transfers         | 3 328 710          | -                  | 3 328 710          | -                  |
| Oribi Village                           | 689 836            | -                  | 689 836            | -                  |
|                                         | <b>602 210 610</b> | <b>534 556 497</b> | <b>602 210 610</b> | <b>534 556 497</b> |

#### Capital grants

|                                         |                      |                    |                      |                    |
|-----------------------------------------|----------------------|--------------------|----------------------|--------------------|
| Manaye Area Precinct Upgrade            | 1 852 832            | 149 110            | 1 852 832            | 149 110            |
| Market                                  | 446 650              | 77 653             | 446 650              | 77 653             |
| Municipal Infrastructure Grant          | 159 775 251          | 177 589 410        | 159 775 251          | 177 589 410        |
| Neighbourhood Development Partnership   | 1 071 555            | 37 492 217         | 1 071 555            | 37 492 217         |
| Public Transport Infrastructure Grant   | 158 310 615          | 118 568 105        | 158 310 615          | 118 568 105        |
| Housing Accreditation Funding           | 1 157 486            | 994 631            | 1 157 486            | 994 631            |
| Greater Edendale Development Initiative | 10 129 662           | 14 095 539         | 10 129 662           | 14 095 539         |
| Library                                 | 2 112 234            | 6 426 362          | 2 112 234            | 6 426 362          |
| Pietermaritzburg Airport                | 54 118               | -                  | 54 118               | -                  |
| Youth Enterprise Park                   | 492 694              | 336 656            | 492 694              | 336 656            |
| Water Services Infrastructure           | 42 760 000           | 38 191 000         | 42 760 000           | 38 191 000         |
| Tatham Art Gallery                      | 18 319               | -                  | 18 319               | -                  |
| Jika Joe Community Residential Units    | 27 087 046           | -                  | 27 087 046           | -                  |
|                                         | <b>405 268 462</b>   | <b>393 920 683</b> | <b>405 268 462</b>   | <b>393 920 683</b> |
|                                         | <b>1 007 479 072</b> | <b>928 477 180</b> | <b>1 007 479 072</b> | <b>928 477 180</b> |

| Figures in Rand                                                    | Economic entity      |                    | Controlling entity   |                    |
|--------------------------------------------------------------------|----------------------|--------------------|----------------------|--------------------|
|                                                                    | 2019                 | 2018               | 2019                 | 2018               |
| <b>Government grants and subsidies</b>                             |                      |                    |                      |                    |
| Included in above are the following grants and subsidies received: |                      |                    |                      |                    |
| Equitable Share                                                    | 505 852 849          | 468 430 000        | 505 852 849          | 468 430 000        |
| Operating grants                                                   | 90 120 942           | 62 551 157         | 90 120 942           | 62 551 157         |
| Capital grants                                                     | 364 034 924          | 358 189 727        | 364 034 924          | 358 189 727        |
| VAT recovered from National grants - operating                     | 6 236 819            | 3 489 463          | 6 236 819            | 3 489 463          |
| VAT recovered from National grants - capital                       | 41 230 538           | 35 816 833         | 41 230 538           | 35 816 833         |
|                                                                    | <b>1 007 476 072</b> | <b>928 477 180</b> | <b>1 007 476 072</b> | <b>928 477 180</b> |

#### Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

In terms of section 227 of the Constitution, the Equitable Share grant provides funding for the municipality to deliver free basic services to poor households and subsidises the cost of administration and other core services for the municipality.

#### Finance Management Grant

|                                         |             |             |             |             |
|-----------------------------------------|-------------|-------------|-------------|-------------|
| Current-year receipts                   | 1 700 000   | 1 700 000   | 1 700 000   | 1 700 000   |
| Conditions met - transferred to revenue | (1 562 054) | (1 699 160) | (1 562 054) | (1 699 160) |
| Other                                   | (137 946)   | (840)       | (137 946)   | (840)       |
|                                         | -           | -           | -           | -           |

The purpose of this grant is to promote and support reforms in financial management by building capacity in Local Government to implement the Local Government : Municipal Finance Management Act (MFMA).

#### Municipal Infrastructure Grant

|                                          |                   |                  |                   |                  |
|------------------------------------------|-------------------|------------------|-------------------|------------------|
| Balance unspent at beginning of year     | 6 865 803         | 1 063 876        | 6 865 803         | 1 063 876        |
| Current-year receipts                    | 193 316 000       | 201 139 000      | 193 316 000       | 201 139 000      |
| Conditions met - transferred to revenue  | (155 672 751)     | (174 838 655)    | (155 672 751)     | (174 838 655)    |
| VAT recovered from grant                 | (22 162 380)      | (20 498 418)     | (22 162 380)      | (20 498 418)     |
| Unspent surrendered to National Treasury | (6 865 803)       | -                | (6 865 803)       | -                |
|                                          | <b>15 480 869</b> | <b>6 865 803</b> | <b>15 480 869</b> | <b>6 865 803</b> |

Conditions still to be met - remain liabilities (see note 22).

The funding has been provided for addressing specific capital projects for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.

#### Tatham Art Gallery

|                                         |                |                |                |                |
|-----------------------------------------|----------------|----------------|----------------|----------------|
| Balance unspent at beginning of year    | 719 459        | -              | 719 459        | -              |
| Current-year receipts                   | 441 000        | 820 000        | 441 000        | 820 000        |
| Conditions met - transferred to revenue | (685 301)      | (126 533)      | (685 301)      | (126 533)      |
| Interest received                       | 61 984         | 25 992         | 61 984         | 25 992         |
|                                         | <b>537 142</b> | <b>719 459</b> | <b>537 142</b> | <b>719 459</b> |

Conditions still to be met - remain liabilities (see note 22).

Funding provided by the Provincial Department of Arts and Culture for Tatham Art Gallery to provide financial support to the municipality with a focus on the development and maintenance of museum care and preservation of our culture heritage.

#### Neighbourhood Partnership Development Grant

|                                          |                   |                |                   |                |
|------------------------------------------|-------------------|----------------|-------------------|----------------|
| Balance unspent at beginning of year     | 603 783           | 20 154 850     | 603 783           | 20 154 850     |
| Current-year receipts                    | 14 900 000        | 38 096 000     | 14 900 000        | 38 096 000     |
| Conditions met - transferred to revenue  | (424 938)         | (36 498 954)   | (424 938)         | (36 498 954)   |
| VAT recovered from grant                 | (646 617)         | (993 263)      | (646 617)         | (993 263)      |
| Unspent surrendered to National Treasury | (603 783)         | (20 154 850)   | (603 783)         | (20 154 850)   |
|                                          | <b>13 828 445</b> | <b>603 783</b> | <b>13 828 445</b> | <b>603 783</b> |

Conditions still to be met - remain liabilities (see note 22).

Funding provided for to support and facilitate the planning and development of neighbourhood development programs and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted undeserved neighbourhoods.

| Figures in Rand                                          | Economic entity |                   | Controlling entity |                   |
|----------------------------------------------------------|-----------------|-------------------|--------------------|-------------------|
|                                                          | 2019            | 2018              | 2019               | 2018              |
| <b>Public Transport Infrastructure Grant</b>             |                 |                   |                    |                   |
| Balance unspent at beginning of year                     | 26 145 263      | -                 | 26 145 263         | -                 |
| Current-year receipts                                    | 199 104 000     | 157 512 000       | 199 104 000        | 157 512 000       |
| Conditions met - transferred to revenue                  | (168 570 344)   | (114 924 460)     | (168 570 344)      | (114 924 460)     |
| Prior year expenditure recovered from current allocation | (7 096 415)     | -                 | (7 096 415)        | -                 |
| VAT recovered from grant                                 | (23 437 241)    | -                 | (23 437 241)       | -                 |
| Unspent surrendered to National Treasury                 | (26 145 263)    | (16 442 277)      | (26 145 263)       | (16 442 277)      |
|                                                          | -               | <b>26 145 263</b> | -                  | <b>26 145 263</b> |

Conditions still to be met - remain liabilities (see note 22).

Funding provided for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.

### Housing Accreditation Funding

|                                         |                   |                   |                   |                   |
|-----------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Balance unspent at beginning of year    | 36 401 052        | 33 846 353        | 36 401 052        | 33 846 353        |
| Current-year receipts                   | 13 596 785        | 9 545 040         | 13 596 785        | 9 545 040         |
| Conditions met - transferred to revenue | (10 504 327)      | (9 550 546)       | (10 504 327)      | (9 550 546)       |
| Interest received                       | 2 698 721         | 2 560 205         | 2 698 721         | 2 560 205         |
|                                         | <b>42 192 231</b> | <b>36 401 052</b> | <b>42 192 231</b> | <b>36 401 052</b> |

Conditions still to be met - remain liabilities (see note 22).

Funding provided for Level 1 accreditation subsidy for the operation of the Housing Delivery Unit within the municipality.

### Greater Edendale Development Initiative

|                                         |                |                   |                |                   |
|-----------------------------------------|----------------|-------------------|----------------|-------------------|
| Balance unspent at beginning of year    | 14 858 424     | 1 896 942         | 14 858 424     | 1 896 942         |
| Current-year receipts                   | -              | 27 705 656        | -              | 27 705 656        |
| Conditions met - transferred to revenue | (15 619 463)   | (15 725 820)      | (15 619 463)   | (15 725 820)      |
| Interest received                       | 1 021 273      | 981 646           | 1 021 273      | 981 646           |
|                                         | <b>260 234</b> | <b>14 858 424</b> | <b>260 234</b> | <b>14 858 424</b> |

Conditions still to be met - remain liabilities (see note 22).

The funding was provided by the Department of Human Settlements for the following:

1. To support GIS with the interrogation of housing layout against services in Edendale.
2. To support the finalisation of the town planning scheme.
3. For the development of an integrated land use management system for Edendale.
4. To value additional properties which are not within the 5 priority housing projects.
5. For advertising costs for expropriation of properties.
6. For costs relating to tenure conflicts, cadastral and deed office rectification.
7. For increasing the resources for sales administration with regard to drawing up, signing and managing sales agreements.
8. For the provision of further training for personnel using GIS and property tracking systems.
9. For employment of two planning interns to be employed by the Land Legal Committee for a period of two years.

### Library

|                                         |                  |                |                  |                |
|-----------------------------------------|------------------|----------------|------------------|----------------|
| Balance unspent at beginning of year    | 811 497          | 495 876        | 811 497          | 495 876        |
| Current-year receipts                   | 19 559 000       | 20 715 000     | 19 559 000       | 20 715 000     |
| Conditions met - transferred to revenue | (13 332 254)     | (21 130 829)   | (13 332 254)     | (21 130 829)   |
| Interest received                       | 833 918          | 731 450        | 833 918          | 731 450        |
|                                         | <b>7 872 161</b> | <b>811 497</b> | <b>7 872 161</b> | <b>811 497</b> |

Conditions still to be met - remain liabilities (see note 22).

This is a provincial grant whose purpose is to address the constitutional mandate whereby public libraries are an exclusive provincial competency. The funding is for the provision of library services.

### Market

|                                         |                |                |                |                |
|-----------------------------------------|----------------|----------------|----------------|----------------|
| Balance unspent at beginning of year    | 925 534        | 940 793        | 925 534        | 940 793        |
| Conditions met - transferred to revenue | (446 650)      | (77 653)       | (446 650)      | (77 653)       |
| Interest received                       | 35 502         | 62 394         | 35 502         | 62 394         |
| Approved project transfer               | (347 202)      | -              | (347 202)      | -              |
|                                         | <b>167 184</b> | <b>925 534</b> | <b>167 184</b> | <b>925 534</b> |

| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

Conditions still to be met - remain liabilities (see note 22).

Funds received from Department of Co-operative Governance and Traditional Affairs for the market. The purpose of this grant is for the renovations and improvement of the fresh produce market which entails short term repairs, maintenance and the upgrading of existing facilities.

#### Publicity House Renovations

|                                      |          |              |          |              |
|--------------------------------------|----------|--------------|----------|--------------|
| Balance unspent at beginning of year | 3 108    | 2 906        | 3 108    | 2 906        |
| Current-year receipts                | -        | 202          | -        | 202          |
| Approved project transfer            | (3 191)  | -            | (3 191)  | -            |
| Interest received                    | 83       | -            | 83       | -            |
|                                      | <b>-</b> | <b>3 108</b> | <b>-</b> | <b>3 108</b> |

Conditions still to be met - remain liabilities (see note 22).

Funds received from Co-operative Governance and Traditional Affairs to be used for the upgrade of the publicity house due to the building having structurally deteriorated

#### Manaye Area Precinct Upgrade

|                                         |                  |                  |                  |                  |
|-----------------------------------------|------------------|------------------|------------------|------------------|
| Balance unspent at beginning of year    | 4 154 687        | 4 350 712        | 4 154 687        | 4 350 712        |
| Conditions met - transferred to revenue | (2 058 275)      | (488 702)        | (2 058 275)      | (488 702)        |
| Interest received                       | 267 400          | 292 677          | 267 400          | 292 677          |
| Approved project transfers              | 355 403          | -                | 355 403          | -                |
|                                         | <b>2 719 215</b> | <b>4 154 687</b> | <b>2 719 215</b> | <b>4 154 687</b> |

Conditions still to be met - remain liabilities (see note 22).

Funds received from Cooperative Governance and Traditional Affairs for the Manaye Area Precinct Upgrade in order to assist the municipality in fulfilling the developmental mandate and achieving the outcome of improving the lives of the communities through the implementation of the Corridor Development Programme that contributes towards creating an enabling environment for economic growth and job creation.

#### Youth Enterprise Park

|                                         |                  |                  |                  |                  |
|-----------------------------------------|------------------|------------------|------------------|------------------|
| Balance unspent at beginning of year    | 9 670 473        | 9 380 111        | 9 670 473        | 9 380 111        |
| Conditions met - transferred to revenue | (1 809 558)      | (336 656)        | (1 809 558)      | (336 656)        |
| Interest received                       | 575 779          | 627 018          | 575 779          | 627 018          |
|                                         | <b>8 436 694</b> | <b>9 670 473</b> | <b>8 436 694</b> | <b>9 670 473</b> |

Conditions still to be met - remain liabilities (see note 22).

Funds received from Co-operative Governance and Traditional Affairs for Youth Enterprise Park which emerged to address the challenges of finding appropriate localities for businesses. The concept of the park will be to cluster a purpose built park of 30 to 50 container enterprises in a particular locality either in community, small town or rural district or as part of urban or rural renewal programmes. The programme will also offer on site training facilities and support micro enterprises that operate within the park. The idea is to create a purpose built precinct at scale where the local community is able to take up local economic community opportunities to establish businesses. The Youth Enterprise Park should fundamentally be able to reconnect the economy with communities whose needs offer economic opportunity for its local entrepreneurs.

#### Expanded Public Works Programme

|                                          |             |             |             |             |
|------------------------------------------|-------------|-------------|-------------|-------------|
| Balance unspent at beginning of year     | -           | 2 896 487   | -           | 2 896 487   |
| Current-year receipts                    | 2 890 000   | 8 022 000   | 2 890 000   | 8 022 000   |
| Conditions met - transferred to revenue  | (2 890 000) | (8 022 000) | (2 890 000) | (8 022 000) |
| Unspent surrendered to National Treasury | -           | (2 896 487) | -           | (2 896 487) |
|                                          | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>-</b>    |

To incentives municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP Guidelines:

1. road maintenance and the maintenance of buildings,
2. low traffic volume roads and rural roads,
3. basic services infrastructure, including water and sewer reticulation, sanitation and pipelines (excluding bulk infrastructure)-other economic and social infrastructure,
4. tourism and cultural industries,
5. waste management,
6. parks and beautification,
7. sustainable land-based livelihoods,
8. social services programmes,
9. health service programmes, and
10. community safety..

| Figures in Rand                         | Economic entity  |                  | Controlling entity |                  |
|-----------------------------------------|------------------|------------------|--------------------|------------------|
|                                         | 2019             | 2018             | 2019               | 2018             |
| <b>Beneficiary Audit And Transfers</b>  |                  |                  |                    |                  |
| Balance unspent at beginning of year    | 9 602 390        | -                | 9 602 390          | -                |
| Current-year receipts                   | -                | 9 211 500        | -                  | 9 211 500        |
| Conditions met - transferred to revenue | (3 328 710)      | -                | (3 328 710)        | -                |
| Interest received                       | 584 949          | 390 890          | 584 949            | 390 890          |
|                                         | <b>6 858 629</b> | <b>9 602 390</b> | <b>6 858 629</b>   | <b>9 602 390</b> |

Conditions still to be met - remain liabilities (see note 22).

Funding provided by Department of Human Settlements as part of the restoration programme to assist in fast tracking the issuing of title deeds to the people of Msunduzi. The funding is provided for the appointment of social facilitators and a panel of conveyances to undertake this process.

#### Development of a Single Scheme - Town Planning Scheme

|                                         |           |                |           |                |
|-----------------------------------------|-----------|----------------|-----------|----------------|
| Balance unspent at beginning of year    | 715 102   | 1 004 504      | 715 102   | 1 004 504      |
| Current-year receipts                   | -         | (350 000)      | -         | (350 000)      |
| Conditions met - transferred to revenue | (650 000) | -              | (650 000) | -              |
| Refund to grant provider                | (86 311)  | -              | (86 311)  | -              |
| Interest received                       | 21 209    | 60 598         | 21 209    | 60 598         |
|                                         | <b>-</b>  | <b>715 102</b> | <b>-</b>  | <b>715 102</b> |

Conditions still to be met - remain liabilities (see note 22).

To support the municipality in preparing legally compliant town planning schemes.

#### Oribi Village

|                                         |           |                |           |                |
|-----------------------------------------|-----------|----------------|-----------|----------------|
| Balance unspent at beginning of year    | 689 836   | -              | 689 836   | -              |
| Current-year receipts                   | -         | 689 836        | -         | 689 836        |
| Conditions met - transferred to revenue | (689 836) | -              | (689 836) | -              |
|                                         | <b>-</b>  | <b>689 836</b> | <b>-</b>  | <b>689 836</b> |

Conditions still to be met - remain liabilities (see note 22).

Funding provided by Department of Human Settlements for the preparation of detailed planning, design and construction of Oribi Village.

#### Military Veterans

|                                      |                  |                  |                  |                  |
|--------------------------------------|------------------|------------------|------------------|------------------|
| Balance unspent at beginning of year | 8 624 156        | -                | 8 624 156        | -                |
| Current-year receipts                | -                | 8 624 156        | -                | 8 624 156        |
|                                      | <b>8 624 156</b> | <b>8 624 156</b> | <b>8 624 156</b> | <b>8 624 156</b> |

Conditions still to be met - remain liabilities (see note 22).

Intervention and funding to undertake planning and servicing of 180 proposed residential sites for the military veterans in the Msunduzi Municipal area of jurisdiction. Funding provided by Department of Human Settlements for this project.

#### Electricity Grant - COGTA

|                                      |          |              |          |              |
|--------------------------------------|----------|--------------|----------|--------------|
| Balance unspent at beginning of year | 4 877    | 4 569        | 4 877    | 4 569        |
| Interest received                    | 132      | 308          | 132      | 308          |
| Approved project transfers           | (5 009)  | -            | (5 009)  | -            |
|                                      | <b>-</b> | <b>4 877</b> | <b>-</b> | <b>4 877</b> |

Conditions still to be met - remain liabilities (see note 22).

Funding provided by Corporate Governance and Traditional Affairs for the replacement of transformers and installation of solar powered street and traffic lighting.

| Figures in Rand                      | Economic entity |               | Controlling entity |               |
|--------------------------------------|-----------------|---------------|--------------------|---------------|
|                                      | 2019            | 2018          | 2019               | 2018          |
| <b>Pietermaritzburg Airport</b>      |                 |               |                    |               |
| Balance unspent at beginning of year | 54 118          | (1 413 029)   | 54 118             | (1 413 029)   |
| Current-year receipts                | -               | 1 467 147     | -                  | 1 467 147     |
| Other                                | (54 118)        | -             | (54 118)           | -             |
|                                      | <b>-</b>        | <b>54 118</b> | <b>-</b>           | <b>54 118</b> |

Conditions still to be met - remain liabilities (see note 22).

The funding has been provided for the development and construction of a Pietermaritzburg Technology (Science) Park at the Pietermaritzburg airport.

#### Operation Dlulisumlando

|                                         |                  |                  |                  |                  |
|-----------------------------------------|------------------|------------------|------------------|------------------|
| Balance unspent at beginning of year    | 1 500 000        | 1 500 000        | 1 500 000        | 1 500 000        |
| Current-year receipts                   | -                | -                | -                | -                |
| Conditions met - transferred to revenue | -                | -                | -                | -                |
|                                         | <b>1 500 000</b> | <b>1 500 000</b> | <b>1 500 000</b> | <b>1 500 000</b> |

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Office of the Premier to support both the establishment and implementation of the Dlulisumlando Project, a national historical development initiative and imperative.

#### Integrated National Electrification Programme

|                                          |          |             |          |             |
|------------------------------------------|----------|-------------|----------|-------------|
| Balance unspent at beginning of year     | -        | 3 885 495   | -        | 3 885 495   |
| Unspent surrendered to National Treasury | -        | (3 885 495) | -        | (3 885 495) |
|                                          | <b>-</b> | <b>-</b>    | <b>-</b> | <b>-</b>    |

To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification.

#### Electricity Smart Grids

|                                      |          |           |          |           |
|--------------------------------------|----------|-----------|----------|-----------|
| Balance unspent at beginning of year | -        | 247 097   | -        | 247 097   |
| Refunded to grant provider           | -        | (247 097) | -        | (247 097) |
|                                      | <b>-</b> | <b>-</b>  | <b>-</b> | <b>-</b>  |

The funding has been provided for the deployment of smart grid solutions to deal with municipal revenue enhancement and public building energy efficiency, data acquisition, collection, modelling and management together with the over-arching facilitation of stakeholder participation and collaboration, cognisant of human capital development and knowledge sharing or transfer to prove the application, adaptability and scalability of such technologies.

#### Jika Joe Community Residential Units

|                                         |                   |          |                   |          |
|-----------------------------------------|-------------------|----------|-------------------|----------|
| Current-year receipts                   | 37 602 972        | -        | 37 602 972        | -        |
| Conditions met - transferred to revenue | (27 087 045)      | -        | (27 087 045)      | -        |
|                                         | <b>10 515 927</b> | <b>-</b> | <b>10 515 927</b> | <b>-</b> |

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Provincial Department of Human Settlements for the addressing of the housing backlog in the Municipality, and rental stock has been identified as a strategic intervention in addressing the formal accommodation needs. The Jika Joe project has been identified as a priority to address the Jika Joe informal settlement. The project also aims to relocate the residents from the existing Masukwana Street temporary housing and the removal of the of structures.

#### Title Deed Restoration Programme

|                                         |                  |          |                  |          |
|-----------------------------------------|------------------|----------|------------------|----------|
| Balance unspent at beginning of year    | -                | -        | -                | -        |
| Current-year receipts                   | 8 965 991        | -        | 8 965 991        | -        |
| Conditions met - transferred to revenue | -                | -        | -                | -        |
|                                         | <b>8 965 991</b> | <b>-</b> | <b>8 965 991</b> | <b>-</b> |

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Provincial Department of Human Settlements to assist the municipality to ensure that people approved through the enhanced extended discount benefit scheme and the housing delivery programme, their ownership is confirmed through this title deeds restoration grant.

| Figures in Rand                         | Economic entity |      | Controlling entity |           |
|-----------------------------------------|-----------------|------|--------------------|-----------|
|                                         | 2019            | 2018 | 2019               | 2018      |
| <b>Housing</b>                          |                 |      |                    |           |
| Balance unspent at beginning of year    | -               | -    | -                  | 151 416   |
| Conditions met - transferred to revenue | -               | -    | -                  | (151 416) |
|                                         | -               | -    | -                  | -         |

Funds received from Department of Human Settlements to provide funding for the creation of sustainable human settlements.

#### 40. Other transfers

|                                               |                  |                   |                  |                   |
|-----------------------------------------------|------------------|-------------------|------------------|-------------------|
| Kwazulu-Natal Department of Human Settlements | -                | 10 000 000        | -                | 10 000 000        |
| Donations                                     | 9 162 557        | 4 897 250         | 9 162 557        | 4 897 250         |
|                                               | <b>9 162 557</b> | <b>14 897 250</b> | <b>9 162 557</b> | <b>14 897 250</b> |

The current year donations are artworks (paintings) donated to the Tatham Art Gallery. The previous year the municipality received a donation of motor vehicles from the Department of Transport.

#### 41. Bulk purchases

|             |                      |                      |                      |                      |
|-------------|----------------------|----------------------|----------------------|----------------------|
| Electricity | 1 575 444 642        | 1 483 727 730        | 1 575 444 642        | 1 483 727 730        |
| Water       | 556 728 775          | 473 271 250          | 556 728 775          | 473 271 250          |
|             | <b>2 132 173 417</b> | <b>1 956 998 980</b> | <b>2 132 173 417</b> | <b>1 956 998 980</b> |

#### 42. General expenses

|                                            |                    |                    |                    |                    |
|--------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Air traffic control                        | 3 824 359          | 3 547 798          | 3 821 549          | 3 536 528          |
| Animal care                                | 1 248 394          | 1 178 842          | 1 248 394          | 1 178 842          |
| Burial services                            | 204 155            | 361 913            | 204 155            | 361 913            |
| Business and financial management services | 73 257 589         | 91 855 258         | 73 257 589         | 91 855 258         |
| Cleaning services                          | 7 049 234          | 5 905 836          | 7 049 234          | 5 905 836          |
| Clearing and gass cutting services         | 4 586 385          | 14 177 795         | 4 586 385          | 14 177 795         |
| Artists and performers                     | 320 000            | 523 225            | 320 000            | 523 225            |
| Communications                             | 925 104            | 225 103            | 925 104            | 225 103            |
| Connection/dis-connection                  | 10 539 415         | 6 635 427          | 10 539 415         | 6 635 427          |
| Human resources                            | 39 733             | -                  | -                  | -                  |
| Project management                         | 27 409 463         | 38 143 452         | 27 409 463         | 38 143 452         |
| Qualification verification                 | 6 236              | -                  | -                  | -                  |
| Quality control - bacteriological          | 105 133            | 176 024            | 86 971             | 155 854            |
| Refuse removal                             | 1 948 438          | 5 511 480          | 1 948 438          | 5 511 480          |
| External sewerage services                 | 233 840            | 1 576 050          | 233 840            | 1 576 050          |
| External security services                 | 81 184 686         | 101 308 718        | 81 184 686         | 101 308 718        |
| Traffic fines management                   | -                  | 2 050              | -                  | 2 050              |
| Professional valuation services            | 6 080 839          | 1 084 990          | 6 080 839          | 1 084 990          |
| Air pollution monitoring                   | 984 781            | 1 056 299          | 984 781            | 1 056 299          |
| External accounting and internal audit     | 373 796            | 3 008 888          | 373 796            | 3 008 888          |
| Organisational transformation              | 16 821 234         | 26 945 889         | 16 706 275         | 26 846 193         |
| Research and advisory                      | 20 560 307         | 3 232 071          | 20 560 307         | 3 232 071          |
| Fire protection                            | 5 981              | -                  | 5 981              | -                  |
| Infrastructure and planning consultancy    | 9 498 903          | 6 397 222          | 9 498 903          | 6 397 222          |
| Legal costs                                | 24 997 985         | 31 170 106         | 24 997 985         | 31 157 206         |
| Graphic designers                          | 70 125             | 258 772            | 70 125             | 258 772            |
| Transportation                             | 1 905 175          | 2 347 683          | 1 905 175          | 2 347 683          |
| Commission - prepaid electricity vendors   | 2 602 792          | 2 447 594          | 2 602 792          | 2 447 594          |
| Sewerage services                          | 154 331 903        | 121 685 550        | 154 331 903        | 121 685 550        |
| Medical services                           | 175 376            | 267 082            | 175 376            | 267 082            |
| Outsourced repairs and maintenance         | 122 475 472        | 146 621 649        | 122 371 752        | 146 464 838        |
|                                            | <b>573 766 833</b> | <b>617 652 766</b> | <b>573 481 213</b> | <b>617 351 919</b> |

#### 43. Debt impairment

|                            |                    |                    |                    |                    |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
| Contribution to impairment | 687 176 135        | 908 049 615        | 687 176 135        | 908 049 615        |
| Bad debts written off      | 10 345 711         | 819 188            | 10 345 711         | 819 188            |
|                            | <b>697 521 846</b> | <b>908 868 803</b> | <b>697 521 846</b> | <b>908 868 803</b> |



| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

#### Debt Recovery Plan

The debt that has been written off in the current financial year includes debts that relate to the previous financial years. The municipality has embarked on a debt recovery plan that is focusing on the key Industrial, Commercial and Government debtor categories. The approach is based on the fact that these categories of debtors have a greater potential to pay their service debts that are due, enhancing the municipalities cash flow situation.

The Revenue Enhancement process deals with the escalating debtor's book in the following manner:

- 1) Analysis of our debtor's book to ascertain that there is no existence of debtor accounts balances with prescribed debt.
- 2) All prescribed debt will be reviewed for its existence and valuation to establish if a consumer is consuming the services and are benefiting but not paying with the hope that the municipality will write off the debt.
- 3) Converting indigent customer's meters into prepaid meters.
- 4) In the pipe line, is the plan to convert water credit meters into water prepaid meters.
- 5) Illegal tampering by customers will result in immediate disconnection of services.
- 6) A dedicated team to handle disconnection services.
- 7) We are also doing disconnection over the weekend.
- 8) Installation of all new services installations will be strictly done through prepaid meters.
- 9) Implementation of municipality approved credit control policies.

#### 44. Depreciation and amortisation

|                               |                    |                    |                    |                    |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|
| Property, plant and equipment | 443 383 807        | 448 558 465        | 442 537 581        | 447 609 350        |
| Intangible assets             | 11 851 522         | 17 818 884         | 11 851 522         | 17 818 884         |
|                               | <b>455 235 329</b> | <b>466 377 349</b> | <b>454 389 103</b> | <b>465 428 234</b> |

#### 45. Employee related costs

##### Municipal staff

|                                                  |                      |                      |                      |                      |
|--------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Acting allowances                                | 13 550 896           | 2 184 749            | 13 550 896           | 2 184 749            |
| Basic salaries                                   | 713 941 010          | 667 496 660          | 709 103 039          | 663 402 984          |
| Bargaining council                               | 338 887              | 323 378              | 338 887              | 323 378              |
| Bonus                                            | 55 839 316           | 58 799 592           | 55 839 316           | 58 799 592           |
| Housing benefits and allowances                  | 3 993 688            | 3 842 879            | 3 993 688            | 3 842 879            |
| Leave pay provision                              | 25 235 489           | 17 064 730           | 25 235 489           | 17 064 730           |
| Long-service awards                              | 29 672 398           | 28 593 211           | 29 672 398           | 28 593 211           |
| Medical aid                                      | 54 759 404           | 47 299 822           | 54 759 404           | 47 299 822           |
| Other allowances (tools, uniform, telephone etc) | 6 981 438            | 7 173 049            | 6 981 438            | 7 173 049            |
| Overtime payments                                | 100 289 618          | 81 479 499           | 99 448 148           | 80 756 266           |
| Pension contribution                             | 147 062 601          | 138 332 999          | 147 062 601          | 138 332 999          |
| Post employment medical benefit                  | 79 286 486           | 81 129 295           | 79 286 486           | 81 129 295           |
| Scarcity allowance                               | 5 845 099            | 5 001 231            | 5 845 099            | 5 001 231            |
| SDL                                              | 11 120 380           | 9 504 254            | 11 053 382           | 9 486 111            |
| Standby allowance                                | 17 587 575           | 9 561 494            | 17 587 575           | 9 561 494            |
| Travel/Motor vehicle allowance                   | 26 392 175           | 16 183 291           | 26 243 075           | 16 092 091           |
| UIF                                              | 7 020 711            | 6 593 412            | 5 991 137            | 5 837 651            |
| WCA                                              | 2 411 331            | 1 423 450            | 2 386 562            | 1 400 436            |
|                                                  | <b>1 301 328 502</b> | <b>1 181 986 995</b> | <b>1 294 378 620</b> | <b>1 176 281 968</b> |

#### Remuneration of City Manager

|                                                 |                  |                  |                  |                  |
|-------------------------------------------------|------------------|------------------|------------------|------------------|
| Basic salary                                    | 747 413          | 1 831 654        | 747 413          | 1 831 654        |
| Bargaining council                              | 105              | 99               | 105              | 99               |
| Contributions to UIF, medical and pension funds | 116 509          | 180 371          | 116 509          | 180 371          |
| Housing allowance                               | 216 000          | 216 000          | 216 000          | 216 000          |
| Leave pay accrual                               | 36 532           | -                | 36 532           | -                |
| Phone allowance                                 | 26 400           | 26 561           | 26 400           | 26 561           |
| Travelling allowance                            | 108 547          | 115 199          | 108 547          | 115 199          |
|                                                 | <b>1 251 506</b> | <b>2 369 884</b> | <b>1 251 506</b> | <b>2 369 884</b> |

| Figures in Rand                                                                       | Economic entity  |                  | Controlling entity |                  |
|---------------------------------------------------------------------------------------|------------------|------------------|--------------------|------------------|
|                                                                                       | 2019             | 2018             | 2019               | 2018             |
| <b>Remuneration of Chief Finance Officer</b>                                          |                  |                  |                    |                  |
| Basic salary                                                                          | 1 228 641        | 1 310 564        | 1 228 641          | 1 310 564        |
| Acting allowance                                                                      | 96 736           | -                | 96 736             | -                |
| Bargaining council                                                                    | 105              | 99               | 105                | 99               |
| Bonus                                                                                 | 60 000           | 60 000           | 60 000             | 60 000           |
| Contributions to UIF, medical and pension funds                                       | 121 577          | 129 565          | 121 577            | 129 565          |
| Housing allowance                                                                     | 180 000          | 180 000          | 180 000            | 180 000          |
| Leave pay provision                                                                   | 42 361           | 34 890           | 42 361             | 34 890           |
| Phone allowance                                                                       | 14 400           | 15 465           | 14 400             | 15 465           |
| Travelling allowance                                                                  | 176 493          | 186 483          | 176 493            | 186 483          |
|                                                                                       | <b>1 920 313</b> | <b>1 917 066</b> | <b>1 920 313</b>   | <b>1 917 066</b> |
| <b>Remuneration of Chief Audit Executive</b>                                          |                  |                  |                    |                  |
| Basic salary                                                                          | 1 000 791        | 913 399          | 1 000 791          | 913 399          |
| Bargaining council                                                                    | 105              | 99               | 105                | 99               |
| Bonus                                                                                 | 83 399           | -                | 83 399             | -                |
| Contributions to UIF, medical and pension funds                                       | 205 980          | 199 562          | 205 980            | 199 562          |
| Housing allowance                                                                     | 10 228           | 9 559            | 10 228             | 9 559            |
| Leave pay provision                                                                   | 31 912           | 25 938           | 31 912             | 25 938           |
| Phone allowance                                                                       | 9 000            | 9 000            | 9 000              | 9 000            |
| Travelling allowance                                                                  | 153 262          | 153 262          | 153 262            | 153 262          |
|                                                                                       | <b>1 494 677</b> | <b>1 310 819</b> | <b>1 494 677</b>   | <b>1 310 819</b> |
| <b>Remuneration of General Manager : Corporate Services</b>                           |                  |                  |                    |                  |
| Basic salary                                                                          | 1 291 764        | 1 374 117        | 1 291 764          | 1 374 117        |
| Bargaining council                                                                    | 105              | 99               | 105                | 99               |
| Bonus                                                                                 | 60 000           | 60 000           | 60 000             | 60 000           |
| Contributions to UIF, medical and pension funds                                       | 236 330          | 272 990          | 236 330            | 272 990          |
| Phone allowance                                                                       | 16 400           | 15 753           | 16 400             | 15 753           |
| Leave pay provision                                                                   | 23 967           | 30 057           | 23 967             | 30 057           |
| Travelling allowance                                                                  | 127 251          | 134 454          | 127 251            | 134 454          |
|                                                                                       | <b>1 755 817</b> | <b>1 887 470</b> | <b>1 755 817</b>   | <b>1 887 470</b> |
| <b>Safe City Directors</b>                                                            |                  |                  |                    |                  |
| Annual Remuneration                                                                   | 140 639          | -                | -                  | -                |
| <b>Remuneration of General Manager : Sustainable Development and City Enterprises</b> |                  |                  |                    |                  |
| Basic salary                                                                          | 551 399          | 587 155          | 551 399            | 587 155          |
| Bargaining council                                                                    | 53               | 41               | 53                 | 41               |
| Bonus                                                                                 | -                | 266 346          | -                  | 266 346          |
| Contributions to UIF, medical and pension funds                                       | 892              | 61 149           | 892                | 61 149           |
| Housing allowance                                                                     | 48 000           | 75 000           | 48 000             | 75 000           |
| Leave pay provision                                                                   | 4 030            | 29 594           | 4 030              | 29 594           |
| Phone allowance                                                                       | 8 646            | 6 139            | 8 646              | 6 139            |
| Travelling allowance                                                                  | 60 430           | 105 341          | 60 430             | 105 341          |
|                                                                                       | <b>673 450</b>   | <b>1 130 765</b> | <b>673 450</b>     | <b>1 130 765</b> |
| <b>Remuneration of General Manager : Community Services</b>                           |                  |                  |                    |                  |
| Basic salary                                                                          | 1 296 444        | 1 373 593        | 1 296 444          | 1 373 593        |
| Bargaining council                                                                    | 105              | 99               | 105                | 99               |
| Bonus                                                                                 | 60 000           | 60 000           | 60 000             | 60 000           |
| Contributions to UIF, medical and pension funds                                       | 202 139          | 207 956          | 202 139            | 207 956          |
| Housing allowance                                                                     | 82 680           | 82 680           | 82 680             | 82 680           |
| Leave pay provision                                                                   | (240 787)        | 17 127           | (240 787)          | 17 127           |
| Phone allowance                                                                       | 14 400           | 17 417           | 14 400             | 17 417           |
| Travelling allowance                                                                  | 127 251          | 134 454          | 127 251            | 134 454          |
|                                                                                       | <b>1 542 232</b> | <b>1 893 326</b> | <b>1 542 232</b>   | <b>1 893 326</b> |

| Figures in Rand                                 | Economic entity |                | Controlling entity |      |
|-------------------------------------------------|-----------------|----------------|--------------------|------|
|                                                 | 2019            | 2018           | 2019               | 2018 |
| <b>General manager : Safe City</b>              |                 |                |                    |      |
| Basic salary                                    | 513 691         | 453 600        | -                  | -    |
| Contributions to UIF, medical and pension funds | 25 592          | 21 772         | -                  | -    |
| Performance Bonuses                             | 54 747          | 54 738         | -                  | -    |
| Phone allowance                                 | 7 200           | 3 600          | -                  | -    |
| Travelling allowance                            | 22 000          | 18 000         | -                  | -    |
|                                                 | <b>623 230</b>  | <b>551 710</b> | -                  | -    |

**Remuneration of General Manager : Infrastructure Services**

|                                                 |   |                  |   |                  |
|-------------------------------------------------|---|------------------|---|------------------|
| Basic salary                                    | - | 1 274 805        | - | 1 274 805        |
| Bargaining council                              | - | 99               | - | 99               |
| Contributions to UIF, medical and pension funds | - | 187 238          | - | 187 238          |
| Housing allowance                               | - | 120 000          | - | 120 000          |
| Leave pay provision                             | - | (56 249)         | - | (56 249)         |
| Phone allowance                                 | - | 20 831           | - | 20 831           |
| Travelling allowance                            | - | 226 501          | - | 226 501          |
|                                                 | - | <b>1 773 225</b> | - | <b>1 773 225</b> |

The General manager : Infrastructure services was paid a settlement amount of R2 103 791 during the 2018/19 financial year.

**Total section 57 employees**

|                                                                |                      |                      |                      |                      |
|----------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| City Manager                                                   | 1 251 506            | 2 369 884            | 1 251 506            | 2 369 884            |
| Chief Finance Officer                                          | 1 920 313            | 1 917 066            | 1 920 313            | 1 917 066            |
| Chief Audit Executive                                          | 1 494 677            | 1 310 819            | 1 494 677            | 1 310 819            |
| General Manager : Sustainable Development and City Enterprises | 673 450              | 1 130 765            | 673 450              | 1 130 765            |
| General Manager : Community Services                           | 1 542 232            | 1 893 326            | 1 542 232            | 1 893 326            |
| General Manager : Corporate Services                           | 1 755 817            | 1 887 470            | 1 755 817            | 1 887 470            |
| General Manager : Infrastructure Services                      | -                    | 1 773 225            | -                    | 1 773 225            |
| General Manager : Safe City                                    | 623 230              | 551 710              | -                    | -                    |
| Annual Remuneration                                            | 140 639              | -                    | -                    | -                    |
| <b>Subtotal</b>                                                | <b>9 401 864</b>     | <b>12 834 265</b>    | <b>8 637 995</b>     | <b>12 282 555</b>    |
| Municipal staff                                                | 1 301 328 502        | 1 181 986 995        | 1 294 378 620        | 1 176 281 968        |
| <b>Total employee related costs</b>                            | <b>1 310 730 366</b> | <b>1 194 821 260</b> | <b>1 303 016 615</b> | <b>1 188 564 523</b> |

The municipality and its entity's staff complement as at 30 June 2019 was 5 464 (2018:5 825).

**46. Finance costs**

|                          |                   |                   |                   |                   |
|--------------------------|-------------------|-------------------|-------------------|-------------------|
| Non-current borrowings   | 52 421 134        | 61 394 332        | 52 421 134        | 61 394 332        |
| Trade and other payables | 41 250            | 2 505             | 41 250            | 2 505             |
| Finance leases           | -                 | 42 586            | -                 | 42 586            |
|                          | <b>52 462 384</b> | <b>61 439 423</b> | <b>52 462 384</b> | <b>61 439 423</b> |

**47. Impairment loss/ reversal of impairments**

**Impairments**

**Property, plant and equipment**

The procedure used to determine if the asset was impaired was to physically inspect the asset and determine if the asset was impaired and what factors contributed to the impairment and then comparing the condition, age and cost of the asset to the current records in the asset register and if there was a change this was then adjusted accordingly.

**Heritage assets**

The impairment is in respect to a flooding that occurred at the Tatham Art Gallery.

|                               |                  |                  |                  |                  |
|-------------------------------|------------------|------------------|------------------|------------------|
| Property, plant and equipment | 5 719 754        | 3 722 559        | 5 719 754        | 3 722 559        |
| Heritage assets               | -                | 6 200            | -                | 6 200            |
|                               | <b>5 719 754</b> | <b>3 728 759</b> | <b>5 719 754</b> | <b>3 728 759</b> |

**48. Inventory consumed**

|                        |                   |                   |                   |                   |
|------------------------|-------------------|-------------------|-------------------|-------------------|
| Agricultural           | -                 | 76 607            | -                 | 76 607            |
| Consumables            | 52 991 505        | 66 056 088        | 52 948 290        | 66 015 927        |
| Materials and supplies | 3 488 393         | 3 194 652         | 3 488 393         | 3 194 652         |
|                        | <b>56 479 898</b> | <b>69 327 347</b> | <b>56 436 683</b> | <b>69 287 186</b> |

| Figures in Rand                        | Economic entity    |                    | Controlling entity |                    |
|----------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                        | 2019               | 2018               | 2019               | 2018               |
| <b>49. Operational costs</b>           |                    |                    |                    |                    |
| Achievements and awards                | 112                | -                  | 112                | -                  |
| Advertising                            | 7 722 360          | 11 704 941         | 7 718 652          | 11 699 896         |
| Bank charges                           | 7 060 512          | 5 466 605          | 7 037 296          | 5 446 736          |
| Bursaries (employees)                  | 568 702            | 483 480            | 568 702            | 483 480            |
| Cash discount                          | -                  | 1 228 901          | -                  | 1 228 901          |
| Catering municipal activities          | 1 479 882          | 3 480 496          | 1 479 882          | 3 480 496          |
| Cleaning                               | -                  | 26 407             | -                  | 26 407             |
| Commission paid                        | 13 070 489         | 11 887 328         | 13 070 489         | 11 887 328         |
| Communication                          | 12 325 264         | 11 648 243         | 12 276 350         | 11 595 144         |
| Conferences and seminars               | 333 506            | 865 953            | 333 506            | 861 053            |
| Drivers licenses and permits and other | 6 910              | 4 360              | 6 910              | 4 360              |
| Entertainment                          | 47 857             | 202 646            | 47 857             | 202 646            |
| External audit fees                    | 9 947 373          | 7 350 124          | 9 445 654          | 6 882 197          |
| External computer services             | 10 771 171         | 10 982 813         | 10 771 171         | 10 982 813         |
| Fines and penalties                    | 51 601             | -                  | 51 601             | -                  |
| Insurance                              | 8 916 266          | 3 923 795          | 8 568 753          | 3 611 099          |
| IT expenses                            | 25 913             | 279 508            | 25 913             | 279 508            |
| Interest costs - provisions            | 2 347 547          | 1 741 829          | 2 347 547          | 1 741 829          |
| Office decorations                     | 786                | 65 543             | 786                | 65 543             |
| Parking fees                           | 3 032              | 2 901              | -                  | 122                |
| Postage and courier                    | 1 577              | 7 601              | -                  | 395                |
| Printing, publication and books        | 2 988 168          | 4 768 692          | 2 988 168          | 4 768 692          |
| Protective clothing                    | 4 736 758          | 6 381 759          | 4 736 758          | 6 381 759          |
| Learnerships and internships           | 6 087 296          | 2 795 867          | 6 087 296          | 2 795 867          |
| Litigation provision - contribution    | -                  | 31 710 346         | -                  | 31 710 346         |
| Management fees                        | -                  | 336 572            | -                  | 336 572            |
| Motor vehicle expenses                 | 5 128 457          | 4 492 376          | 5 125 024          | 4 489 470          |
| Municipal services                     | 14 872 256         | 17 254             | 14 872 256         | 17 254             |
| Signage                                | 68 855             | 373 438            | 68 855             | 373 438            |
| Storage of files                       | 6 290              | 11 194             | 6 290              | 11 194             |
| Surveys and servitudes                 | -                  | 428 893            | -                  | 428 893            |
| Subscriptions and membership fees      | 13 562 842         | 12 387 508         | 13 562 842         | 12 387 508         |
| Travel - local                         | 2 329 058          | 1 638 719          | 2 329 058          | 1 634 352          |
| Title deed search fees                 | 78 883             | 31 980             | 78 883             | 31 980             |
|                                        | <b>124 539 723</b> | <b>136 728 072</b> | <b>123 606 611</b> | <b>135 847 278</b> |

#### 50. Operating leases

|                       |                   |                   |                   |                   |
|-----------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Premises</b>       |                   |                   |                   |                   |
| Contractual amounts   | 1 114 817         | 2 311 810         | 1 114 817         | 2 311 810         |
| <b>Motor vehicles</b> |                   |                   |                   |                   |
| Contractual amounts   | 19 778 557        | 29 288 692        | 19 778 557        | 29 288 692        |
| <b>Equipment</b>      |                   |                   |                   |                   |
| Contractual amounts   | 12 186 089        | 10 958 326        | 12 174 649        | 10 948 532        |
|                       | <b>33 079 463</b> | <b>42 558 828</b> | <b>33 068 023</b> | <b>42 549 034</b> |

Operating lease payments represent rentals payable by the municipality for certain office equipment.

#### 51. Remuneration of councillors

##### Total Remuneration of Councillors

|                                                |                   |                   |                   |                   |
|------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Mayor                                          | 1 286 979         | 1 287 819         | 1 286 979         | 1 287 819         |
| Deputy Mayor                                   | 1 048 643         | 1 048 048         | 1 048 643         | 1 048 048         |
| Speaker                                        | 1 048 643         | 1 048 369         | 1 048 643         | 1 048 369         |
| Chief Whip                                     | 967 080           | 967 080           | 967 080           | 967 080           |
| Executive Committee Members                    | 7 736 824         | 7 737 357         | 7 736 824         | 7 737 357         |
| Municipal Public Account Committee chairperson | 967 080           | 967 080           | 967 080           | 967 080           |
| Councillors                                    | 31 075 432        | 31 964 340        | 31 075 432        | 31 964 340        |
|                                                | <b>44 130 681</b> | <b>45 020 093</b> | <b>44 130 681</b> | <b>45 020 093</b> |

| Figures in Rand                                        | Economic entity   |                   | Controlling entity |                   |
|--------------------------------------------------------|-------------------|-------------------|--------------------|-------------------|
|                                                        | 2019              | 2018              | 2019               | 2018              |
| <b>Remuneration of Mayor</b>                           |                   |                   |                    |                   |
| Basic salary                                           | 1 199 687         | 1 197 607         | 1 199 687          | 1 197 607         |
| Medical aid contributions                              | 42 042            | 44 792            | 42 042             | 44 792            |
| Phone allowance                                        | 45 250            | 45 420            | 45 250             | 45 420            |
|                                                        | <b>1 286 979</b>  | <b>1 287 819</b>  | <b>1 286 979</b>   | <b>1 287 819</b>  |
| <b>Remuneration of Deputy Mayor</b>                    |                   |                   |                    |                   |
| Basic salary                                           | 732 913           | 732 913           | 732 913            | 732 913           |
| Pension contributions                                  | 109 937           | 109 937           | 109 937            | 109 937           |
| Phone allowance                                        | 45 250            | 45 420            | 45 250             | 45 420            |
| Travelling allowance                                   | 160 543           | 159 778           | 160 543            | 159 778           |
|                                                        | <b>1 048 643</b>  | <b>1 048 048</b>  | <b>1 048 643</b>   | <b>1 048 048</b>  |
| <b>Remuneration of Speaker</b>                         |                   |                   |                    |                   |
| Basic salary                                           | 809 907           | 809 907           | 809 907            | 809 907           |
| Pension contributions                                  | 121 486           | 121 042           | 121 486            | 121 042           |
| Phone allowance                                        | 45 250            | 45 420            | 45 250             | 45 420            |
| Travelling allowance                                   | 72 000            | 72 000            | 72 000             | 72 000            |
|                                                        | <b>1 048 643</b>  | <b>1 048 369</b>  | <b>1 048 643</b>   | <b>1 048 369</b>  |
| <b>Remuneration of Chief Whip</b>                      |                   |                   |                    |                   |
| Basic salary                                           | 717 999           | 718 869           | 717 999            | 718 869           |
| Medical aid contribution                               | 20 913            | 19 913            | 20 913             | 19 913            |
| Pension contribution                                   | 107 700           | 107 830           | 107 700            | 107 830           |
| Phone allowance                                        | 26 400            | 26 400            | 26 400             | 26 400            |
| Travelling allowance                                   | 94 068            | 94 068            | 94 068             | 94 068            |
|                                                        | <b>967 080</b>    | <b>967 080</b>    | <b>967 080</b>     | <b>967 080</b>    |
| <b>Remuneration of Executive Committee Members</b>     |                   |                   |                    |                   |
| Basic salary                                           | 5 518 205         | 5 667 933         | 5 518 205          | 5 667 933         |
| Housing allowance                                      | 38 246            | 38 246            | 38 246             | 38 246            |
| Medical aid contributions                              | 207 119           | 182 819           | 207 119            | 182 819           |
| Pension contributions                                  | 713 196           | 681 739           | 713 196            | 681 739           |
| Phone allowance                                        | 211 200           | 217 700           | 211 200            | 217 700           |
| Travelling allowance                                   | 1 048 858         | 948 920           | 1 048 858          | 948 920           |
|                                                        | <b>7 736 824</b>  | <b>7 737 357</b>  | <b>7 736 824</b>   | <b>7 737 357</b>  |
| <b>Municipal Public Accounts Committee Chairperson</b> |                   |                   |                    |                   |
| Basic salary                                           | 583 078           | 584 532           | 583 078            | 584 532           |
| Medical aid contributions                              | 34 970            | 33 298            | 34 970             | 33 298            |
| Pension contributions                                  | 87 462            | 87 680            | 87 462             | 87 680            |
| Phone allowance                                        | 26 400            | 26 400            | 26 400             | 26 400            |
| Travelling allowance                                   | 235 170           | 235 170           | 235 170            | 235 170           |
|                                                        | <b>967 080</b>    | <b>967 080</b>    | <b>967 080</b>     | <b>967 080</b>    |
| <b>Remuneration of other councillors</b>               |                   |                   |                    |                   |
| Basic salary                                           | 20 704 227        | 21 537 979        | 20 704 227         | 21 537 979        |
| Housing allowance                                      | 88 492            | 88 492            | 88 492             | 88 492            |
| Medical aid contributions                              | 1 244 730         | 1 161 574         | 1 244 730          | 1 161 574         |
| Pension contributions                                  | 2 744 149         | 2 771 691         | 2 744 149          | 2 771 691         |
| Phone allowance                                        | 1 689 096         | 1 736 800         | 1 689 096          | 1 736 800         |
| Travelling allowance                                   | 4 604 738         | 4 667 804         | 4 604 738          | 4 667 804         |
|                                                        | <b>31 075 432</b> | <b>31 964 340</b> | <b>31 075 432</b>  | <b>31 964 340</b> |

**In-kind benefits**

The Mayor, Deputy Mayor, Speaker and Executive Committee Members are full-time.

Each is provided with an office and secretarial support at the cost of the Council.

The Mayor and the Deputy Mayor each have the use of separate Council owned vehicles for official duties.

The Mayor has three full-time bodyguards. The Deputy Mayor and Speaker have two full-time bodyguards

| Figures in Rand                                                               | Economic entity    |                    | Controlling entity |                    |
|-------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                               | 2019               | 2018               | 2019               | 2018               |
| <b>52. Transfers and subsidies</b>                                            |                    |                    |                    |                    |
| <b>Grants paid to Municipal Entity</b>                                        |                    |                    |                    |                    |
| Safe City Msunduzi NPC                                                        | -                  | -                  | 10 271 084         | 7 807 954          |
| <b>Other subsidies</b>                                                        |                    |                    |                    |                    |
| Grant in aid                                                                  | 12 115 893         | 13 150 045         | 12 115 893         | 13 150 045         |
| Injury on duty                                                                | 1 974 417          | 1 695 247          | 1 974 417          | 1 695 247          |
| Post retirement benefits                                                      | (437 052)          | 3 893 874          | (437 052)          | 3 893 874          |
| Arbitration awards                                                            | 2 166 533          | 462 818            | 2 166 533          | 462 818            |
|                                                                               | <b>15 819 791</b>  | <b>19 201 984</b>  | <b>15 819 791</b>  | <b>19 201 984</b>  |
|                                                                               | <b>15 819 791</b>  | <b>19 201 984</b>  | <b>26 090 875</b>  | <b>27 009 938</b>  |
| <b>53. Fair value adjustments on investment property</b>                      |                    |                    |                    |                    |
| Investment property (Fair value model)                                        | (32 810 000)       | 62 795 307         | (32 810 000)       | 62 795 307         |
| <b>54. Actuarial gains/ (losses)</b>                                          |                    |                    |                    |                    |
| Long service                                                                  | 6 445 095          | (526 854)          | 6 445 095          | (526 854)          |
| Post retirement benefit - medical aid                                         | 155 708 574        | 57 339 088         | 155 708 574        | 57 339 088         |
|                                                                               | <b>162 153 669</b> | <b>56 812 234</b>  | <b>162 153 669</b> | <b>56 812 234</b>  |
| <b>55. Gains on agricultural assets and living resources</b>                  |                    |                    |                    |                    |
| Gains or losses arising from agricultural assets and living resources         | 15 856 141         | 9 954 881          | 15 856 141         | 9 954 881          |
| <b>56. Inventory losses</b>                                                   |                    |                    |                    |                    |
| Inventories losses                                                            | (16 453 277)       | (4 743 013)        | (16 453 277)       | (4 743 013)        |
| <b>57. Cash generated from operations</b>                                     |                    |                    |                    |                    |
| Deficit                                                                       | (140 769 241)      | (525 455 814)      | (141 189 643)      | (524 701 220)      |
| <b>Adjustments for:</b>                                                       |                    |                    |                    |                    |
| Depreciation and amortisation                                                 | 455 235 329        | 466 377 349        | 454 389 103        | 465 428 234        |
| Loss on sale of assets                                                        | (2 876 825)        | 932 651            | (2 876 825)        | 871 236            |
| (Gains)/ loss on agricultural assets and living resources                     | (15 856 141)       | (9 954 881)        | (15 856 141)       | (9 954 881)        |
| Inventory losses                                                              | 16 453 277         | 4 743 012          | 16 453 277         | 4 743 012          |
| Fair value adjustments                                                        | 32 810 000         | (62 795 307)       | 32 810 000         | (62 795 307)       |
| Finance costs - finance leases                                                | -                  | 42 586             | -                  | 42 586             |
| Impairment deficit                                                            | 5 719 754          | 3 728 759          | 5 719 754          | 3 728 759          |
| Debt impairment                                                               | 697 521 846        | 908 868 803        | 697 521 846        | 908 868 803        |
| Movements in retirement benefit assets and liabilities                        | (105 740 754)      | 72 401 652         | (105 740 754)      | 72 401 652         |
| Movements in provisions                                                       | 4 834 211          | (61 953 681)       | 4 738 227          | (62 029 974)       |
| Donations: non-cash                                                           | (9 162 557)        | (4 897 250)        | (9 162 557)        | (4 897 250)        |
| Tax received                                                                  | 1 488              | 136 375            | -                  | -                  |
| <b>Changes in working capital:</b>                                            |                    |                    |                    |                    |
| Inventories                                                                   | 28 578 531         | 25 389 633         | 28 578 531         | 25 389 633         |
| Receivables from exchange transactions                                        | 24 575 230         | 49 569 782         | 24 530 215         | 49 614 797         |
| Consumer debtors                                                              | (710 884 892)      | (556 394 243)      | (710 884 892)      | (556 394 244)      |
| Receivables from non-exchange transactions                                    | (10 388 892)       | (11 168 299)       | (10 388 882)       | (11 168 299)       |
| Payables from exchange transactions                                           | 35 855 058         | 154 407 309        | 35 473 595         | 154 616 676        |
| VAT                                                                           | 61 072 509         | 71 503 390         | 61 072 509         | 71 503 390         |
| Unspent conditional grants and receipts                                       | 5 609 316          | 42 073 078         | 5 609 316          | 42 073 078         |
| Consumer deposits                                                             | (1 580 031)        | 7 427 700          | (1 580 031)        | 7 427 700          |
|                                                                               | <b>371 007 216</b> | <b>574 982 604</b> | <b>369 216 648</b> | <b>574 768 381</b> |
| <b>58. Additional disclosure in terms of Municipal Finance Management Act</b> |                    |                    |                    |                    |
| <b>Contributions to organised local government</b>                            |                    |                    |                    |                    |
| Current year subscription / fee                                               | 888 615            | 945 192            | 888 615            | 945 192            |
| Amount paid - current year                                                    | (888 615)          | (945 192)          | (888 615)          | (945 192)          |
|                                                                               | -                  | -                  | -                  | -                  |

| Figures in Rand                           | Economic entity    |                   | Controlling entity |                   |
|-------------------------------------------|--------------------|-------------------|--------------------|-------------------|
|                                           | 2019               | 2018              | 2019               | 2018              |
| <b>Audit fees</b>                         |                    |                   |                    |                   |
| Opening balance                           | 98 491             | 62 173            | 98 491             | 62 173            |
| Current year fee                          | 9 445 654          | 6 882 196         | 9 445 654          | 6 882 196         |
| Amount paid - current year                | (9 389 168)        | (6 845 878)       | (9 389 168)        | (6 845 878)       |
|                                           | <b>154 977</b>     | <b>98 491</b>     | <b>154 977</b>     | <b>98 491</b>     |
| <b>PAYE and UIF</b>                       |                    |                   |                    |                   |
| Current year                              | 173 987 252        | 152 581 201       | 173 328 438        | 152 149 632       |
| Amount paid - current year                | (173 987 252)      | (152 581 201)     | (173 328 438)      | (152 149 632)     |
|                                           | -                  | -                 | -                  | -                 |
| <b>Pension and medical aid deductions</b> |                    |                   |                    |                   |
| Current year                              | 340 161 025        | 319 283 201       | 339 165 322        | 318 523 036       |
| Amount paid - current year                | (340 161 025)      | (319 283 201)     | (339 165 322)      | (318 523 036)     |
|                                           | -                  | -                 | -                  | -                 |
| <b>VAT</b>                                |                    |                   |                    |                   |
| VAT receivable                            | -                  | 25 495            | -                  | -                 |
| VAT payable                               | 145 090 018        | 83 659 588        | 144 732 097        | 83 659 588        |
|                                           | <b>145 090 018</b> | <b>83 685 083</b> | <b>144 732 097</b> | <b>83 659 588</b> |

**Councillors' arrear consumer accounts**

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2019:

| 30 June 2019        | Outstanding more than 90 days<br>R         |
|---------------------|--------------------------------------------|
| Mduduzi Njilo       | 302                                        |
| Prudence Msimang    | 1 588                                      |
| Sandile Dlamini     | 23 026                                     |
| Siphiwe Ndawonde    | 31 662                                     |
| Vusimuzi Magubane   | 89 996                                     |
| Siphamandla Mdlala  | 250                                        |
| Sandra Lyne         | 25                                         |
|                     | <b>146 849</b>                             |
| <b>30 June 2018</b> | <b>Outstanding more than 90 days<br/>R</b> |
| Dolo Zondo          | 7 054                                      |
| Ignatia Madondo     | 1 036                                      |
| Mduduzi Njilo       | 37 608                                     |
| Nkosinathi Mbanjwa  | 2 093                                      |
| Sandile Dlamini     | 26 440                                     |
| Simphiwe Ndawonde   | 43 417                                     |
| Thandiwe Zungu      | 2 876                                      |
| Thinasonke Ntombela | 2 093                                      |
| Vusimuzi Magubane   | 71 518                                     |
|                     | <b>194 135</b>                             |

Normal credit control procedures have been applied for the recovery of all outstanding debt.

Councillors have made arrangements to re-pay outstanding debt.

**Deviation from supply chain management regulations**

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to "dispense with official procurement processes established by the policy and to procure any required goods or services through any convenient process".

This would typically include urgent and emergency cases, single-source/sole providers of goods and services, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the Accounting Officer is required to report this to the next council meeting for noting.

| Figures in Rand                          | Economic entity   |                   | Controlling entity |                   |
|------------------------------------------|-------------------|-------------------|--------------------|-------------------|
|                                          | 2019              | 2018              | 2019               | 2018              |
| Computer expenditure                     | 11 806 989        | 1 682 777         | 11 806 989         | 1 682 777         |
| Health and safety                        | -                 | 406 143           | -                  | 406 143           |
| Other                                    | 4 379 086         | 7 078 653         | 4 369 543          | 7 014 188         |
| Repairs and maintenance                  | 259 895           | 4 477 844         | 259 895            | 4 477 844         |
| Repairs to motor vehicles                | 6 323 596         | 5 707 391         | 6 323 596          | 5 707 391         |
| Repairs to property, plant and equipment | -                 | 3 255 447         | -                  | 3 255 447         |
| Service delivery                         | 846 980           | 6 063 840         | 846 980            | 6 063 840         |
| Forensic services                        | 4 350             | -                 | 4 350              | -                 |
|                                          | <b>23 620 896</b> | <b>28 672 095</b> | <b>23 611 353</b>  | <b>28 607 630</b> |

| Rate based deviations        | Contract description                                                                  | Supplier                                                                                                           | 2019      |
|------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-----------|
| Contract no. 1/s36 of 18/19  | Verification of details of indigent support application                               | CrossCheck Information Bureau Pty Ltd                                                                              | -         |
| Contract no.6/S36 OF 18/19   | Provision of forensic investigation services                                          | Gerhardus Marthinus Cloete, Govert Vetten, Phumlani Mkhize and Associates, Computer Security and Forensic Solution | 8 928 583 |
| Contract no. 12/S36 of 18/19 | Refuse collection and cleaning of CBD                                                 | Xolisisizwe Trading                                                                                                | 328 000   |
| Contract no. 14/S36 of 18/19 | Appointment of security service provider for the provision of VIP protection services | Nhlalenhle Security Services                                                                                       | 161 560   |
|                              |                                                                                       |                                                                                                                    | 9 418 143 |

#### 59. Non-compliance with the Municipal Finance Management Act

The Municipality did not comply with section 65(2)(e) of the MFMA.

There were instances of non-compliance wherein some suppliers were not paid within 30 days.

#### 60. Supply Chain Management regulation 45 of the MFMA

Awards to close family members of persons in the service of the state

| Name of the service provider                 | Employee name                         | Job title                                                 | Organ of state                    | Amount paid     |
|----------------------------------------------|---------------------------------------|-----------------------------------------------------------|-----------------------------------|-----------------|
| The Borain Brothers cc T/A Borain Leyland    | Mchunu Nomvula<br>Teresa              | General<br>Worker Infra<br>Structure                      | Msunduzi<br>Municipality          | 286 390         |
| Jobe and Seleokane- Financial Consultants CC | Mthembu<br>Samkelisiwe                | Senior<br>Acquisition<br>clerk                            | Msunduzi<br>Municipality          | 48 855          |
| Enforce Security<br>Mathew Francis Inc       | MEC Cogta N Dube<br>Brenden Sivparsad | MEC Cogta<br>Senior<br>Manager<br>Water and<br>Sanitation | COGTA<br>Msunduzi<br>Municipality | -<br>28 160 132 |
| Eka GP Trading Enterprise                    | Nhlakanipho<br>Wiseman Gini Dlamini   | General<br>Assistant<br>Mechanical<br>Workshop            | Msunduzi<br>Municipality          | -               |
| Valimbo Primary Co-Operative                 | Mzwenhlanhla<br>Wiseman Khoza         | General<br>Assistant<br>Waste<br>Management               | Msunduzi<br>Municipality          | -               |



| Name of the service provider                | Employee name      | Job title                                                                                  | Organ of state                                                       | Amount paid       |
|---------------------------------------------|--------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------|
| Ekuseni Investment Holdings<br>Gibb Pty Ltd | Sandile Dlamini    | Councillor                                                                                 |                                                                      | -                 |
|                                             | K. Pillay          | Data Capturer                                                                              | Department of Education                                              | 302 962           |
|                                             | P. Pillay          | Educator                                                                                   | Department of Education                                              | -                 |
|                                             | Alan Moon          | Head :<br>Business<br>Continuity                                                           | City of Cape Town                                                    | -                 |
|                                             | John Watson        | Director -<br>Accounting<br>Support and<br>Reporting                                       | National<br>Treasury                                                 |                   |
|                                             | Leigh Stolworthy   | Principle :<br>Professional<br>IRT System<br>Planning                                      | Department of Education                                              |                   |
|                                             | Sonnika Cilliers   | Educator                                                                                   | Department of Education                                              |                   |
|                                             | Nokuthula Mkhize   | Accounting<br>Clerk                                                                        | National<br>Department of<br>Water Affairs<br>and Forestry           |                   |
|                                             | Jeanne Mare        | Senior<br>Educator                                                                         | Department of Education                                              |                   |
|                                             | Imra Brink         | Educator                                                                                   | Department of Education                                              |                   |
|                                             | Nkosinathi Mzayiya | Correctional<br>Officer                                                                    | Department of Correctional Services                                  |                   |
|                                             | Jacqueline Gooch   | Head of<br>Department                                                                      | Department of Transport                                              |                   |
|                                             | Unathi Lekonyana   | Deputy<br>Director<br>: Grant<br>Monitoring<br>and Analysis                                | Deputy<br>Director: Grant<br>Monitoring and<br>Analysis              |                   |
|                                             | Douglas Kiewiet    | Area Manager<br>(North)                                                                    | National<br>Department of<br>Water Affairs<br>and Forestry           |                   |
|                                             | Rajiv Beharie      | Senior<br>Engineer                                                                         | Eskom                                                                |                   |
|                                             | M B Haq            | Architect /<br>Town Planner                                                                | City of Cape Town                                                    |                   |
| Mthonono Logistics                          | Siphiwi Nkala      | Educator                                                                                   | Department of Education                                              | 28 000            |
| Isibuko Development Planners                | Mrs Hlongwa        | Assistant<br>Director                                                                      | Department<br>of Social<br>Development                               | 724 500           |
| SMEC South Africa                           | Yvonne Pinky Phosa | Member<br>of National<br>Assembly<br>Chairman<br>standing<br>Committee on<br>appropriation | National<br>Assembly<br>- Standing<br>Committee on<br>Appropriations | 891 974           |
| Ihawu Firearms Centre                       | IS - Affleck       | Rifleman<br>Parachute                                                                      | SANDF<br>Reserve Force                                               | 902 083           |
|                                             |                    |                                                                                            |                                                                      | <b>31 344 895</b> |

| Figures in Rand                                                                                            | Economic entity    |                    | Controlling entity |                    |
|------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                                                            | 2019               | 2018               | 2019               | 2018               |
| <b>61. Commitments</b>                                                                                     |                    |                    |                    |                    |
| <b>Authorised capital expenditure</b>                                                                      |                    |                    |                    |                    |
| • Approved and contracted                                                                                  | 315 441 122        | 432 503 815        | 315 441 122        | 432 503 815        |
| <b>Total capital commitments</b>                                                                           | <b>315 441 122</b> | <b>432 503 815</b> | <b>315 441 122</b> | <b>432 503 815</b> |
| <b>Authorised operational expenditure</b>                                                                  |                    |                    |                    |                    |
| • Approved and contracted                                                                                  | 503 303 809        | 510 722 503        | 503 303 809        | 510 722 503        |
| Total operational commitments                                                                              | 503 303 809        | 510 722 503        | 503 303 809        | 510 722 503        |
| <b>Total commitments</b>                                                                                   | <b>815 744 931</b> | <b>943 226 317</b> | <b>815 744 931</b> | <b>943 226 317</b> |
| Capital expenditure - not yet contracted (Department of Human Settlement has not yet approved the funding) | 810 151 756        | 810 151 756        | 810 151 756        | 810 151 756        |
|                                                                                                            | -                  | -                  | -                  | -                  |

The future commitments will be financed through council own funding, national and provincial grants in terms of DORA. Commitments are exclusive of Value Added Taxation.

#### Operating leases - as lessee (expense)

|                                     |                   |                  |                   |                  |
|-------------------------------------|-------------------|------------------|-------------------|------------------|
| Minimum lease payments due          |                   |                  |                   |                  |
| - within one year                   | 4 661 712         | 1 014 056        | 4 661 712         | 1 014 056        |
| - in second to fifth year inclusive | 9 323 424         | -                | 9 323 424         | -                |
|                                     | <b>13 985 136</b> | <b>1 014 056</b> | <b>13 985 136</b> | <b>1 014 056</b> |

Operating lease payments represent rentals payable by the municipality for certain office equipment.

#### 62. Contingencies

The municipality is defending various litigation and claim cases against it.

Should the litigation and claims against the municipality be successful the total estimated liability of all the cases is approximately R 99 521 553 (2018:R110 710 555).

Refer to Appendix E1 and E2 for further details.

#### 63. Related parties

##### Relationships

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Municipal entity                            | Safe City Msunduzi NPC                                                                                                                                                                                                                                                                                                                                                                                      |
| Controlling entity                          | Msunduzi Local Municipality                                                                                                                                                                                                                                                                                                                                                                                 |
| MEC COGTA                                   | Enforce Security                                                                                                                                                                                                                                                                                                                                                                                            |
| Members of key management                   | Acting City Manager - Nelisiwe M. Ngcobo<br>Acting Chief Financial Officer - Dudu N. Gambu<br>General Manager : Community Services - Boniwe Zulu<br>General Manager : Corporate Services - Mosa L.I. Molapo<br>General Manager : Infrastructure Services - Ngangenkosi Mpisi<br>General Manager : Sustainable Development and City Enterprises - Felix Nxumalo<br>Chief Audit Executive - Petrus J. Mahlaba |
| Safe City Msunduzi NPC - board of directors | Board chairperson : D. Sokhela<br>Board vice chairperson : G. Moody<br>Director : V. Biggs<br>Director : K. Basson<br>Director : Ringh<br>Director : S. Ako - Nai<br>General Manager : Safe City - L. Holtzhausen                                                                                                                                                                                           |

**Related party transactions**

| Related party transactions                                   | Nature of relationship                                                                                                                                  | 30 June 2019      | 30 June 2018      |
|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Grant paid to Safe City Msunduzi NPC                         | Safe City is an entity of the Municipality.                                                                                                             | 10 271 084        | 7 807 954         |
| Matthew Francis                                              | Senior manager water and sanitation is a spouse of Matthew Francis Director. The Municipality conducts business with Matthew Francis on a regular basis | 28 160 132        | 12 739 945        |
| Electricity and water payment paid by Safe City Msunduzi NPC | Safe City is an entity of the Municipality.                                                                                                             | 146 053           | 147 891           |
| Enforce Security                                             | KZN MEC COGTA's spouse is a director of Enforce Security                                                                                                | -                 | 502 155           |
|                                                              |                                                                                                                                                         | <b>38 577 269</b> | <b>21 197 945</b> |

The terms of transactions were the same for all suppliers.

Transactions are at arm's length with related parties.

**In kind benefits**

The salary and benefits of the Ministerial representative are paid by the Department of Cooperative Governance and Traditional Affairs. The municipality has not been charged to the services rendered by the Municipal representative.

**Remuneration of management**

**Councillors**

**2019**

| Name                        | Basic salary      | Phone allowance  | Housing allowance | Travelling allowance | Pension          | Medical aid      | Total             |
|-----------------------------|-------------------|------------------|-------------------|----------------------|------------------|------------------|-------------------|
| Mayor                       | 1 199 687         | 45 250           | -                 | -                    | -                | 42 042           | 1 286 979         |
| Deputy mayor                | 732 913           | 45 250           | -                 | 160 543              | -                | 109 937          | 1 048 643         |
| Speaker                     | 809 907           | 45 250           | -                 | 72 000               | 121 486          | -                | 1 048 643         |
| Chief whip                  | 717 999           | 26 400           | -                 | 94 067               | 107 700          | 20 913           | 967 079           |
| Executive committee members | 5 518 205         | 211 200          | 38 246            | 1 048 858            | 713 196          | 207 120          | 7 736 825         |
| MPAC Chairperson            | 583 078           | 26 400           | -                 | 235 170              | 87 462           | 34 970           | 967 080           |
| Other councillors           | 20 704 227        | 1 689 096        | 88 492            | 4 604 738            | 2 744 149        | 1 244 730        | 31 075 432        |
|                             | <b>30 266 016</b> | <b>2 088 846</b> | <b>126 738</b>    | <b>6 215 376</b>     | <b>3 773 993</b> | <b>1 659 712</b> | <b>44 130 681</b> |

**2018**

| Name                        | Basic salary      | Phone allowance  | Housing allowance | Travelling allowance | Pension          | Medical aid      | Total             |
|-----------------------------|-------------------|------------------|-------------------|----------------------|------------------|------------------|-------------------|
| Mayor                       | 1 197 607         | 45 420           | -                 | -                    | -                | 44 792           | 1 287 819         |
| Deputy mayor                | 732 913           | 45 420           | -                 | 159 778              | 109 937          | -                | 1 048 048         |
| Speaker                     | 809 907           | 45 420           | -                 | 72 000               | 121 042          | -                | 1 048 369         |
| Chief whip                  | 718 869           | 26 400           | -                 | 94 068               | 107 830          | 19 913           | 967 080           |
| Executive committee members | 5 667 933         | 217 700          | 38 246            | 948 920              | 681 739          | 182 819          | 7 737 357         |
| MPAC chairperson            | 584 532           | 26 400           | -                 | 235 170              | 87 680           | 33 298           | 967 080           |
| Other councillors           | 21 537 979        | 1 736 800        | 88 492            | 4 667 804            | 2 771 691        | 1 161 574        | 31 964 340        |
|                             | <b>31 249 740</b> | <b>2 143 560</b> | <b>126 738</b>    | <b>6 177 740</b>     | <b>3 879 919</b> | <b>1 442 396</b> | <b>45 020 093</b> |

## Executive management

### 2019

| Name                                                           | Basic salary     | Phone allowance | Housing allowance | Travelling allowance | Pension        | Medical aid   | Acting allowance | Bonus          | Other           | Total            |
|----------------------------------------------------------------|------------------|-----------------|-------------------|----------------------|----------------|---------------|------------------|----------------|-----------------|------------------|
| City Manager                                                   | 747 413          | 26 400          | 216 000           | 108 547              | 114 725        | -             | -                | -              | 38 421          | 1 251 506        |
| Chief Financial Officer                                        | 1 228 641        | 14 400          | 180 000           | 176 493              | 119 792        | -             | 96 736           | 60 000         | 44 251          | 1 920 313        |
| Chief Audit Executive - Internal audit                         | 1 000 791        | 9 000           | 10 228            | 153 262              | 180 142        | 24 053        | -                | 83 399         | 33 802          | 1 494 677        |
| General Manager : Corporate Services                           | 1 291 764        | 16 400          | -                 | 127 251              | 232 518        | 2 028         | -                | 60 000         | 25 856          | 1 755 817        |
| General Manager : Community services                           | 1 296 444        | 14 400          | 82 680            | 127 251              | 176 965        | 23 390        | -                | 60 000         | (238 898)       | 1 542 232        |
| General Manager : Sustainable Development and City Enterprises | 551 399          | 8 646           | 48 000            | 60 430               | -              | -             | -                | -              | 4 975           | 673 450          |
| Board chairperson : Safe City                                  | 33 930           | -               | -                 | -                    | -              | -             | -                | -              | -               | 33 930           |
| Board vice chairperson : Safe City                             | 33 748           | -               | -                 | -                    | -              | -             | -                | -              | -               | 33 748           |
| Director - V. Biggs : Safe City                                | 10 306           | -               | -                 | -                    | -              | -             | -                | -              | -               | 10 306           |
| Director - R Singh : Safe City                                 | 20 749           | -               | -                 | -                    | -              | -             | -                | -              | -               | 20 749           |
| Director - Sa Ako -nai : Safe City                             | 18 242           | -               | -                 | -                    | -              | -             | -                | -              | -               | 18 242           |
| Director - K. Basson : Safe City                               | 23 665           | -               | -                 | -                    | -              | -             | -                | -              | -               | 23 665           |
| General Manager : Safe City                                    | 513 691          | 7 200           | -                 | 22 000               | -              | 23 808        | -                | 54 746         | 1 784           | 623 229          |
|                                                                | <b>6 770 783</b> | <b>96 446</b>   | <b>536 908</b>    | <b>775 234</b>       | <b>824 142</b> | <b>73 279</b> | <b>96 736</b>    | <b>318 145</b> | <b>(89 809)</b> | <b>9 401 864</b> |

### 2018

| Name                                                           | Basic salary     | Phone allowance | Housing allowance | Travelling allowance | Pension          | Medical aid    | Bonus          | Other         | Total             |
|----------------------------------------------------------------|------------------|-----------------|-------------------|----------------------|------------------|----------------|----------------|---------------|-------------------|
| City Manager                                                   | 1 831 654        | 26 561          | 216 000           | 115 199              | 178 586          | -              | -              | 1 884         | 2 369 884         |
| Chief Financial Officer                                        | 1 310 564        | 15 465          | 180 000           | 186 483              | 127 780          | -              | 60 000         | 36 774        | 1 917 066         |
| Chief Audit Executive - Internal audit                         | 913 399          | 9 000           | 9 559             | 153 262              | 167 919          | 29 859         | -              | 27 821        | 1 310 819         |
| General Manager : Corporate Services                           | 1 374 117        | 15 753          | -                 | 134 454              | 247 341          | 23 864         | 60 000         | 31 941        | 1 887 470         |
| General Manager : Community services                           | 1 373 593        | 17 418          | 82 680            | 134 454              | 187 495          | 18 676         | 60 000         | 19 010        | 1 893 326         |
| General Manager : Infrastructure services                      | 1 274 805        | 20 831          | 120 000           | 226 501              | 139 001          | 46 452         | -              | (54 365)      | 1 773 225         |
| General Manager : Sustainable Development and City Enterprises | 587 155          | 6 139           | 75 000            | 105 342              | 56 808           | 3 598          | 266 346        | 30 377        | 1 130 765         |
| General Manager : Safe City                                    | 453 600          | 3 600           | -                 | 18 000               | -                | 21 624         | 54 738         | 148           | 551 710           |
|                                                                | <b>9 118 887</b> | <b>114 767</b>  | <b>683 239</b>    | <b>1 073 695</b>     | <b>1 104 930</b> | <b>144 073</b> | <b>501 084</b> | <b>93 590</b> | <b>12 834 265</b> |

#### 64. Events after the reporting date

The Executive Committee members of the ruling party subsequently resigned on 23 August 2019 with immediate effect. The members who resigned include the Mayor, Deputy Mayor, Speaker and the Chief Whip. The new executive committee members were announced and took their oath of office on the 29th of August 2019.

The change does not have an impact on going concern

#### 65. Prior period errors

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

#### Statement of Financial Position

#### Controlling Entity - 2018

|                                        | As previously reported | Correction of error | Re-classification | Restated        |
|----------------------------------------|------------------------|---------------------|-------------------|-----------------|
| Accumulated surplus                    | (7 454 565 168)        | 730 676 478         | -                 | (6 723 888 690) |
| Cash and cash equivalents              | 465 479 458            | 5 091 220           | 42 051 629        | 512 622 307     |
| Consumer debtors                       | 1 346 513 563          | (916 370 692)       | (5 382 484)       | 424 760 387     |
| Inventories                            | 76 793 052             | 8 196 051           | 272 748 814       | 357 737 917     |
| Receivables from exchange transactions | 28 321 545             | (26 466 639)        | 30 520 528        | 32 375 434      |
| Receivables from non exchange          | 36 514 653             | (33 913 984)        | -                 | 2 600 669       |

|                                             | As previously reported | Correction of error | Re-classification | Restated           |
|---------------------------------------------|------------------------|---------------------|-------------------|--------------------|
| Short term investment                       | 8 981 927              | -                   | (112 470)         | 8 869 457          |
| VAT receivable                              | 26 350                 | (855)               | -                 | 25 495             |
| Heritage assets                             | 226 835 646            | 73 961              | -                 | 226 909 607        |
| Intangible assets                           | 41 752 452             | 10 357 033          | -                 | 52 109 485         |
| Investment property                         | 718 291 602            | 200 121 935         | (68 913 537)      | 849 500 000        |
| Property, plant and equipment               | 7 220 183 530          | (48 914 963)        | (203 835 277)     | 6 967 433 290      |
| Other financial assets                      | 9 944 611              | (5 784 868)         | 504 547           | 4 664 290          |
| Payables from exchange transactions         | (945 964 932)          | 84 310 664          | (38 205 670)      | (899 859 938)      |
| Provisions - current liability              | (11 059 171)           | 26 852              | 8 281 376         | (2 750 943)        |
| Provisions - non current liability          | (128 207 247)          | -                   | 65 884 089        | (62 323 158)       |
| VAT payable                                 | (81 342 959)           | (2 316 629)         | -                 | (83 659 588)       |
| Consumer deposits                           | (103 713 767)          | (5 095 566)         | -                 | (108 809 333)      |
| Other financial liabilities - current       | (84 512 317)           | -                   | (29 376 080)      | (113 888 397)      |
| Employment benefit obligation - current     | (25 880 067)           | -                   | (10 628 923)      | (36 508 990)       |
| Employment benefit obligation - non current | (603 974 632)          | -                   | (63 536 542)      | (667 511 174)      |
|                                             | <b>740 418 129</b>     | <b>-</b>            | <b>-</b>          | <b>740 408 127</b> |

| Figures in Rand | Economic entity |      | Controlling entity |      |
|-----------------|-----------------|------|--------------------|------|
|                 | 2019            | 2018 | 2019               | 2018 |

**Accumulated surplus**

|                                                                        |  |                 |  |                 |
|------------------------------------------------------------------------|--|-----------------|--|-----------------|
| As previously reported                                                 |  | (7 454 565 168) |  | (7 441 379 603) |
| Msunduzi debtor - correction 2017/18                                   |  | (2 890 109)     |  | (2 890 109)     |
| Msunduzi debtor - correction 2016/17                                   |  | (156 454)       |  | (156 454)       |
| VAT output correction - LG Seta grant                                  |  | (141 454)       |  | (141 420)       |
| Correction of land (PPE)                                               |  | (16 401 000)    |  | (16 401 000)    |
| Correction remainder of ERF1820 Edendale BB                            |  | 47 254 555      |  | 47 254 555      |
| Investment property - Fair value correction                            |  | (47 651 618)    |  | (47 651 618)    |
| Correction of land not owned by Msunduzi municipality                  |  | 5 923 683       |  | 5 923 683       |
| Recognition of Maritzburg country club                                 |  | (54 000 000)    |  | (54 000 000)    |
| Correction of property, plant and equipment                            |  | (1 121)         |  | (1 121)         |
| Correction of accruals                                                 |  | (15 713 280)    |  | (15 713 280)    |
| Correction of financial asset                                          |  | (1 597 824)     |  | (1 597 824)     |
| Correction of consumer debtor's interest                               |  | (7 743 718)     |  | (7 743 718)     |
| Reversal of market entries                                             |  | 1 750           |  | 1 750           |
| Correction of consumer debtor's impairment                             |  | 311 422 673     |  | 311 422 673     |
| Correction of Basfour                                                  |  | 2 063 560       |  | 2 063 560       |
| Correction of airport account                                          |  | 1 811 953       |  | 1 811 953       |
| Correction of consumer deposits                                        |  | (1 235 291)     |  | (1 235 291)     |
| Correction of payables                                                 |  | 109 280         |  | 109 280         |
| Correction of consumer debtors                                         |  | (3 438 366)     |  | (3 438 366)     |
| Correction of other financial assets                                   |  | 1 411 968       |  | 1 411 968       |
| Correction of SDL accrual                                              |  | 2 504 245       |  | 2 504 245       |
| Recognition of co-owned properties                                     |  | (4 547 640)     |  | (4 547 640)     |
| Recognition of Maritzburg golf course                                  |  | (1 400 000)     |  | (1 400 000)     |
| Recognition of heritage assets - artworks                              |  | (73 961)        |  | (73 961)        |
| Recognition of firearms                                                |  | (671 441)       |  | (671 441)       |
| Derecognition of privately owned land                                  |  | 725 600         |  | 725 600         |
| Derecognition of duplicated/relayed/non existant investment property   |  | 5 491 000       |  | 5 491 000       |
| Correction of airport account                                          |  | (114 238)       |  | (114 238)       |
| Correction of depreciation - remaining useful life                     |  | 1 007 020       |  | 1 007 020       |
| Recognition of assets found on the floor                               |  | (4 836 476)     |  | (4 836 476)     |
| Correction of unallocated deposits - private party jobs                |  | (14 271 462)    |  | (14 271 462)    |
| Correction of EFT                                                      |  | (6 790 685)     |  | (6 790 685)     |
| Recognition of intangible assets                                       |  | (10 356 887)    |  | (10 356 887)    |
| Correction of consumer deposits - market buyer's card                  |  | 5 873 398       |  | 5 873 398       |
| Consumer debtors - impairment correction                               |  | 328 680 420     |  | 328 680 420     |
| Correction of prescribed debt 2016/17                                  |  | (4 187 966)     |  | (4 187 966)     |
| Correction of prescribed debt 2017/18                                  |  | (640 138)       |  | (640 138)       |
| Correction of consumer debtors - interest on locked on locked accounts |  | (1 652 010)     |  | (1 652 010)     |

| Figures in Rand                                                                      | Economic entity |                        | Controlling entity |                        |
|--------------------------------------------------------------------------------------|-----------------|------------------------|--------------------|------------------------|
|                                                                                      | 2019            | 2018                   | 2019               | 2018                   |
| Correction of consumer debtors - interest on locked accounts 2017/18                 |                 | (401 888)              |                    | (401 888)              |
| Correction of other financial assets - House selling scheme take on balance          |                 | (374 679)              |                    | (374 679)              |
| Consumer debtors - correction of compound interest                                   |                 | 16 589 110             |                    | 16 589 110             |
| Correction of receivables from exchange - merchandising, contracts and jobbing       |                 | 457 459                |                    | 457 459                |
| Correction of SDL accrual                                                            |                 | 682 954                |                    | 682 954                |
| Correction of cashier's collections                                                  |                 | (22 268)               |                    | (22 268)               |
| Correction of EFT account incorrect matching 2016/17                                 |                 | 23 322 715             |                    | 23 322 715             |
| Correction of house selling scheme - incorrect capitalisation of interest on take on |                 | (2 529 887)            |                    | (2 529 887)            |
| Correction of traffic fines impairment - understated in prior years                  |                 | 32 476 601             |                    | 32 476 601             |
| Correction of traffic fines impairment - understated in 2017/18                      |                 | 1 437 381              |                    | 1 437 381              |
| Impairment housing selling scheme                                                    |                 | 8 875 289              |                    | 8 875 289              |
| Impairment contributions 2017/18                                                     |                 | 46 175 609             |                    | 46 175 609             |
| Correction of provisions and leave accrual                                           |                 | (85 595)               |                    | -                      |
| Correction of low value assets                                                       |                 | 64 721                 |                    | -                      |
| Correction grant revenue understated                                                 |                 | (16 974)               |                    | -                      |
| Correction of income tax                                                             |                 | (1 488)                |                    | -                      |
| Derecognition of Land - ERF 1623( No control exercised)                              |                 | 240 000                |                    | 240 000                |
| Correction of depreciation - zero value assets                                       |                 | 586 931                |                    | 586 931                |
| Correction of depreciation                                                           |                 | (2 799 786)            |                    | (2 799 786)            |
| Inventory adjustment                                                                 |                 | (8 196 052)            |                    | (8 196 052)            |
| Alignment of consumers debtors age analysis and impairment correction                |                 | 180 608 872            |                    | 180 608 872            |
| Reclassification of Housing stock to Investment property                             |                 | (77 554 291)           |                    | (77 554 291)           |
| Fair value adjustment for rental stock                                               |                 | (30 930 709)           |                    | (30 930 709)           |
| Derecognition of Housing rentals                                                     |                 | 28 293 214             |                    | 28 293 214             |
| Correction of accrual                                                                |                 | 11 273                 |                    | -                      |
| <b>Restated</b>                                                                      |                 | <b>(6 723 888 690)</b> |                    | <b>(6 710 675 028)</b> |
| <b>Cash and cash equivalents</b>                                                     |                 |                        |                    |                        |
| As previously reported                                                               |                 | 465 479 458            |                    | 464 085 657            |
| Reclassification of creditors awaiting payment                                       |                 | 72 447 300             |                    | 72 447 300             |
| Reclassification to receivables                                                      |                 | (23 490 748)           |                    | (23 490 748)           |
| Reversal of market entries                                                           |                 | (1 750)                |                    | (1 750)                |
| Correction of airport account                                                        |                 | (1 697 715)            |                    | (1 697 715)            |
| Correction of EFT                                                                    |                 | 6 790 686              |                    | 6 790 686              |
| Reclassification to receivables                                                      |                 | (6 904 924)            |                    | (6 904 924)            |
| <b>Restated</b>                                                                      |                 | <b>512 622 307</b>     |                    | <b>511 228 506</b>     |
| <b>Consumer debtors</b>                                                              |                 |                        |                    |                        |
| As previously reported                                                               |                 | 1 346 513 563          |                    | 1 346 513 563          |
| Msunduzi debtor correction - 2017/18                                                 |                 | 2 890 109              |                    | 2 890 109              |
| Msunduzi debtor correction - 2016/17                                                 |                 | 156 454                |                    | 156 454                |
| Correction of interest on consumer debtors not raised in 2017/18                     |                 | 6 936 996              |                    | 6 936 996              |
| Correction of interest on consumer debtors not raised in 2017/18                     |                 | 806 722                |                    | 806 722                |
| Correction of revenue incorrectly recognised                                         |                 | (72 032 457)           |                    | (72 032 457)           |
| Correction of consumer debtor's impairment                                           |                 | (311 422 673)          |                    | (311 422 673)          |
| Correction of Bashfour                                                               |                 | (2 063 559)            |                    | (2 063 559)            |
| Reclassification of housing loan scheme debtors                                      |                 | (856 307)              |                    | (856 307)              |
| Reclassification of decreasing credit balances in consumer debtors                   |                 | (4 526 177)            |                    | (4 526 177)            |
| Correction of consumer debtors                                                       |                 | 3 438 366              |                    | 3 438 366              |
| Correction of debt impairment                                                        |                 | (328 680 418)          |                    | (328 680 418)          |
| Correction of prescribed debt 2016/17                                                |                 | 4 413 802              |                    | 4 413 802              |
| Correction of prescribed debt 2017/18                                                |                 | 672 494                |                    | 672 494                |
| Correction of interest on consumer debtors                                           |                 | (14 535 210)           |                    | (14 535 210)           |
| Correction of deposit not allocated due to incorrect reference                       |                 | (3 020 318)            |                    | (3 020 318)            |
| Correction of deposit not allocated due to incorrect reference - third party         |                 | (560 115)              |                    | (560 115)              |
| Correction of consumer debtors impairment 2017/18                                    |                 | (46 175 611)           |                    | (46 175 611)           |

| Figures in Rand                                                                          | Economic entity |                      | Controlling entity |                      |
|------------------------------------------------------------------------------------------|-----------------|----------------------|--------------------|----------------------|
|                                                                                          | 2019            | 2018                 | 2019               | 2018                 |
| Credit balances correction                                                               |                 | 23 423 355           |                    | 23 423 355           |
| Alignment of age analysis to general ledger and impairment correction                    |                 | (182 481 810)        |                    | (182 481 810)        |
| Matching age analysis to GL                                                              |                 | 1 873 181            |                    | 1 873 181            |
| <b>Restated</b>                                                                          |                 | <b>424 770 387</b>   |                    | <b>424 770 387</b>   |
| <b>Inventories</b>                                                                       |                 |                      |                    |                      |
| As previously reported                                                                   |                 | 76 793 052           |                    | 76 793 052           |
| Reclassification from property, plant and equipment and investment property              |                 | 272 748 814          |                    | 272 748 814          |
| Inventory adjustment                                                                     |                 | 8 196 051            |                    | 8 196 051            |
| <b>Restated</b>                                                                          |                 | <b>357 737 917</b>   |                    | <b>357 737 917</b>   |
| <b>Receivables from exchange transactions</b>                                            |                 |                      |                    |                      |
| As previously reported                                                                   |                 | 28 321 545           |                    | 28 319 045           |
| Reclassification of PAYE                                                                 |                 | 12 386               |                    | 12 386               |
| Correction of SDL accrual                                                                |                 | (2 504 245)          |                    | (2 504 245)          |
| Reclassification from cash and cash equivalents                                          |                 | 6 904 924            |                    | 6 904 924            |
| Interest on investment accrual                                                           |                 | 112 470              |                    | 112 470              |
| Correction of SDL accrual                                                                |                 | (682 955)            |                    | (682 955)            |
| Correction of cashier's collections                                                      |                 | 22 268               |                    | 22 268               |
| Reclassification - receipts due from third parties                                       |                 | 168 033              |                    | 168 033              |
| Accrual of revenue shortfall - Safe City                                                 |                 | 19 520               |                    | -                    |
| Correction of tax refund                                                                 |                 | 1 488                |                    | -                    |
| <b>Restated</b>                                                                          |                 | <b>32 375 434</b>    |                    | <b>32 351 926</b>    |
| <b>Investment property</b>                                                               |                 |                      |                    |                      |
| As previously reported                                                                   |                 | 718 291 602          |                    | 718 291 602          |
| Reclassification of Investment property land held for housing projects to land inventory |                 | (11 663 307)         |                    | (11 663 307)         |
| Fair value correction                                                                    |                 | 47 651 619           |                    | 47 651 619           |
| Derecognition - land not owned by Msunduzi municipality                                  |                 | (5 921 684)          |                    | (5 921 684)          |
| Recognition of Maritzburg country club                                                   |                 | 54 000 000           |                    | 54 000 000           |
| Recognition of Maritzburg golf club course                                               |                 | 1 400 000            |                    | 1 400 000            |
| Derecognition of duplicates, relayed and non existant properties                         |                 | (5 491 000)          |                    | (5 491 000)          |
| Reclassification from Investment property to property, plant and equipment               |                 | (57 252 230)         |                    | (57 252 230)         |
| Correction of Housing selling scheme                                                     |                 | 77 554 291           |                    | 77 554 291           |
| FV adjustment for rental stock                                                           |                 | 30 930 709           |                    | 30 930 709           |
| <b>Restated</b>                                                                          |                 | <b>849 500 000</b>   |                    | <b>849 500 000</b>   |
| <b>Property, plant and equipment</b>                                                     |                 |                      |                    |                      |
| As previously reported                                                                   |                 | 7 220 183 530        |                    | 7 207 673 390        |
| Correction of land previously incorrectly derecognised                                   |                 | 16 400 000           |                    | 16 400 000           |
| Correction of Rem of Erf 1820 - derecognition of land not owned by the municipality      |                 | (47 254 555)         |                    | (47 254 555)         |
| Reclassification of land held for housing projects to land inventory                     |                 | (261 085 508)        |                    | (261 085 508)        |
| Property, plant and equipment correction                                                 |                 | (118)                |                    | (118)                |
| Recognition of the municipality share of properties previously not recognised            |                 | 4 547 640            |                    | 4 547 640            |
| Recognition of firearms previously not included in the FAR                               |                 | 671 441              |                    | 671 441              |
| Derecognition of privately owned properties                                              |                 | (725 600)            |                    | (725 600)            |
| Depreciation correction - Review of useful life                                          |                 | (752 587)            |                    | (752 587)            |
| Recognition of movable assets found on the floor but not on the FAR                      |                 | 4 836 475            |                    | 4 836 475            |
| Reclassification of properties from investment property to PPE                           |                 | 57 252 230           |                    | 57 252 230           |
| Correction of low value assets - Safe City                                               |                 | (64 723)             |                    | -                    |
| Derecognition of Land - ERF 1623( No control exercised)                                  |                 | (240 000)            |                    | (240 000)            |
| Correction of amortisation - nil value                                                   |                 | (550 833)            |                    | (550 833)            |
| Correction of amortisation                                                               |                 | 2 509 112            |                    | 2 509 112            |
| Derecognition of Housing selling scheme stock                                            |                 | (28 293 214)         |                    | (28 293 214)         |
| <b>Restated</b>                                                                          |                 | <b>6 967 433 290</b> |                    | <b>6 954 987 873</b> |

| Figures in Rand                                                                | Economic entity |                      | Controlling entity |                      |
|--------------------------------------------------------------------------------|-----------------|----------------------|--------------------|----------------------|
|                                                                                | 2019            | 2018                 | 2019               | 2018                 |
| <b>VAT payable</b>                                                             |                 |                      |                    |                      |
| As previously reported                                                         |                 | (81 342 959)         |                    | (81 342 959)         |
| VAT correction                                                                 |                 | 141 420              |                    | 141 420              |
| Correction of accruals                                                         |                 | (2 199 859)          |                    | (2 199 859)          |
| Prescribed debt correction                                                     |                 | (258 190)            |                    | (258 190)            |
| <b>Restated</b>                                                                |                 | <b>(83 659 588)</b>  |                    | <b>(83 659 588)</b>  |
| <b>Other financial assets</b>                                                  |                 |                      |                    |                      |
| As previously reported                                                         |                 | 9 944 611            |                    | 9 944 611            |
| Reclassification from consumer debtors                                         |                 | 856 307              |                    | 856 307              |
| Interest previously not charged in 2017/18 year                                |                 | 1 597 824            |                    | 1 597 824            |
| Correction house selling scheme balance                                        |                 | (1 411 968)          |                    | (1 411 968)          |
| Correction of take on balance                                                  |                 | 374 679              |                    | 374 679              |
| Reclassification of housing selling scheme previously classified as payable    |                 | (351 760)            |                    | (351 760)            |
| Correction of interest incorrectly capitalised on take on                      |                 | 2 529 887            |                    | 2 529 887            |
| Impairment of housing selling scheme                                           |                 | (8 875 290)          |                    | (8 875 290)          |
| <b>Restated</b>                                                                |                 | <b>4 664 290</b>     |                    | <b>4 664 290</b>     |
| <b>Payables from exchange transactions</b>                                     |                 |                      |                    |                      |
| As previously reported                                                         |                 | (945 964 932)        |                    | (945 647 956)        |
| Reclassification payments due to creditors                                     |                 | (72 447 300)         |                    | (72 447 300)         |
| Correction of prior year accruals                                              |                 | 17 913 136           |                    | 17 913 136           |
| Correction of revenue incorrectly recognised - unallocated deposits            |                 | 72 032 455           |                    | 72 032 455           |
| Reclassification PAYE                                                          |                 | (12 389)             |                    | (12 389)             |
| Reclassification of credit balances in debtors                                 |                 | 4 526 179            |                    | 4 526 179            |
| Correction of accruals - Maritzburg sand                                       |                 | (109 281)            |                    | (109 281)            |
| Correction of unallocated deposits - private party jobs                        |                 | 14 271 461           |                    | 14 271 461           |
| Reclassification of housing selling scheme previously classified as payable    |                 | 351 760              |                    | 351 760              |
| Correction consumers debtors - unallocated deposits due to incorrect reference |                 | 3 020 318            |                    | 3 020 318            |
| Correction of deposits - unallocated due to incorrect reference                |                 | 560 117              |                    | 560 117              |
| Reallocation of DBSA payment from creditors due to non payment                 |                 | (4 248 881)          |                    | (4 248 881)          |
| Reclassification DBSA loan payment from creditors                              |                 | 33 624 963           |                    | 33 624 962           |
| Correction of WCA accrual                                                      |                 | (23 007)             |                    | -                    |
| Correction of leave accrual                                                    |                 | 81 784               |                    | -                    |
| Correction of consumer debtors credit balances                                 |                 | (23 423 356)         |                    | (23 423 356)         |
| Accrual correction                                                             |                 | (12 965)             |                    | -                    |
| <b>Restated</b>                                                                |                 | <b>(899 859 938)</b> |                    | <b>(899 588 775)</b> |



| Figures in Rand                                                                                             | Economic entity |                      | Controlling entity |                      |
|-------------------------------------------------------------------------------------------------------------|-----------------|----------------------|--------------------|----------------------|
|                                                                                                             | 2019            | 2018                 | 2019               | 2018                 |
| <b>Provisions - current liability</b>                                                                       |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | (11 059 171)         |                    | (10 628 923)         |
| Reclassification of current portion landfill site provision                                                 |                 | (2 347 547)          |                    | (2 347 547)          |
| Reclassification of Long service awards to employee benefit obligation (correction of classification error) |                 | 10 628 923           |                    | 10 628 923           |
| Correction of bonus and performance bonus provisions                                                        |                 | 26 852               |                    | -                    |
| <b>Restated</b>                                                                                             |                 | <b>(2 750 943)</b>   |                    | <b>(2 347 547)</b>   |
| <b>Provisions - non current</b>                                                                             |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | (128 207 247)        |                    | (128 207 247)        |
| Reclassification of current portion landfill site provision                                                 |                 | 2 347 547            |                    | 2 347 547            |
| Reclassification of Long service awards to employee benefit obligation (correction of classification error) |                 | 63 536 542           |                    | 63 536 542           |
| <b>Restated</b>                                                                                             |                 | <b>(62 323 158)</b>  |                    | <b>(62 323 158)</b>  |
| <b>Heritage assets</b>                                                                                      |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | 226 835 646          |                    | 226 835 646          |
| Recognition of artworks                                                                                     |                 | 73 961               |                    | 73 961               |
| <b>Restated</b>                                                                                             |                 | <b>226 909 607</b>   |                    | <b>226 909 607</b>   |
| <b>Intangible assets</b>                                                                                    |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | 41 752 454           |                    | 41 752 454           |
| Amortisation correction - review of useful lives                                                            |                 | (254 435)            |                    | (254 435)            |
| Recognition of assets invoices previously not capitalised                                                   |                 | 10 356 889           |                    | 10 356 889           |
| Correction of amortisation - amortisation                                                                   |                 | (36 097)             |                    | (36 097)             |
| Correction of amortisation                                                                                  |                 | 290 674              |                    | 290 674              |
| <b>Restated</b>                                                                                             |                 | <b>52 109 485</b>    |                    | <b>52 109 485</b>    |
| <b>Consumer deposits</b>                                                                                    |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | (103 713 767)        |                    | (103 713 767)        |
| Correction of consumer deposits                                                                             |                 | 1 235 291            |                    | 1 235 291            |
| Correction of market buyer's cards                                                                          |                 | (5 873 398)          |                    | (5 873 398)          |
| Allocation of funds paid by customers in 2017/18                                                            |                 | (457 459)            |                    | (457 459)            |
| <b>Restated</b>                                                                                             |                 | <b>(108 809 333)</b> |                    | <b>(108 809 333)</b> |
| <b>Short term investment</b>                                                                                |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | 8 981 927            |                    | 8 981 927            |
| Reclassification of interest accrual                                                                        |                 | (112 470)            |                    | (112 470)            |
| <b>Restated</b>                                                                                             |                 | <b>8 869 457</b>     |                    | <b>8 869 457</b>     |
| <b>Receivable from non exchange transactions</b>                                                            |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | 36 514 653           |                    | 36 514 653           |
| Adjustment of traffic fines impairment                                                                      |                 | (33 913 984)         |                    | (33 913 984)         |
| <b>Restated</b>                                                                                             |                 | <b>2 600 669</b>     |                    | <b>2 600 669</b>     |
| <b>Other financial liabilities- current</b>                                                                 |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | (84 512 317)         |                    | (84 512 317)         |
| Reclassification of from payables                                                                           |                 | (29 376 080)         |                    | (29 376 080)         |
| <b>Restated</b>                                                                                             |                 | <b>(113 888 397)</b> |                    | <b>(113 888 397)</b> |
| <b>Employee benefit obligation - current liability</b>                                                      |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | (25 880 067)         |                    | (25 880 067)         |
| Reclassification of Long service awards to employee benefit obligation (correction of classification error) |                 | (10 628 923)         |                    | (10 628 923)         |
| <b>Restated</b>                                                                                             |                 | <b>(36 508 990)</b>  |                    | <b>(36 508 990)</b>  |
| <b>Employee benefit obligation - non current liability</b>                                                  |                 |                      |                    |                      |
| As previously reported                                                                                      |                 | (603 974 632)        |                    | (603 974 632)        |
| Reclassification of Long service awards to employee benefit obligation (correction of classification error) |                 | (63 536 542)         |                    | (63 536 542)         |
| <b>Restated</b>                                                                                             |                 | <b>(667 511 174)</b> |                    | <b>(667 511 174)</b> |

| Figures in Rand                      | Economic entity |               | Controlling entity |               |
|--------------------------------------|-----------------|---------------|--------------------|---------------|
|                                      | 2019            | 2018          | 2019               | 2018          |
| Contracted Services                  |                 |               |                    |               |
| As previously reported               |                 | (619 233 675) |                    | (619 009 304) |
| Reclassification to general expenses |                 | 619 233 675   |                    | 619 009 304   |
| <b>Restated</b>                      |                 | <b>-</b>      |                    | <b>-</b>      |
| <b>VAT receivable</b>                |                 |               |                    |               |
| As previously recorded               |                 | 26 350        |                    | -             |
| Correction of revenue                |                 | (2 546)       |                    | -             |
| Accrual correction                   |                 | 1 691         |                    | -             |
| <b>Restated</b>                      |                 | <b>25 495</b> |                    | <b>-</b>      |

## Statement of Financial Performance Controlling Entity - 2018

|                                                  | As previously reported | Correction of error    | Re-classification | Restated            |
|--------------------------------------------------|------------------------|------------------------|-------------------|---------------------|
| Surplus/deficit for the year                     | 9 694 402              | (535 140 216)          | -                 | (525 445 814)       |
| Interest consumer debtors and receivables        | 192 218 488            | 9 743 428              | -                 | 201 961 916         |
| Licences and permits                             | 901 053                | (2 439)                | -                 | 898 614             |
| Operational revenue                              | 68 509 952             | (8 772 826)            | -                 | 59 737 126          |
| Rendering of services                            | 8 884 320              | (4 494)                | -                 | 8 879 826           |
| Sale of goods                                    | 433 943                | (90)                   | -                 | 433 853             |
| Service charges                                  | 2 709 017 464          | 1 626 375              | -                 | 2 710 643 839       |
| Property rates                                   | 863 739 575            | 424 431                | -                 | 864 164 006         |
| Bad debts written off                            | (849 890)              | -                      | 849 890           | -                   |
| Contracted services                              | (619 233 675)          | 224 371                | 619 009 304       | -                   |
| General expenses                                 | -                      | (433 317)              | (617 219 449)     | (617 652 766)       |
| Impairment loss/reversal of impairments          | -                      | -                      | (3 728 760)       | (3 728 760)         |
| Employee related costs                           | (1 127 191 949)        | (597 334)              | (67 031 977)      | (1 194 821 260)     |
| Finance costs                                    | (63 181 252)           | -                      | 1 741 829         | (61 439 423)        |
| Debt impairment                                  | -                      | (558 744 520)          | (350 124 283)     | (908 868 803)       |
| Operational cost                                 | (113 021 770)          | (32 010 343)           | 8 304 041         | (136 728 072)       |
| Transfers and subsidies                          | (18 099 660)           | 16 974                 | (1 119 298)       | (19 201 984)        |
| Operating leases                                 | (42 112 028)           | (10 000)               | (436 800)         | (42 558 828)        |
| Inventory consumed                               | (69 267 465)           | -                      | (59 882)          | (69 327 347)        |
| Fair value adjustment on investment property     | 9 538 690              | 53 256 617             | -                 | 62 795 307          |
| Actuarial gain/loss                              | -                      | -                      | 56 812 234        | 56 812 234          |
| Impairment of consumer and traffic fines debtors | (349 274 392)          | -                      | 349 274 392       | -                   |
| Impairment loss relating to non current assets   | (3 728 759)            | -                      | 3 728 759         | -                   |
| Depreciation and amortisation                    | (466 378 218)          | 869                    | -                 | (466 377 349)       |
| Gain on disposal of assets                       | (932 263)              | (388)                  | -                 | (932 651)           |
|                                                  | <b>989 666 566</b>     | <b>(1 070 422 902)</b> | <b>-</b>          | <b>(80 756 336)</b> |

| Figures in Rand                                                      | Economic entity |               | Controlling entity |               |
|----------------------------------------------------------------------|-----------------|---------------|--------------------|---------------|
|                                                                      | 2019            | 2018          | 2019               | 2018          |
| <b>Surplus/(deficit)</b>                                             |                 |               |                    |               |
| As previously reported                                               |                 | 9 694 402     |                    | 10 465 596    |
| Correction revenue                                                   |                 | (471 733)     |                    | (471 733)     |
| Correction of market                                                 |                 | (6 976 365)   |                    | (6 976 365)   |
| Correction of interest - Housing scheme                              |                 | 1 597 823     |                    | 1 597 823     |
| Correction of interest - Consumer debtors                            |                 | 7 743 716     |                    | 7 743 716     |
| Correction of Basfour                                                |                 | (2 063 560)   |                    | (2 063 560)   |
| Correction of debt impairment                                        |                 | (328 680 420) |                    | (328 680 420) |
| Correction of prescribed debt                                        |                 | 640 137       |                    | 640 137       |
| Correction of interest on locked down account                        |                 | 401 890       |                    | 401 890       |
| Correction of fair value - Investment property                       |                 | 47 651 617    |                    | 47 651 617    |
| Correction of SDL accrual                                            |                 | (682 954)     |                    | (682 954)     |
| Correction of litigation provision -contribution 2017/18             |                 | (32 702 698)  |                    | (32 702 698)  |
| Correction of traffic fines debt impairment - 2017/18 issued tickets |                 | (1 437 381)   |                    | (1 437 381)   |
| Correction of consumer debtors impairment                            |                 | (46 175 611)  |                    | (46 175 611)  |

| Figures in Rand                                                         | Economic entity |                      | Controlling entity |                      |
|-------------------------------------------------------------------------|-----------------|----------------------|--------------------|----------------------|
|                                                                         | 2019            | 2018                 | 2019               | 2018                 |
| Correction of litigation provision -contribution 2017/18                |                 | 992 353              |                    | 992 353              |
| Correction of grants revenue understated                                |                 | 16 974               |                    | -                    |
| Correction of assets                                                    |                 | (64 724)             |                    | -                    |
| Correction of bonus and leave accrual                                   |                 | 85 620               |                    | -                    |
| Alignment of consumer debtors to age analysis and impairment correction |                 | (180 608 630)        |                    | (180 608 630)        |
| Housing selling schemes Fair Value adjustment 2017/18                   |                 | 5 605 000            |                    | 5 605 000            |
| Accruals correct                                                        |                 | (11 270)             |                    | -                    |
| Expense correction                                                      |                 | (10 000)             |                    | -                    |
| <b>Restated</b>                                                         |                 | <b>(525 455 814)</b> |                    | <b>(524 701 220)</b> |
| <b>Licences and permits</b>                                             |                 |                      |                    |                      |
| As previously reported                                                  |                 | 901 053              |                    | 901 053              |
| Correction of revenue                                                   |                 | (2 439)              |                    | (2 439)              |
| <b>Restated</b>                                                         |                 | <b>898 614</b>       |                    | <b>898 614</b>       |
| <b>Operational revenue</b>                                              |                 |                      |                    |                      |
| As previously reported                                                  |                 | 68 509 952           |                    | 68 509 952           |
| Correction of revenue                                                   |                 | (2 200)              |                    | (2 200)              |
| Correction of market                                                    |                 | (11 414 567)         |                    | (11 414 567)         |
| Correction of market                                                    |                 | 4 438 201            |                    | 4 438 201            |
| Correction of Basfour                                                   |                 | (2 063 559)          |                    | (2 063 559)          |
| Configuration of passing a credit note on debtor                        |                 | 300 000              |                    | 300 000              |
| Reclassification customer account written off                           |                 | (30 701)             |                    | (30 701)             |
| <b>Restated</b>                                                         |                 | <b>59 737 126</b>    |                    | <b>59 737 126</b>    |
| <b>Rendering of services</b>                                            |                 |                      |                    |                      |
| As previously reported                                                  |                 | 8 884 320            |                    | 8 884 320            |
| Correction of revenue                                                   |                 | (4 494)              |                    | (4 494)              |
| <b>Restated</b>                                                         |                 | <b>8 879 826</b>     |                    | <b>8 879 826</b>     |
| <b>Sale of goods</b>                                                    |                 |                      |                    |                      |
| As previously reported                                                  |                 | 433 943              |                    | 433 499              |
| Correction of revenue                                                   |                 | (90)                 |                    | (90)                 |
| <b>Restated</b>                                                         |                 | <b>433 853</b>       |                    | <b>433 409</b>       |
| <b>Service charges</b>                                                  |                 |                      |                    |                      |
| As previously reported                                                  |                 | 2 709 017 464        |                    | 2 709 165 355        |
| Operational revenue                                                     |                 | (462 512)            |                    | (462 512)            |
| Correction of prescribed debt                                           |                 | 215 707              |                    | 215 707              |
| Alignment of consumer debtors to age analysis                           |                 | 1 873 180            |                    | 1 873 180            |
| <b>Restated</b>                                                         |                 | <b>2 710 643 839</b> |                    | <b>2 710 791 730</b> |
| <b>General expenses</b>                                                 |                 |                      |                    |                      |
| As previously reported                                                  |                 | -                    |                    | -                    |
| Reclassification from contracted services                               |                 | (619 009 304)        |                    | (619 009 304)        |
| Reclassification from sponsorship                                       |                 | 1 119 299            |                    | 1 119 299            |
| Reclassification - refuse removal - (SMME)                              |                 | 436 800              |                    | 436 800              |
| Reclassification - inventory consumed and operational cost              |                 | 147 182              |                    | 147 182              |
| Reclassification of catering to operational cost                        |                 | 86 575               |                    | 86 575               |
| Correction of grants expenditure                                        |                 | (132 471)            |                    | (132 471)            |
| Correction of low value assets - Safe City                              |                 | (65 204)             |                    | -                    |
| Reclassification from contracted services                               |                 | (224 371)            |                    | -                    |
| Accruals correction                                                     |                 | (11 272)             |                    | -                    |
| <b>Restated</b>                                                         |                 | <b>(617 652 766)</b> |                    | <b>(617 351 919)</b> |
| <b>Impairment loss/reversal of impairment</b>                           |                 |                      |                    |                      |
| As previously reported                                                  |                 | -                    |                    | -                    |
| Reclassification to main expenditure                                    |                 | (3 728 759)          |                    | (3 728 759)          |
| <b>Restated</b>                                                         |                 | <b>(3 728 759)</b>   |                    | <b>(3 728 759)</b>   |

| Figures in Rand                                                   | Economic entity |                        | Controlling entity |                        |
|-------------------------------------------------------------------|-----------------|------------------------|--------------------|------------------------|
|                                                                   | 2019            | 2018                   | 2019               | 2018                   |
| <b>Employee related costs</b>                                     |                 |                        |                    |                        |
| As previously reported                                            |                 | (1 127 191 949)        |                    | (1 120 867 733)        |
| Reclassification of actuarial gain from employee related costs    |                 | (56 812 234)           |                    | (56 812 234)           |
| Reclassification of SDL from operational costs                    |                 | (8 801 168)            |                    | (8 801 168)            |
| Reclassification of WCA from operational costs                    |                 | (1 400 435)            |                    | (1 400 435)            |
| Correction of SDL accrual                                         |                 | (682 953)              |                    | (682 953)              |
| Correction provisions and leave accrual                           |                 | 85 619                 |                    | -                      |
| Reclassification from operating costs                             |                 | (18 140)               |                    | -                      |
| <b>Restated</b>                                                   |                 | <b>(1 194 821 260)</b> |                    | <b>(1 188 564 523)</b> |
| <b>Finance costs</b>                                              |                 |                        |                    |                        |
| As previously reported                                            |                 | (63 181 252)           |                    | (63 181 252)           |
| Reclassification of provision interest cost                       |                 | 1 741 829              |                    | 1 741 829              |
| <b>Restated</b>                                                   |                 | <b>(61 439 423)</b>    |                    | <b>(61 439 423)</b>    |
| <b>Debt impairment</b>                                            |                 |                        |                    |                        |
| Reclassification of bad debts                                     |                 | (349 274 392)          |                    | (349 274 392)          |
| Reclassification of bad debts                                     |                 | (849 891)              |                    | (849 891)              |
| Correction of impairment - consumer debtors                       |                 | (328 680 420)          |                    | (328 680 420)          |
| Correction of traffic fines debt impairment understated (2017/18) |                 | (1 437 380)            |                    | (1 437 380)            |
| Correction of customer account previously written off             |                 | 30 702                 |                    | 30 702                 |
| Correction of impairment                                          |                 | (46 175 612)           |                    | (46 175 612)           |
| Correction consumer debtors impairment                            |                 | (182 481 810)          |                    | (182 481 810)          |
| <b>Restated</b>                                                   |                 | <b>(908 868 803)</b>   |                    | <b>(908 868 803)</b>   |
| <b>Transfers and subsidies</b>                                    |                 |                        |                    |                        |
| As previously reported                                            |                 | (18 099 660)           |                    | (25 890 640)           |
| Reclassification from sponsorship                                 |                 | (1 119 298)            |                    | (1 119 298)            |
| Correction of grant short fall - Safe City                        |                 | 16 974                 |                    | -                      |
| <b>Restated</b>                                                   |                 | <b>(19 201 984)</b>    |                    | <b>(27 009 938)</b>    |
| <b>Actuarial gains/losses</b>                                     |                 |                        |                    |                        |
| Reclassification of actuarial gain from employee related costs    |                 | 56 812 234             |                    | 56 812 234             |
| <b>Impairment of consumer and traffic debtors</b>                 |                 |                        |                    |                        |
| As previously reported                                            |                 | (349 274 392)          |                    | (349 274 392)          |
| Reclassification to debt impairment                               |                 | 349 274 392            |                    | 349 274 392            |
| <b>Restated</b>                                                   |                 | <b>-</b>               |                    | <b>-</b>               |
| <b>Impairment loss relating to non current assets</b>             |                 |                        |                    |                        |
| As previously reported                                            |                 | (3 728 759)            |                    | (3 728 759)            |
| Reclassification to impairment loss/reversal (main expenditure)   |                 | 3 728 759              |                    | 3 728 759              |
| <b>Restated</b>                                                   |                 | <b>-</b>               |                    | <b>-</b>               |
| <b>Operational cost</b>                                           |                 |                        |                    |                        |
| As previously reported                                            |                 | (113 021 770)          |                    | (112 122 833)          |
| Reclassification landfill provision interest                      |                 | (1 741 829)            |                    | (1 741 828)            |
| Reclassification of SDL                                           |                 | 8 801 167              |                    | 8 801 167              |
| Reclassification OF WCA                                           |                 | 1 400 437              |                    | 1 400 437              |
| Reclassification from contracted services                         |                 | (87 300)               |                    | (87 300)               |
| Reclassification from contracted services                         |                 | (86 575)               |                    | (86 575)               |
| Litigation provision movement for 2017/18                         |                 | (31 710 346)           |                    | (31 710 346)           |
| Configuration of passing a credit note on debtor                  |                 | (300 000)              |                    | (300 000)              |
| Reclassification to employee related costs                        |                 | 18 144                 |                    | -                      |
| <b>Restated</b>                                                   |                 | <b>(136 728 072)</b>   |                    | <b>(135 847 278)</b>   |
| <b>Property rates</b>                                             |                 |                        |                    |                        |
| As previously reported                                            |                 | 863 739 575            |                    | 863 739 575            |
| Correction of prescribed debt                                     |                 | 424 431                |                    | 424 431                |
| <b>Restated</b>                                                   |                 | <b>864 164 006</b>     |                    | <b>864 164 006</b>     |

| Figures in Rand                                       | Economic entity |                     | Controlling entity |                     |
|-------------------------------------------------------|-----------------|---------------------|--------------------|---------------------|
|                                                       | 2019            | 2018                | 2019               | 2018                |
| <b>Interest - consumer debtors and receivables</b>    |                 |                     |                    |                     |
| As previously reported                                |                 | 192 218 488         |                    | 192 218 488         |
| Correction of interest - Housing scheme               |                 | 1 597 823           |                    | 1 597 823           |
| Correction of interest - Consumer debtors             |                 | 7 743 717           |                    | 7 743 717           |
| Correction of interest on locked down accounts        |                 | 401 888             |                    | 401 888             |
| <b>Restated</b>                                       |                 | <b>201 961 916</b>  |                    | <b>201 961 916</b>  |
| <b>Bad debts</b>                                      |                 |                     |                    |                     |
| As previously reported                                |                 | (849 890)           |                    | (849 890)           |
| Reclassification to debt impairment                   |                 | 849 890             |                    | 849 890             |
| <b>Restated</b>                                       |                 | <b>-</b>            |                    | <b>-</b>            |
| <b>Operating leases</b>                               |                 |                     |                    |                     |
| As previously reported                                |                 | (42 122 028)        |                    | (42 112 234)        |
| Reclassification refuse removal (SMME)                |                 | (436 800)           |                    | (436 800)           |
| <b>Restated</b>                                       |                 | <b>(42 558 828)</b> |                    | <b>(42 549 034)</b> |
| <b>Inventory consumed</b>                             |                 |                     |                    |                     |
| As previously reported                                |                 | (69 267 465)        |                    | (69 227 304)        |
| Reclassification from contracted services             |                 | (59 882)            |                    | (59 882)            |
| <b>Restated</b>                                       |                 | <b>(69 327 347)</b> |                    | <b>(69 287 186)</b> |
| <b>Fair value adjustment on investment property</b>   |                 |                     |                    |                     |
| As previously reported                                |                 | 9 538 690           |                    | 9 538 690           |
| Fair value adjustment - 2017/18                       |                 | 47 651 617          |                    | 47 651 617          |
| Housing selling schemes Fair Value adjustment 2017/18 |                 | 5 605 000           |                    | 5 605 000           |
| <b>Restated</b>                                       |                 | <b>62 795 307</b>   |                    | <b>62 795 307</b>   |

| Figures in Rand                                          | Economic entity               |                            | Controlling entity   |      |
|----------------------------------------------------------|-------------------------------|----------------------------|----------------------|------|
|                                                          | 2019                          | 2018                       | 2019                 | 2018 |
| <b>Gain/(loss) on disposal of assets</b>                 |                               |                            |                      |      |
| As previously reported                                   |                               | (932 263)                  |                      |      |
| Correction of assets                                     |                               | (388)                      |                      |      |
| <b>Restated</b>                                          |                               | <b>(932 651)</b>           |                      |      |
| <b>Depreciation and amortisation</b>                     |                               |                            |                      |      |
| As previously reported                                   |                               | (466 378 218)              |                      |      |
| Correction of assets                                     |                               | 869                        |                      |      |
| <b>Restated</b>                                          |                               | <b>(466 377 349)</b>       |                      |      |
| <b>Cash Flow Statement<br/>Controlling Entity - 2018</b> |                               |                            |                      |      |
|                                                          | <b>As previously reported</b> | <b>Correction of error</b> | <b>Restated</b>      |      |
| <b>Cash flow from operating activities</b>               |                               |                            |                      |      |
| Sale of goods and services                               | 3 368 355 233                 | 1 799 858                  | 3 370 155 091        |      |
| Government grants and subsidies                          | 928 344 709                   | 81 331 580                 | 1 009 676 289        |      |
| Interest income                                          | 231 348 886                   | (192 331 404)              | 39 017 482           |      |
| Interest received - consumer debtors                     | -                             | 3 033 634                  | 3 033 634            |      |
| Tax received                                             | -                             | 136 375                    | 136 375              |      |
| Employee costs                                           | (1 127 191 949)               | (37 180 503)               | (1 164 372 452)      |      |
| Suppliers                                                | (2 861 424 251)               | 233 720 589                | (2 627 703 662)      |      |
| Finance costs                                            | (63 181 252)                  | 8 221 099                  | (54 960 153)         |      |
|                                                          | <b>476 251 376</b>            | <b>98 731 228</b>          | <b>574 982 604</b>   |      |
| <b>Cash flow from investing activities</b>               |                               |                            |                      |      |
| Purchase of property, plant and equipment                | (285 592 495)                 | (382 771 081)              | (668 363 576)        |      |
| Increase in capital work in progress                     | (314 575 311)                 | 314 575 311                | -                    |      |
| Proceeds from sale of property, plant and equipment      | (182 570)                     | 182 570                    | -                    |      |
| Decrease in short term investment                        | -                             | 306 236                    | 306 236              |      |
| Purchase of intangible assets                            | (8 968 380)                   | -                          | (8 968 380)          |      |
| Receipts from other financial assets                     | -                             | 351 758                    | 351 758              |      |
| Additions to living resources                            | (66 006)                      | 66 006                     | -                    |      |
|                                                          | <b>(609 384 762)</b>          | <b>(67 289 200)</b>        | <b>(676 673 962)</b> |      |
| <b>Cash flow from financing activities</b>               |                               |                            |                      |      |
| Repayment of other financial liabilities                 | (79 714 921)                  | 18 032 955                 | (61 681 966)         |      |
| Movement in consumer deposits                            | 2 332 134                     | (2 332 134)                | -                    |      |
|                                                          | <b>(77 382 787)</b>           | <b>15 700 821</b>          | <b>(61 681 966)</b>  |      |
| <b>Controlling entity - 2019</b>                         |                               |                            |                      |      |
|                                                          | <b>As previously reported</b> | <b>Correction of error</b> | <b>Restated</b>      |      |
| <b>Cash flow from operating activities</b>               |                               |                            |                      |      |
| Sale of goods and services                               | 3 360 564 252                 | 9 590 395                  | 3 370 154 647        |      |
| Government grants and subsidies                          | 928 344 709                   | 73 523 626                 | 1 001 868 335        |      |
| Interest - consumer debtors                              | -                             | 3 033 634                  | 3 033 634            |      |
| Interest revenue                                         | 231 264 678                   | (192 330 958)              | 38 933 720           |      |
| Employee costs                                           | (1 120 867 733)               | (37 266 124)               | (1 158 133 857)      |      |
| Suppliers                                                | (2 860 152 703)               | 234 024 760                | (2 626 127 943)      |      |
| Finance costs                                            | (63 181 252)                  | 8 221 097                  | (54 960 155)         |      |
|                                                          | <b>475 971 951</b>            | <b>98 796 430</b>          | <b>574 768 381</b>   |      |
| <b>Cash flow from investing activities</b>               |                               |                            |                      |      |
| Purchase of property, plant and equipment                | (285 478 237)                 | (382 836 283)              | (668 314 520)        |      |
| Increase in capital work in progress                     | (314 575 311)                 | 314 575 311                | -                    |      |
| Decrease in short term investment                        | (182 570)                     | 488 806                    | 306 236              |      |
| Purchase of intangible assets                            | (8 968 380)                   | -                          | (8 968 380)          |      |
| Receipts from other financial assets                     | -                             | 351 758                    | 351 758              |      |

|                                            | As previously reported | Correction of error | Restated             |
|--------------------------------------------|------------------------|---------------------|----------------------|
| Additions to living resources              | (66 006)               | 66 006              | -                    |
|                                            | <b>(609 270 504)</b>   | <b>(67 354 402)</b> | <b>(676 624 906)</b> |
| <b>Cash flow from financing activities</b> |                        |                     |                      |
| Repayment of other financial liabilities   | (79 714 921)           | 18 032 955          | (61 681 966)         |
| Movement in consumer deposits              | 2 332 134              | (2 332 134)         | -                    |
|                                            | <b>(77 382 787)</b>    | <b>15 700 821</b>   | <b>(61 681 966)</b>  |

## 66. Change in estimate

### Property, plant and equipment

GRAP 17: Property, plant and equipment requires that the review of the remaining useful life of an item of property, plant and equipment be conducted at least at each reporting period. The municipality performed this review as at 30 June 2019 and the following results were achieved:

Based on the condition assessment and utilisation of assets ascertained during the physical verification exercise, the remaining useful lives of assets were reviewed.

The impact of the adjustment is that depreciation charges on property, plant and equipment decreased by R23 960 455 (2018: R6 275 757).

It is impractical to determine the amount of the effect in future periods.

| Figures in Rand                               | Economic entity     |                  | Controlling entity  |                  |
|-----------------------------------------------|---------------------|------------------|---------------------|------------------|
|                                               | 2019                | 2018             | 2019                | 2018             |
| Depreciation before the review of useful life | (31 380 195)        | (9 206 998)      | (31 380 195)        | (9 206 998)      |
| Depreciation after the review of useful life  | 7 419 740           | 15 482 755       | 7 419 740           | 15 482 755       |
| <b>Increase/decrease</b>                      | <b>(23 960 455)</b> | <b>6 275 757</b> | <b>(23 960 455)</b> | <b>6 275 757</b> |

### Property, Plant and Equipment - Landfill site provision

Landfill site provision is created to ensure that the municipality will be able to restore the landfill site to its original condition at the end of its life. The provision represents management's best estimate of the municipality's liability with regards to aforementioned restoration costs. The effect of the current year's revision was an increase of R4 738 227 due to change in discount factor and effect of re-measurement.

### Employment benefit obligation

The municipality provides post-employment medical benefits to certain staff members. The provision represents management's best estimate of the municipality's liability with regards to aforementioned post-employment medical benefits. The effect of the current year's revision is a decrease of R103 032 829 to R526 821 870 owing to the net effect of the actuarial gain, current service and interest costs for the reporting period ended 30 June 2019.

### Leave accrual

The leave pay accrual is created to ensure adherence to SALGA collective agreement requirements. It states that at the end of a leave cycle, an employee may not have more than 48 days annual leave to their credit. The effect of this revision has increased the accrual from R90 462 844 to R 107 539 694.

### Long service provision

In terms of the SALGA conditions of service collective agreement, employees qualify for long service leave upon completion of specified periods in the agreement. The provision was created to comply with the agreement. The effect of the current year's revision is a decrease by R2 707 925 to R71 457 540 attributed to the net effect of the actuarial gain, benefits vesting, current service, past service and interest costs for the reporting period ended 30 June 2019.

## 67. Irregular expenditure

|                                                        |                    |                    |                    |                    |
|--------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Opening balance                                        | 318 063 079        | 164 470 456        | 317 359 765        | 163 948 762        |
| Prior period error                                     | -                  | 449 015            | -                  | 449 015            |
|                                                        | <b>318 063 079</b> | <b>164 919 471</b> | <b>317 359 765</b> | <b>164 397 777</b> |
| Add : irregular expenditure - relating to prior year   | 100 816 590        | -                  | 100 816 590        | -                  |
| Add : irregular expenditure - relating to current year | 93 045 991         | 153 143 608        | 92 945 735         | 152 961 988        |
| <b>Closing balance</b>                                 | <b>511 925 660</b> | <b>318 063 079</b> | <b>511 122 090</b> | <b>317 359 765</b> |

| Figures in Rand                                                            | Economic entity    |                    | Controlling entity |                    |
|----------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                            | 2019               | 2018               | 2019               | 2018               |
| <b>Analysis of expenditure awaiting condonation per age classification</b> |                    |                    |                    |                    |
| 2008/2009                                                                  | 4 077 827          | 4 077 827          | 4 077 827          | 4 077 827          |
| 2009/2010                                                                  | 5 458 355          | 5 458 355          | 5 458 355          | 5 458 355          |
| 2010/2011                                                                  | 3 551 576          | 3 551 576          | 3 551 576          | 3 551 576          |
| 2011/2012                                                                  | 38 200             | 38 200             | 38 200             | 38 200             |
| 2013/2014                                                                  | 11 000             | 11 000             | 11 000             | 11 000             |
| 2014/2015                                                                  | 708 444            | 708 444            | 708 444            | 708 444            |
| 2016/2017                                                                  | 151 074 069        | 151 074 069        | 150 552 375        | 150 552 375        |
| 2017/2018                                                                  | 153 143 608        | 153 143 608        | 152 961 988        | 152 961 988        |
| 2018/2019 (comparative periods identified in current year)                 | 193 862 581        | -                  | 193 762 325        | -                  |
|                                                                            | <b>511 925 660</b> | <b>318 063 079</b> | <b>511 122 090</b> | <b>317 359 765</b> |

Irregular expenditure has not been written off or condoned.

Section 32(4) of the Municipal Finance Management Act requires that Council can deal with these matters in the manner prescribed.

In the case of irregular and fruitless and wasteful expenditure, it is only after an investigation has been conducted that irregular expenditure can be certified as irrecoverable and written off by Council, hence there were no movement between financial years 2008/2009 to 2017/2018 as the investigations are still open and as soon as they are closed Council will write off or condone this expenditure.

#### Details of irregular expenditure – current year

|                                                                                          |                    |                    |                    |                    |
|------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Bids not advertised within 30 days                                                       | 9 781 311          | 30 536 804         | 9 781 311          | 30 536 804         |
| CIDB registration                                                                        | -                  | 578 100            | -                  | 578 100            |
| Security contract as per SIU preliminary irregularity                                    | 67 035 851         | 111 687 453        | 67 035 851         | 111 687 453        |
| Service of the state                                                                     | -                  | 44 500             | -                  | 44 500             |
| Service of the municipality                                                              | -                  | 37 500             | -                  | 37 500             |
| Invalid deviations                                                                       | 3 208 278          | 9 650 518          | 3 108 022          | 9 468 899          |
| Expired contract                                                                         | 544 213            | 608 733            | 544 213            | 608 733            |
| Non compliance with regulation 31                                                        | 8 942 958          | -                  | 8 942 958          | -                  |
| Invalid extension reg 32 (2018/2019 plus comparative periods identified in current year) | 104 349 970        | -                  | 104 349 970        | -                  |
|                                                                                          | <b>193 862 581</b> | <b>153 143 608</b> | <b>193 762 325</b> | <b>152 961 989</b> |

#### 68. Comparative figures

Certain comparative figures have been reclassified and restated.

#### 69. Fruitless and wasteful expenditure

|                                                                   |                   |                   |                   |                   |
|-------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Opening balance                                                   | 27 065 378        | 16 094 523        | 27 051 662        | 16 080 807        |
| Add fruitless and wasteful expenditure - relating to prior year   | 958 722           | -                 | 958 722           | -                 |
| Add fruitless and wasteful expenditure - relating to current year | 3 542 655         | 10 970 855        | 3 542 655         | 10 970 855        |
|                                                                   | -                 | -                 | -                 | -                 |
| <b>Closing balance</b>                                            | <b>31 566 755</b> | <b>27 065 378</b> | <b>31 553 039</b> | <b>27 051 662</b> |

#### Details of current year fruitless and wasteful expenditure

|                                                                                                      |                  |                   |                  |                   |
|------------------------------------------------------------------------------------------------------|------------------|-------------------|------------------|-------------------|
| Cancellation of tenders                                                                              | 325 648          | 113 363           | 325 648          | 113 363           |
| Interest on late payment - Eskom accounts                                                            | 4 060            | 1 872             | 4 060            | 1 872             |
| Interest and penalties on late payment - SARS                                                        | 55 900           | -                 | 55 900           | -                 |
| Interest on late payment - Telkom accounts                                                           | 32 043           | 634               | 32 043           | 634               |
| Office of the Auditor General                                                                        | 847              | -                 | 847              | -                 |
| Salaries and wages for suspended employees with unresolved cases within prescribed time frame        | 2 151 671        | 10 854 986        | 2 151 671        | 10 854 986        |
| Remuneration of an employee not physically verified (comparative periods identified in current year) | 1 648 229        | -                 | 1 648 229        | -                 |
| Councillor - non attendance of meetings                                                              | 282 979          | -                 | 282 979          | -                 |
|                                                                                                      | <b>4 501 377</b> | <b>10 970 855</b> | <b>4 501 377</b> | <b>10 970 855</b> |



| Figures in Rand                                                            | Economic entity   |                   | Controlling entity |                   |
|----------------------------------------------------------------------------|-------------------|-------------------|--------------------|-------------------|
|                                                                            | 2019              | 2018              | 2019               | 2018              |
| <b>Analysis of expenditure awaiting condonation per age classification</b> |                   |                   |                    |                   |
| 2006/2007                                                                  | 92 967            | 92 967            | 92 967             | 92 967            |
| 2008/2009                                                                  | 15 167            | 15 167            | 15 167             | 15 167            |
| 2009/2010                                                                  | 2 696 668         | 2 696 668         | 2 696 668          | 2 696 668         |
| 2010/2011                                                                  | 235 478           | 235 478           | 235 478            | 235 478           |
| 2011/2012                                                                  | 879 143           | 879 143           | 879 143            | 879 143           |
| 2012/2013                                                                  | 36 490            | 36 490            | 36 490             | 36 490            |
| 2013/2014                                                                  | 162 279           | 162 279           | 162 279            | 162 279           |
| 2014/2015                                                                  | 449 104           | 449 104           | 449 104            | 449 104           |
| 2015/2016                                                                  | 242 976           | 242 976           | 242 976            | 242 976           |
| 2016/2017                                                                  | 11 284 251        | 11 284 571        | 11 270 535         | 11 270 855        |
| 2017/2018                                                                  | 10 970 855        | 10 970 855        | 10 970 855         | 10 970 855        |
| 2018/2019 ( comparative periods identified in current year)                | 4 501 377         | -                 | 4 501 377          | -                 |
|                                                                            | <b>31 566 755</b> | <b>27 065 698</b> | <b>31 553 039</b>  | <b>27 051 982</b> |

A system has been put in place to stream-line the payment process to ensure non occurrence of interest costs. Staff have been advised on possible recovery of costs due to negligence.

Fruitless and Wasteful expenditure has not written off or condoned.

Section 32(2)(b) of the Municipal Finance Management Act requires that Council can deal with these matters in the manner prescribed.

In the case of irregular and fruitless and wasteful expenditure, it is only after an investigation has been conducted that irregular expenditure can be certified as irrecoverable and written off by Council hence there no movement between financial years 2008/2009 to 2017/2018 as the investigations are still open and as soon as they are closed Council will write off or condone this expenditure.

A system has been put in place to stream-line the payment process to ensure non occurrence of interest costs.

Staff have been advised on possible recovery of costs due to negligence.

#### 70. Unauthorised expenditure

|                                       |                    |                    |                    |                    |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Opening balance                       | 602 303 535        | 361 222 670        | 602 303 535        | 361 222 670        |
| Reversal of bad debts written off     | -                  | (258 909 012)      | -                  | (258 909 012)      |
| Recovery from supplier                | -                  | (1 763 559)        | -                  | (1 763 559)        |
| Expenditure identified - current year | 170 002 042        | 501 753 436        | 170 002 042        | 501 753 436        |
| <b>Closing balance</b>                | <b>772 305 577</b> | <b>602 303 535</b> | <b>772 305 577</b> | <b>602 303 535</b> |

The over - expenditure incurred by the municipal departments is attributable to the following categories:

|          |                    |                    |                    |                    |
|----------|--------------------|--------------------|--------------------|--------------------|
| Non cash | 170 002 042        | 495 759 003        | 170 002 042        | 495 759 003        |
| Cash     | -                  | 5 994 433          | -                  | 5 994 433          |
|          | <b>170 002 042</b> | <b>501 753 436</b> | <b>170 002 042</b> | <b>501 753 436</b> |

#### Analysed as follows : non cash

|                                               |                    |                    |                    |                    |
|-----------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Debt impairment                               | 120 738 765        | 459 705 196        | 120 738 765        | 459 705 196        |
| Employee related costs (Actuarial)            | -                  | 31 310 795         | -                  | 31 310 795         |
| Inventory losses                              | 16 453 277         | 4 743 013          | 16 453 277         | 4 743 013          |
| Fair value adjustments on investment property | 32 810 000         | -                  | 32 810 000         | -                  |
|                                               | <b>170 002 042</b> | <b>495 759 003</b> | <b>170 002 042</b> | <b>495 759 003</b> |

#### Analysed as follows : cash

|                |   |           |   |           |
|----------------|---|-----------|---|-----------|
| Bulk purchases | - | 5 994 433 | - | 5 994 433 |
|----------------|---|-----------|---|-----------|

#### 71. Electricity and water losses

##### Electricity losses

|                       |                    |                    |                    |                    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|
| Units purchased - kWh | 1 786 351 025      | 1 784 678 530      | 1 786 351 025      | 1 784 678 530      |
| Units sold - kWh      | (1 537 755 297)    | (1 511 945 988)    | (1 537 755 297)    | (1 511 945 988)    |
|                       | <b>248 595 728</b> | <b>272 732 542</b> | <b>248 595 728</b> | <b>272 732 542</b> |

|                                  |             |             |             |             |
|----------------------------------|-------------|-------------|-------------|-------------|
| Electricity loss as a percentage | 13,92       | 15,30       | 13,92       | 15,30       |
| Costs per kWh in cents           | 0,99848     | 0,94196     | 0,99848     | 0,94196     |
| Electricity losses in rand value | 248 217 863 | 256 903 790 | 248 217 863 | 256 903 790 |

The significant electricity losses of kWh 248 595 728 (2018 : 272 732 542 kWh) occurred during the year under review, which resulted in material revenue losses to the municipality.

**The slight decrease of losses from previous financial year may be as a result of the following:**

- 1) Commissioning of the City Grid 132kV underground cables network that replaced the ageing 33kV networks - Commissioning of new 40MVA Power Transformers.
- 2) The commissioning of new Electrification Project in the Informal Settlements areas resulting in the reduced illegal connections in the network.

The acceptable norm of electricity loss is between 7% and 10% as per MFMA circular 71 dated January 2014.

**Some of the main contributing factors to increased electricity losses are:**

**Non –Technical Losses**

- 1) Illegal connections.
- 2) Infrastructure vandalism.
- 3) Metering inaccuracies (due to faulty meters).
- 4) Unmetered energy (meter tempering or bypassing the meter at the customer meter).

**Technical losses (these are inherent in the distribution networks and cannot be eliminated):**

- 1) Ageing infrastructure that results in increased power dissipation during transmission and distribution on lines, cables and transformers in the system.
- 2) Overloading.
- 3) Poor standard of equipment installed.

**How are these losses being addressed**

**Non - technical losses**

A plan to audit all the bulk (medium and low voltage) installations technically has been developed, A plan/program of disconnecting the illegal connections (Human settlement to resolve the land issues) is ongoing, Customers that do not pay their Consolidated Bill timeously are disconnected, Electrification of informal settlement areas, a plan to convert all the manually read meters to on-line meter reading from 100 Amps low voltage up bulk 11 kV has been developed, Eradication plan of joints, mid-block, looped services etc. in progress, The plan to replacement of faulty meters and inaccurate meters has been developed and replacement is in progress, replacement of old wooden substation doors with steel doors to prevent easy access to substations. Regular property inspections to identify bypassed/tampered installations.

**Technical losses**

- 1) The slight decrease of losses from previous financial years may be as a result of the following -Commissioning of the City Grid 132kV underground cables network that replaced the ageing 33kV networks -Commissioning of new 40MVA Power Transformers and also the commissioning of new Electrification Project in the Informal Settlements areas resulting in the reduced illegal connections in the network.
- 2) Refurbishment of the aged infrastructure, conduct system strengthening in the networks to relieve overloading in the networks and purchasing and installation of efficient equipment.
- 3) Establishment of Quality supply unit.

| Figures in Rand            | Economic entity |              | Controlling entity |              |
|----------------------------|-----------------|--------------|--------------------|--------------|
|                            | 2019            | 2018         | 2019               | 2018         |
| <b>Water losses</b>        |                 |              |                    |              |
| Units purchased (kl)       | 71 425 786      | 68 467 170   | 71 425 786         | 68 467 170   |
| Units sold (kl)            | (51 307 317)    | (48 392 496) | (51 307 317)       | (48 392 496) |
| Real losses (kl)           | 14 763 105      | 14 855 259   | 14 763 105         | 14 855 259   |
| Apparent losses            | 5 355 364       | 5 219 415    | 5 355 364          | 5 219 415    |
| Total water losses (kl)    | 20 118 469      | 20 074 674   | 20 118 469         | 20 074 674   |
| Water loss as a percentage | 28,17           | 29,30        | 28,17              | 29,30        |
| Cost per kl in cents       | 7,814           | 6,910        | 7,814              | 6,910        |
| Water loss in rand value   | 157 205 719     | 138 715 997  | 157 205 719        | 138 715 997  |

MFMA circular dictates that real losses and apparent losses be considered jointly as total water losses.

A material water loss of R157 205 719 (2018: R138 715 997) occurred during the year under review.

Progressive deterioration, illegal water connections, aging and increasing levels of fragility in the bulk water infrastructure is progressively contributing to increase in water losses.

**Non-water initiatives undertaken for the duration of the 2018/2019 financial year.**

- 1) The hydraulic model for the entire Vulindlela system was completed.
- 2) Two contracts for water main replacement was advertised in the 2018/19 financial year.
- 3) Reactively responded to and repaired 1781 mainline burst pipes in the 2018/19 financial year.
- 4) The review of the non-revebue water master plan commenced in the 2018/19 financial year.

## 72. Risk management

### Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

#### Liquidity risk

The municipality and its entity's risk to liquidity is a result of the funds available to cover future commitments. The municipality and its entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

|                 | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years | Total       |
|-----------------|------------------|-----------------------|-----------------------|-------------|
| At 30 June 2019 |                  |                       |                       |             |
| Borrowings      | 114 310 751      | 80 973 541            | 285 317 996           | 480 602 288 |
| At 30 June 2018 |                  |                       |                       |             |
| Borrowings      | 113 891 401      | 400 915 552           | 50 310 652            | 565 117 605 |

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise mainly water, sanitation, refuse, rates, property rental, electricity and other service chargers, dispersed across different industries and geographical areas. Management evaluated credit risk relating to customers financial conditions on an ongoing basis, and have been presented in these financial statements net of a provision for impairment. In the case of debtors whose accounts become in arrears, it is endeavored to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

#### Market risk

##### Risk from agricultural assets

The municipality is exposed to financial risks arising from changes in timber prices. The municipality does not anticipate that the timber prices will decline significantly in the foreseeable future. The municipality has not entered into derivative contracts to manage the risk of a decline in timber prices. The municipality reviews its outlook for timber prices regularly in considering the need for active financial risk management.

##### Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk.

## 73. Financial instruments disclosure

### Categories of financial instruments

#### Economic entity - 2019

##### Financial assets

|                                            | At amortised cost  | Total              |
|--------------------------------------------|--------------------|--------------------|
| Short term investment                      | 15 674 518         | 15 674 518         |
| Receivables from exchange transactions     | 5 002 845          | 5 002 845          |
| Receivables from non exchange transactions | 2 568 619          | 2 568 619          |
| Consumer debtors                           | 454 837 531        | 454 837 531        |
| Cash and cash equivalents                  | 308 202 578        | 308 202 578        |
| Other financial assets                     | 2 642 997          | 2 642 997          |
|                                            | <b>788 929 088</b> | <b>788 929 088</b> |

## Financial liabilities

|                                     | At amortised<br>cost | Total                |
|-------------------------------------|----------------------|----------------------|
| Payables from exchange transactions | 935 345 680          | 935 345 680          |
| Consumer deposits                   | 107 229 302          | 107 229 302          |
| Unspent conditional grants          | 127 958 878          | 127 958 878          |
| Other financial liabilities         | 480 602 288          | 480 602 288          |
|                                     | <b>1 651 136 148</b> | <b>1 651 136 148</b> |

## Economic entity - 2018

### Financial assets

|                                           | At amortised<br>cost | Total              |
|-------------------------------------------|----------------------|--------------------|
| Short term investment                     | 8 869 457            | 8 869 457          |
| Receivable from exchange transactions     | 32 375 434           | 32 375 434         |
| Receivable from non exchange transactions | 2 600 669            | 2 600 669          |
| Consumer debtors                          | 424 770 387          | 424 770 387        |
| Cash and cash equivalents                 | 512 622 307          | 512 622 307        |
| Other financial assets                    | 4 664 290            | 4 664 290          |
|                                           | <b>985 902 544</b>   | <b>985 902 544</b> |

## Financial liabilities

|                                     | At amortised<br>cost | Total                |
|-------------------------------------|----------------------|----------------------|
| Payables from exchange transactions | 899 859 938          | 899 859 938          |
| Consumer deposits                   | 108 809 333          | 108 809 333          |
| Unspent conditional grants          | 122 349 562          | 122 349 562          |
| Other financial liabilities         | 565 114 602          | 565 114 602          |
|                                     | <b>1 696 133 435</b> | <b>1 696 133 435</b> |

## Controlling entity - 2019

### Financial assets

|                                            | At amortised<br>cost | Total              |
|--------------------------------------------|----------------------|--------------------|
| Short term investment                      | 15 674 518           | 15 674 518         |
| Receivables from exchange transactions     | 5 000 345            | 5 000 345          |
| Receivables from non exchange transactions | 2 568 619            | 2 568 619          |
| Consumer debtors                           | 454 837 531          | 454 837 531        |
| Cash and cash equivalents                  | 305 056 164          | 305 056 164        |
| Other financial assets                     | 2 642 997            | 2 642 997          |
|                                            | <b>785 780 174</b>   | <b>785 780 174</b> |

## Financial liabilities

|                                     | At amortised<br>cost | Total                |
|-------------------------------------|----------------------|----------------------|
| Payables from exchange transactions | 935 062 364          | 935 062 364          |
| Consumer deposits                   | 107 229 302          | 107 229 302          |
| Unspent conditional grants          | 127 958 878          | 127 958 878          |
| Other financial liabilities         | 565 114 602          | 565 114 602          |
|                                     | <b>1 735 365 146</b> | <b>1 735 365 146</b> |

**Controlling Entity - 2018**  
**Financial assets**

|                                            | At amortised<br>cost | Total              |
|--------------------------------------------|----------------------|--------------------|
| Short term investment                      | 8 869 457            | 8 869 457          |
| Receivables from exchange transactions     | 32 351 926           | 32 351 926         |
| Receivables from non exchange transactions | 2 600 669            | 2 600 669          |
| Consumer debtors                           | 424 770 387          | 424 770 387        |
| Cash and cash equivalents                  | 511 228 506          | 511 228 506        |
| Other financial assets                     | 4 664 290            | 4 664 290          |
|                                            | <b>984 485 235</b>   | <b>984 485 235</b> |

**Financial liabilities**

|                                     | At amortised<br>cost | Total                |
|-------------------------------------|----------------------|----------------------|
| Payables from exchange transactions | 899 588 775          | 899 588 775          |
| Consumer deposits                   | 108 809 333          | 108 809 333          |
| Unspent conditional grants          | 122 349 562          | 122 349 562          |
| Other financial liabilities         | 565 114 602          | 565 114 602          |
|                                     | <b>1 695 862 272</b> | <b>1 695 862 272</b> |

**74. Going concern**

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Provincial Executive Council of KwaZulu-Natal and MEC for Department of Co-operative Governance and Traditional Affairs, resolved to intervene in terms of Section 139 (1) (b) of the Constitution at the municipality and appointed the Ministerial representative. The appointment became effective on 15 April 2019 and will terminate on 14 April 2020. The terms of reference specified the functions of the Ministerial representative which also include the implementation of governance systems and procedures including oversight of the administration including the ratification of decisions taken by the Municipal Council, the Executive Committee, Municipal Manager and Section 56 Managers in terms of the authority.

The Provincial intervention does not have an impact on the municipality's ability to continue as a going concern. In assessing the going concern, management identified indicators casting doubt to the municipality's ability to continue operating as a going concern. These indicators are summarised below :

- 1) A deficit for the current year and past two financial years.
- 2) Adverse liquidity ratios for the current year and the ratios have decreased significantly during the past two years.
- 3) Sub par cash cost coverage ratio. This indicator has declined over the last three years.
- 4) The outstanding gross debtors balance has increased significantly and the majority of the debtors have been outstanding for over 365 days.
- 5) The reserves of the municipality have also decreased due to declining collection rates from debtors.

The following measures are being implemented by management as part of the revenue enhancement strategy and cost containment strategy:

- 1) The expenditure committee was formed to monitor the implementation of the cost containment strategy and to ensure economically efficient spending.
- 2) The revenue enhancement task team was appointed to implement and monitor the revenue enhancement strategy and identification of additional revenue streams.
- 3) The dispute resolution committee was formed to speed up the process of dealing with consumer appeals.
- 4) The debt recovery plan was developed and approved by Council.
- 5) The debt collectors were appointed to recover long outstanding debtor.
- 6) The financial recovery plan was adopted and monitored on a monthly basis.

Despite the above negative indicators, the municipality continues to adopt the going concern assumption as it is management's view that the municipality will continue to operate in its present form in the foreseeable future, as it is primarily funded by government grants and will continue to be funded from the DoRA in the foreseeable future. In addition, management has embarked on an aggressive programme of debt recovery to ensure improved future cash inflows.

## 75. Variance analysis comparison of budget against actual

Reasons are only provided for variances above 10%.

| Account Balance / Transaction / Disclosure              | Current year budget amount, as per approved budget | Current year budget adjustment | Current year budget final amount | Current year-to-date actual amount as at 30 June 2019 | Difference between current year actual and budget | Difference between current year actual and budget - % | Explanation for significant fluctuations                                                                                                                                                                                                                                     |
|---------------------------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------|-------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Classes of revenue</b>                               |                                                    |                                |                                  |                                                       |                                                   |                                                       |                                                                                                                                                                                                                                                                              |
| Agency Services                                         | 0                                                  | 543,380                        | 543,380                          | 1,970,390                                             | 1,427,010                                         | 263%                                                  | This is a secondary revenue source on which revenue generated is dependent on customer needs. Its impossible to accurately estimates this amount but the municipality tries to be as conservative as possible.                                                               |
| Interest - consumer debtors and receivables             | 118,141,277                                        | 64,631,851                     | 182,773,128                      | 218,926,060                                           | 36,152,932                                        | 20%                                                   | The drastic increase in debtors resulted in the drastic increase in interest                                                                                                                                                                                                 |
| Interest received - bank, call and investments accounts | 39,956,400                                         | -13,009,315                    | 26,947,085                       | 20,507,403                                            | -6,439,682                                        | -24%                                                  | This item is subject to fluctuating interest rates offered by financial institution                                                                                                                                                                                          |
| Licences & Permits                                      | 100,067                                            | 910,648                        | 1,010,715                        | 829,644                                               | -181,071                                          | -18%                                                  | This is a secondary revenue source on which revenue generated is dependent on customer needs. Its impossible to accurately estimates this amount but the municipality tries to be as conservative as possible.                                                               |
| Operational revenue                                     | 176,830,803                                        | -20,994,812                    | 155,835,991                      | 55,087,695                                            | -100,748,296                                      | -65%                                                  | This is a secondary revenue source on which revenue generated is dependent on customer needs. Its impossible to accurately estimates this amount but the municipality tries to be as conservative as possible. Unfortunately the municipality's estimates didn't materialise |
| Rental of facilities and equipment                      | 35,220,144                                         | -8,968,634                     | 26,251,510                       | 20,617,910                                            | -5,633,600                                        | -21%                                                  | Revenue on this item is dependent on usage of council facilities. At the end of the year, usage was a little lower than anticipated.                                                                                                                                         |
| Rendering of services                                   | 0                                                  | 0                              | 0                                | 8,265,686                                             | 8,265,686                                         | 100%                                                  | This item was not budgeted for at all as no revenue was anticipated in this regard.                                                                                                                                                                                          |
| Sale of goods                                           | 0                                                  | 0                              | 0                                | 421,129                                               | 421,129                                           | 100%                                                  | This item was not budgeted for at all as no revenue was anticipated in this regard.                                                                                                                                                                                          |
| Service charges                                         | 3,024,881,461                                      | -39,278,846                    | 2,985,602,615                    | 2,942,462,111                                         | -43,140,504                                       | -1%                                                   | This variance is less than 10%                                                                                                                                                                                                                                               |
| Property Rates                                          | 900,836,973                                        | 14,726,977                     | 915,563,950                      | 930,980,085                                           | 15,416,135                                        | 2%                                                    | This variance is less than 10%                                                                                                                                                                                                                                               |
| Government grants and subsidies                         | 1,077,020,301                                      | -1,272,608                     | 1,075,747,693                    | 1,007,479,072                                         | -68,268,621                                       | -6%                                                   | This variance is less than 10%                                                                                                                                                                                                                                               |
| Fines, penalties and forfeits                           | 75,203,073                                         | -60,048,349                    | 15,154,724                       | 12,557,144                                            | -2,597,580                                        | -17%                                                  | The fines and penalties is a revenue that due to default and it can not be accurately estimated.                                                                                                                                                                             |
| Other transfers                                         | 0                                                  | 0                              | 0                                | 9,162,557                                             | 9,162,557                                         | 100%                                                  | This item was not budgeted for at all as no revenue was anticipated in this regard.                                                                                                                                                                                          |
|                                                         | <b>5,448,190,499</b>                               | <b>-62,759,709</b>             | <b>5,385,430,791</b>             | <b>5,229,266,886</b>                                  |                                                   |                                                       |                                                                                                                                                                                                                                                                              |
| <b>Classes of expenditure</b>                           |                                                    |                                |                                  |                                                       |                                                   |                                                       |                                                                                                                                                                                                                                                                              |
| Bulk purchases                                          | -2,050,322,398                                     | -84,737,457                    | -2,135,059,855                   | -2,132,173,417                                        | 2,886,438                                         | -0.14%                                                | This variance is less than 10%                                                                                                                                                                                                                                               |
| Debt Impairment                                         | -110,178,020                                       | -130,000,000                   | -240,178,020                     | -697,521,846                                          | -457,343,826                                      | 190%                                                  | The municipality had to impair more debt than anticipated as result of consumer's low payments during the financial year. It should be noted this is not actual bad debts written off.                                                                                       |
| Depreciation and amortisation                           | -468,636,492                                       | 5,799,987                      | -462,836,505                     | -455,235,329                                          | 7,601,176                                         | -2%                                                   | This variance is less than 10%                                                                                                                                                                                                                                               |
| Employee related costs                                  | -1,274,330,598                                     | -3,499,448                     | -1,277,830,046                   | -1,310,730,366                                        | -32,900,320                                       | 3%                                                    | This variance is less than 10%                                                                                                                                                                                                                                               |
| Finance costs                                           | -50,687,782                                        | -6,988,694                     | -57,676,476                      | -52,462,384                                           | 5,214,092                                         | -9%                                                   | This variance is less than 10%                                                                                                                                                                                                                                               |
| Impairment loss/ reversal of impairment                 | 0                                                  | -5,800,000                     | -5,800,000                       | -5,719,754                                            | 80,246                                            | 100%                                                  | This variance is less than 10%                                                                                                                                                                                                                                               |
| General expenses                                        | -606,222,117                                       | -65,538,594                    | -671,760,711                     | -573,766,833                                          | 97,993,878                                        | -15%                                                  | This variance is due to cost containment measures that the municipality introduced during the year.                                                                                                                                                                          |
| Inventory consumed                                      | -63,796,788                                        | 4,728,049                      | -59,068,739                      | -56,479,898                                           | 2,588,841                                         | -4%                                                   | This variance is less than 10%                                                                                                                                                                                                                                               |
| Operating costs                                         | -210,836,991                                       | 52,208,656                     | -158,628,335                     | -124,539,723                                          | 34,088,612                                        | -21%                                                  | This variance is due to cost containment measures that the municipality introduced during the year.                                                                                                                                                                          |
| Operating leases                                        | 0                                                  | -33,100,000                    | -33,100,000                      | -33,079,463                                           | 20,537                                            | -0.1%                                                 | This variance is less than 10%                                                                                                                                                                                                                                               |
| Remuneration of councillors                             | -48,573,498                                        | -1                             | -48,573,499                      | -44,130,681                                           | 4,442,818                                         | -9%                                                   | This variance is less than 10%                                                                                                                                                                                                                                               |
| Transfers and subsidies                                 | -57,139,566                                        | 14,647,322                     | -42,492,244                      | -15,819,791                                           | 26,672,453                                        | -63%                                                  | This variance is due to cost containment measures that the municipality introduced during the year. Cost Containment discouraged expenditure on things like sponsorships and donations                                                                                       |

| Account Balance / Transaction / Disclosure    | Current year budget amount, as per approved budget | Current year budget adjustment | Current year budget final amount | Current year-to-date actual amount as at: 30 June 2019 | Difference between current year actual and budget | Difference between current year actual and budget - % | Explanation for significant fluctuations                                                                                                                      |
|-----------------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------|--------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (Loss)/Gain on disposal of assets             | 0                                                  | -22,000,000                    | -22,000,000                      | 2,876,825                                              | 24,876,825                                        | -113%                                                 | The disposal of assets resulted in a loss because assets are auctioned for sale.                                                                              |
| Fair value adjustments on investment property | 0                                                  | 0                              | 0                                | -32,810,000                                            | -32,810,000                                       | 100%                                                  | The investment property had to be adjusted annually and the fair value loss can not anticipated, hence no budget has been set for this fair value adjustment. |
| Actuarial gains/losses                        | 0                                                  | -163,000,000                   | -163,000,000                     | 162,153,669                                            | 325,153,669                                       | -199%                                                 | This item is based on the actuarial valuation done as year end after the adjustment budget has been approved by council.                                      |
| (Losses)/Gains on agricultural assets         | 0                                                  | -15,900,000                    | -15,900,000                      | 15,856,141                                             | 31,756,141                                        | -199.72%                                              | The disposal of assets resulted in a loss because assets are auctioned for sale.                                                                              |
| Inventories losses/ write-downs               | 0                                                  | 0                              | 0                                | -16,453,277                                            | -16,453,277                                       | 100%                                                  | Inventories losses is an anticipated cost that is a result of theft or damage of inventory.                                                                   |
| <b>Classes of capital expenditure</b>         |                                                    |                                |                                  |                                                        |                                                   |                                                       |                                                                                                                                                               |
| Capital expenditure                           | 748,630,874                                        | 0                              | 748,630,874                      | 187,157,718.60                                         | -561,473,156                                      | -75%                                                  | The municipality spent less on capital projects than anticipated.                                                                                             |

THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX A

|                                            | COST/VALUATION |            |               | ACQUISITION |               |            | ACCUMULATED DEPRECIATION |            |            | Carrying Value |
|--------------------------------------------|----------------|------------|---------------|-------------|---------------|------------|--------------------------|------------|------------|----------------|
|                                            | 01/07/2018     | 01/07/2018 | 30/06/2019    | 01/07/2018  | 30/06/2019    | 01/07/2018 | 30/06/2019               | 01/07/2018 | 30/06/2019 |                |
| <b>LAND AND BUILDINGS</b>                  | 1,299,654,842  | 0          | 1,008,759,049 | 0           | 1,008,759,049 | 0          | 1,008,759,049            | -          | -          | 1,008,759,049  |
| BUILDING                                   | 1,299,654,842  | 0          | 1,008,759,049 | 0           | 1,008,759,049 | 0          | 1,008,759,049            | -          | -          | 1,008,759,049  |
| <b>TOTAL LAND AND BUILDINGS</b>            | 1,299,654,842  | 0          | 1,008,759,049 | 0           | 1,008,759,049 | 0          | 1,008,759,049            | -          | -          | 1,008,759,049  |
| <b>INFRASTRUCTURE</b>                      | 4,217,645      | 0          | 4,217,645     | 0           | 4,217,645     | 0          | 4,217,645                | -          | -          | 4,217,645      |
| ELECTRICITY RETICULATION                   | 66,159,100     | 0          | 148,008,240   | 8,876       | 156,816,416   | 0          | 156,816,416              | -          | -          | 156,816,416    |
| HV OVERHEAD LINES                          | 296,439,129    | 0          | 551,241,900   | 9,737,202   | 606,181,131   | 0          | 606,181,131              | -          | -          | 606,181,131    |
| HV SUBSTATIONS                             | 15,987,959     | 0          | 61,988,921    | 406,129     | 62,604,850    | 0          | 62,604,850               | -          | -          | 62,604,850     |
| LV STREET LIGHTING                         | 65,979,520     | 0          | 113,337,253   | 46,729,108  | 160,106,361   | 0          | 160,106,361              | -          | -          | 160,106,361    |
| MV OVERHEAD CABLES                         | 29,834,595     | 0          | 65,579,320    | 553         | 66,153,845    | 0          | 66,153,845               | -          | -          | 66,153,845     |
| MV UNDERGROUND CABLES                      | 34,366,231     | 0          | 135,179       | 1,130,265   | 136,315,496   | 0          | 136,315,496              | -          | -          | 136,315,496    |
| MV POLE MOUNTED TRANSFORMERS               | 37,988,823     | 0          | 34,366,231    | 0           | 34,366,231    | 0          | 34,366,231               | -          | -          | 34,366,231     |
| MV SUBSTATIONS                             | 8,312,669      | 0          | 152,592,881   | 948,337     | 153,541,218   | 0          | 153,541,218              | -          | -          | 153,541,218    |
| MV UNDERGROUND CABLES                      | 144,280,212    | 0          | 707,115,357   | 0           | 707,115,357   | 0          | 707,115,357              | -          | -          | 707,115,357    |
| <b>TOTAL INFRASTRUCTURE</b>                | 1,659,713,025  | 0          | 2,551,671,457 | 12,759,402  | 2,564,430,859 | 0          | 2,564,430,859            | -          | -          | 2,564,430,859  |
| <b>ASSETS UNDER CONSTRUCTION</b>           | 73,574,386     | 0          | 73,574,386    | 0           | 73,574,386    | 0          | 73,574,386               | -          | -          | 73,574,386     |
| BRICK ROADWAY                              | 146,222,256    | 0          | 146,222,256   | 0           | 146,222,256   | 0          | 146,222,256              | -          | -          | 146,222,256    |
| BRIDGES AND TUNNELS                        | 239,059,086    | 0          | 239,059,086   | 0           | 239,059,086   | 0          | 239,059,086              | -          | -          | 239,059,086    |
| ROADWAYS                                   | 11,305,171     | 0          | 11,305,171    | 0           | 11,305,171    | 0          | 11,305,171               | -          | -          | 11,305,171     |
| GRAVEL LOADS                               | 130,000        | 0          | 130,000       | 0           | 130,000       | 0          | 130,000                  | -          | -          | 130,000        |
| ROADSIGNAGE                                | 48,255         | 0          | 48,255        | 0           | 48,255        | 0          | 48,255                   | -          | -          | 48,255         |
| SIGNALISED INTERSECTIONS                   | 520,535,637    | 0          | 520,535,637   | 0           | 520,535,637   | 0          | 520,535,637              | -          | -          | 520,535,637    |
| TARRED ROADS                               | 2,559,453,865  | 0          | 2,559,453,865 | 0           | 2,559,453,865 | 0          | 2,559,453,865            | -          | -          | 2,559,453,865  |
| <b>TOTAL ROADS</b>                         | 63,876,412     | 0          | 63,876,412    | 0           | 63,876,412    | 0          | 63,876,412               | -          | -          | 63,876,412     |
| <b>BULK SEWERS</b>                         | 11,683,688     | 0          | 11,683,688    | 0           | 11,683,688    | 0          | 11,683,688               | -          | -          | 11,683,688     |
| <b>PUMPS/TREATMENT</b>                     | 432,843,953    | 0          | 432,843,953   | 0           | 432,843,953   | 0          | 432,843,953              | -          | -          | 432,843,953    |
| <b>SEWER TREATMENT WORKS</b>               | 2,034,951      | 0          | 2,034,951     | 0           | 2,034,951     | 0          | 2,034,951                | -          | -          | 2,034,951      |
| <b>TOTAL SANITATION</b>                    | 910,871,381    | 0          | 910,871,381   | 0           | 910,871,381   | 0          | 910,871,381              | -          | -          | 910,871,381    |
| <b>WATER SUPPLY</b>                        | 4,523,451      | 0          | 4,523,451     | 0           | 4,523,451     | 0          | 4,523,451                | -          | -          | 4,523,451      |
| <b>PUMPS/TREATERS</b>                      | 205,300,828    | 0          | 205,300,828   | 253,096     | 205,553,924   | 0          | 205,553,924              | -          | -          | 205,553,924    |
| <b>WATER METERS</b>                        | 16,854,443     | 0          | 16,854,443    | 0           | 16,854,443    | 0          | 16,854,443               | -          | -          | 16,854,443     |
| <b>WATER RETICULATION</b>                  | 401,413,658    | 0          | 401,413,658   | 8,899,657   | 410,313,315   | 0          | 410,313,315              | -          | -          | 410,313,315    |
| <b>WATER SUPPLY BULK WATER PIPELINES</b>   | 1,688,155      | 0          | 1,688,155     | 0           | 1,688,155     | 0          | 1,688,155                | -          | -          | 1,688,155      |
| <b>WATER SUPPLY PRESSURE REDUCE VALVES</b> | 996,301,271    | 0          | 996,301,271   | 9,306,452   | 1,005,607,723 | 0          | 1,005,607,723            | -          | -          | 1,005,607,723  |
| <b>TOTAL WATER</b>                         | 276,718        | 0          | 276,718       | 0           | 276,718       | 0          | 276,718                  | -          | -          | 276,718        |
| <b>ACCESS CONTROL</b>                      | 466            | 0          | 466           | 0           | 466           | 0          | 466                      | -          | -          | 466            |
| <b>SECURITY SYSTEMS</b>                    | 23,581,120     | 0          | 23,581,120    | 0           | 23,581,120    | 0          | 23,581,120               | -          | -          | 23,581,120     |
| <b>TOTAL SECURITY</b>                      | 23,581,120     | 0          | 23,581,120    | 0           | 23,581,120    | 0          | 23,581,120               | -          | -          | 23,581,120     |
| <b>HEAD AND WINGWALLS</b>                  | 5,754,519      | 0          | 5,754,519     | 0           | 5,754,519     | 0          | 5,754,519                | -          | -          | 5,754,519      |
| <b>KERB INLETS</b>                         | 86,797,379     | 0          | 86,797,379    | 1,061,309   | 87,858,688    | 0          | 87,858,688               | -          | -          | 87,858,688     |
| <b>MAJOR CURBS</b>                         | 43,599,732     | 0          | 43,599,732    | 15,426      | 43,615,158    | 0          | 43,615,158               | -          | -          | 43,615,158     |
| <b>MANHOLES</b>                            | 56,558,788     | 0          | 56,558,788    | 0           | 56,558,788    | 0          | 56,558,788               | -          | -          | 56,558,788     |
| <b>MINOR CURBS</b>                         | 662,698        | 0          | 662,698       | 24,808,122  | 687,506       | 0          | 687,506                  | -          | -          | 687,506        |
| <b>OPEN CHANNELS</b>                       | 27,187,989     | 0          | 27,187,989    | 111,081     | 27,300,070    | 0          | 27,300,070               | -          | -          | 27,300,070     |
| <b>RETICULATION</b>                        | 375,452,347    | 0          | 375,452,347   | 953,453     | 376,405,800   | 0          | 376,405,800              | -          | -          | 376,405,800    |
| <b>TOTAL STORMWATER</b>                    | 997,885,463    | 0          | 997,885,463   | 9,565,787   | 1,007,451,250 | 0          | 1,007,451,250            | -          | -          | 1,007,451,250  |
| <b>RAILWAY LINES</b>                       | 3,449,377      | 0          | 3,449,377     | 0           | 3,449,377     | 0          | 3,449,377                | -          | -          | 3,449,377      |
| <b>TOTAL RAILWAY LINES</b>                 | 3,449,377      | 0          | 3,449,377     | 0           | 3,449,377     | 0          | 3,449,377                | -          | -          | 3,449,377      |
| <b>GARDEN REFUSE</b>                       | 3,126,784      | 0          | 3,126,784     | 3,795,284   | 6,922,068     | 0          | 6,922,068                | -          | -          | 6,922,068      |
| <b>LANDFILL SITE</b>                       | 8,075,807      | 0          | 8,075,807     | 0           | 8,075,807     | 0          | 8,075,807                | -          | -          | 8,075,807      |
| <b>LOADING STATIONS</b>                    | 538,741        | 0          | 538,741       | 0           | 538,741       | 0          | 538,741                  | -          | -          | 538,741        |
| <b>TOTAL SOLID WASTE</b>                   | 11,741,132     | 0          | 11,741,132    | 0           | 11,741,132    | 0          | 11,741,132               | -          | -          | 11,741,132     |
| <b>TOTAL INFRASTRUCTURE</b>                | 6,315,754,105  | 0          | 6,315,754,105 | 172,560,068 | 6,488,314,173 | 0          | 6,488,314,173            | -          | -          | 6,488,314,173  |
| <b>ASSETS UNDER CONSTRUCTION</b>           | 0              | 0          | 0             | 0           | 0             | 0          | 0                        | -          | -          | 0              |
| <b>W.I.P. PROJECT</b>                      | 0              | 0          | 0             | 0           | 0             | 0          | 0                        | -          | -          | 0              |
| <b>W.I.P. MOVABLE ASSETS</b>               | 0              | 0          | 0             | 0           | 0             | 0          | 0                        | -          | -          | 0              |
| <b>COMMUNITY</b>                           | 934,421        | 0          | 934,421       | 0           | 934,421       | 0          | 934,421                  | -          | -          | 934,421        |
| CEMETERIES                                 | 13,733,672     | 0          | 13,733,672    | 0           | 13,733,672    | 0          | 13,733,672               | -          | -          | 13,733,672     |
| COUNCILS                                   | 29,442,063     | 0          | 29,442,063    | 0           | 29,442,063    | 0          | 29,442,063               | -          | -          | 29,442,063     |
| COUNSELLING CENTRES                        | 23,464,995     | 0          | 23,464,995    | 0           | 23,464,995    | 0          | 23,464,995               | -          | -          | 23,464,995     |
| FIRE STATIONS                              | 9,033,117      | 0          | 9,033,117     | 0           | 9,033,117     | 0          | 9,033,117                | -          | -          | 9,033,117      |
| LIBRARIES                                  | 8,846,887      | 0          | 8,846,887     | 0           | 8,846,887     | 0          | 8,846,887                | -          | -          | 8,846,887      |
| PARKS                                      | 32,337,327     | 0          | 32,337,327    | 0           | 32,337,327    | 0          | 32,337,327               | -          | -          | 32,337,327     |
| PUBLIC CONVENIENCES                        | 83,047,478     | 0          | 83,047,478    | 0           | 83,047,478    | 0          | 83,047,478               | -          | -          | 83,047,478     |
| STADIUMS                                   | 366,952,897    | 0          | 366,952,897   | 0           | 366,952,897   | 0          | 366,952,897              | -          | -          | 366,952,897    |
| TELEPHONE BOOTHS                           | 1,501,169      | 0          | 1,501,169     | 0           | 1,501,169     | 0          | 1,501,169                | -          | -          | 1,501,169      |
| TOILETS                                    | 2,965,197      | 0          | 2,965,197     | 0           | 2,965,197     | 0          | 2,965,197                | -          | -          | 2,965,197      |
| WATER TREATMENT PLANTS                     | 13,836,679     | 0          | 13,836,679    | 0           | 13,836,679    | 0          | 13,836,679               | -          | -          | 13,836,679     |
| WATER TREATMENT PLANTS                     | 8,546,322      | 0          | 8,546,322     | 0           | 8,546,322     | 0          | 8,546,322                | -          | -          | 8,546,322      |
| WATER TREATMENT PLANTS                     | 48,349,507     | 0          | 48,349,507    | 0           | 48,349,507    | 0          | 48,349,507               | -          | -          | 48,349,507     |
| WATER TREATMENT PLANTS                     | 2,823,327      | 0          | 2,823,327     | 0           | 2,823,327     | 0          | 2,823,327                | -          | -          | 2,823,327      |
| WATER TREATMENT PLANTS                     | 14,243,807     | 0          | 14,243,807    | 0           | 14,243,807    | 0          | 14,243,807               | -          | -          | 14,243,807     |
| WATER TREATMENT PLANTS                     | 27,558,974     | 0          | 27,558,974    | 0           | 27,558,974    | 0          | 27,558,974               | -          | -          | 27,558,974     |
| <b>TOTAL COMMUNITY BUILDINGS</b>           | 186,325,506    | 0          | 186,325,506   | 0           | 186,325,506   | 0          | 186,325,506              | -          | -          | 186,325,506    |
| <b>CEMETERIES</b>                          | 5,616,444      | 0          | 5,616,444     | 0           | 5,616,444     | 0          | 5,616,444                | -          | -          | 5,616,444      |
| <b>PARKS</b>                               | 16,186,199     | 0          | 16,186,199    | 0           | 16,186,199    | 0          | 16,186,199               | -          | -          | 16,186,199     |
| <b>FACILITIES</b>                          | 209,667,461    | 0          | 209,667,461   | 0           | 209,667,461   | 0          | 209,667,461              | -          | -          | 209,667,461    |
| <b>SPORT GROUNDS</b>                       | 214,523,363    | 0          | 214,523,363   | 0           | 214,523,363   | 0          | 214,523,363              | -          | -          | 214,523,363    |







THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
SEGMENTAL ANALYSIS OF ALL NON-CURRENT ASSETS CLASSIFICATION AS AT 30 JUNE 2019  
APPENDIX B

| DESCRIPTION                   | HISTORICAL COSTS      |                               |                                    |                   | ACCUMULATED DEPRECIATION AND IMPAIRMENTS |                |                       |                       | NET BOOK VALUE      |                      |                         |                        |                         |                      |
|-------------------------------|-----------------------|-------------------------------|------------------------------------|-------------------|------------------------------------------|----------------|-----------------------|-----------------------|---------------------|----------------------|-------------------------|------------------------|-------------------------|----------------------|
|                               | OPENING BALANCE       | ADDITIONS/ UNDER CONSTRUCTION | ADJUSTMENTS/ REVALUATION TRANSFERS | REVALUATION       | DISPOSALS                                | DONATED ASSETS | CLOSING BALANCE       | OPENING BALANCE       |                     | CURRENT DEPRECIATION | DEPRECIATION ADJUSTMENT | DEPRECIATION DISPOSALS | CURRENT YEAR IMPAIRMENT | CLOSING BALANCE      |
| Executive and Council         | 29,042,650            | 250,954                       | 1,252,869                          | 547,000           |                                          |                | 31,093,473            | -9,428,473            | -2,403,927          | 711,024              |                         | -28,523                | -11,149,899             | 19,943,575           |
| Community and Social Services | 640,152,669           | 22,545,620                    | -12,837,420                        | 44,796,999        | -737                                     |                | 694,657,131           | -215,298,686          | -16,499,685         | 12,671,962           | 171                     | -44,897                | -219,171,135            | 475,485,996          |
| Electricity                   | 1,897,925,864         | 53,203,879                    | -1,294,483                         |                   | -43,822                                  |                | 1,949,791,438         | -603,944,565          | -92,776,331         | 1,612,576            | 43,789                  | -49,640                | -695,114,171            | 1,254,677,267        |
| Environmental Protection      | 4,130,770             | 1,328,815                     | -103,451                           |                   |                                          |                | 5,356,133             | -2,222,431            | -534,130            | 222,185              |                         | -3,594                 | -2,537,970              | 2,818,163            |
| Finance and Administration    | 1,859,856,309         | 10,551,059                    | -239,584,382                       |                   | -13,653,703                              |                | 1,617,169,282         | -447,582,415          | -52,364,821         | 17,342,880           | 13,422,447              | -2,295,374             | -471,477,283            | 1,145,691,999        |
| Housing                       | 906,159,781           | 44,151,220                    | 5,274,251                          |                   | -103,811                                 |                | 955,481,440           | -65,858,855           | -6,372,181          | 137,748              | 47,618                  | -2,735                 | -72,048,405             | 883,433,036          |
| Other                         | 415,543,846           | 20,055,321                    | -1,754,412                         |                   |                                          |                | 433,844,756           | -190,198,495          | -15,070,368         | -358,741             |                         | -12,678                | -205,640,282            | 228,204,474          |
| Planning and Development      | 170,545,503           | 12,435,377                    | -14,279,396                        |                   | -1,614                                   |                | 168,699,870           | -13,134,206           | -2,787,089          | 725,684              | 188                     | -32,328                | -15,227,751             | 153,472,119          |
| Public Safety                 | 64,196,085            | 107,106                       | -13,654,330                        |                   | -387,078                                 |                | 50,261,783            | -30,412,135           | -2,236,362          | 8,851,640            | 320,974                 | -37,173                | -24,013,058             | 26,248,725           |
| Road Transport                | 3,621,304,233         | 218,533,605                   | -4,976,962                         |                   | -834,858                                 |                | 3,834,026,018         | -1,382,058,118        | -154,790,127        | 3,042,612            | 825,200                 | -36,791                | -1,533,017,225          | 2,301,008,794        |
| Sport and Recreation          | 537,364,902           | 8,377,047                     | -11,492,739                        | 102,500           | -722,897                                 |                | 533,628,813           | -193,631,683          | -18,856,340         | 6,118,272            | 709,303                 | -26,775                | -205,589,223            | 328,039,590          |
| Waste Management/Solid Waste  | 107,447,877           | 7,936,903                     | -477,179                           |                   |                                          |                | 114,907,600           | -27,931,344           | -7,380,173          | 54,628               |                         | -2,346                 | -35,259,235             | 79,648,366           |
| Waste Water Management        | 643,101,923           | 37,025,745                    | -342,862                           |                   | -8,121                                   |                | 679,776,685           | -174,796,387          | -19,648,571         | 356,563              | 8,067                   | -29,629                | -194,109,958            | 485,666,727          |
| Water                         | 1,161,538,532         | 77,331,643                    | -938,919                           | 55,000            | -441                                     |                | 1,237,985,815         | -442,596,892          | -62,962,873         | 1,295,663            | 155                     | -3,117,269             | -507,381,217            | 730,604,598          |
| <b>TOTALS</b>                 | <b>12,058,310,943</b> | <b>513,834,292</b>            | <b>-293,509,416</b>                | <b>45,501,499</b> | <b>-15,757,081</b>                       | <b>-</b>       | <b>12,306,680,238</b> | <b>-3,798,994,686</b> | <b>-454,684,979</b> | <b>52,284,696</b>    | <b>15,377,910</b>       | <b>-5,719,753</b>      | <b>-4,191,736,812</b>   | <b>8,114,943,427</b> |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX C  
ACTUAL VERSUS BUDGET (ACQUISITION OF ALL NON-CURRENT ASSETS) FOR THE YEAR ENDED 30 JUNE 2019**

| Description                        | 2019 Budget R      | 2019 Actual R      | 2019 Assets Under Construction R | 2019 Additions R   | 2019 Variance R    | 2019 Variance % | Explanation of Significant Variances greater than 5% versus Budget |
|------------------------------------|--------------------|--------------------|----------------------------------|--------------------|--------------------|-----------------|--------------------------------------------------------------------|
| Executive and Council              | 3,631,065          | 237,477            | 0                                | 250,954            | 3,393,588          | 93%             |                                                                    |
| Finance and Administration         | 36,335,782         | 24,327,754         | 1,484,259                        | 14,560,681         | 12,008,028         | 33%             |                                                                    |
| Planning and Development           | 41,555,723         | 18,177,110         | 7,882,362                        | 4,544,042          | 23,378,613         | 56%             |                                                                    |
| Public Safety                      | 7,143,083          | 3,468,149          | 0                                | 107,106            | 3,674,934          | 51%             |                                                                    |
| Community and Social Services      | 7,106,000          | 2,130,553          | 18,508,020                       | 4,046,573          | 4,975,447          | 70%             |                                                                    |
| Health                             | 1,624,295          | 1,347,134          | 0                                | 0                  | 277,161            | 17%             |                                                                    |
| Sport and Recreation               | 11,758,226         | 8,216,649          | 1,590,598                        | 6,766,518          | 3,541,577          | 30%             |                                                                    |
| Road Transport                     | 272,145,270        | 219,002,398        | 136,875,418                      | 81,658,187         | 53,142,872         | 20%             |                                                                    |
| Water                              | 75,391,016         | 77,975,193         | 67,087,930                       | 10,243,713         | -2,584,177         | -3%             |                                                                    |
| Waste Water Management             | 44,301,896         | 37,025,745         | 36,616,950                       | 408,795            | 7,276,151          | 16%             |                                                                    |
| Electricity                        | 56,636,360         | 53,203,879         | 35,103,175                       | 12,718,823         | 3,432,481          | 6%              |                                                                    |
| Housing                            | 50,030,278         | 33,291,606         | 32,135,091                       | 1,182,511          | 16,738,672         | 33%             |                                                                    |
| Other                              | 4,980,425          | 4,632,288          | 535,250                          | 3,683,861          | 348,137            | 7%              |                                                                    |
| Environment Protection/Solid Waste | 825,065            | 5,546,223          | 512,490                          | 8,753,228          | -4,721,158         | 0%              |                                                                    |
| <b>TOTALS</b>                      | <b>613,464,484</b> | <b>488,582,157</b> | <b>338,331,543</b>               | <b>148,924,990</b> | <b>124,882,327</b> | <b>20%</b>      |                                                                    |

NOTE : Total additions included donated assets

The Msunduzi Municipality and its Municipality Entity  
Consolidated Annual Financial Statements for the year ended 30 June 2019  
APPENDIX D

DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2019

| Account Description                            | Unspent balance @ 01 July 2018 | Transfers to income | Prior year expenditure recovered from current year allocation | Inter project | Funds paid back to National Treasury | Refund to grant provider | VAT recovered from NT grants | Current year interest earned | Current year receipts | Unspent balance @ 30 06 2019 | Source Code                        |
|------------------------------------------------|--------------------------------|---------------------|---------------------------------------------------------------|---------------|--------------------------------------|--------------------------|------------------------------|------------------------------|-----------------------|------------------------------|------------------------------------|
| GRANTS:OP-NT-NDPPG                             | -603,783                       | 424,938             | -                                                             | -             | 603,783                              | -                        | 646,617                      | -                            | -14,900,000           | -13,828,445                  | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-NT-WSIG                              | -                              | 42,573,341          | -                                                             | -             | -                                    | -                        | 186,659                      | -                            | -42,760,000           | -                            | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-NT-EPWP                              | -                              | 2,890,000           | -                                                             | -             | -                                    | -                        | -                            | -                            | -2,890,000            | -                            | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-NT-FMG                               | -                              | 1,562,054           | -                                                             | -             | -                                    | -                        | 137,946                      | -                            | -1,700,000            | -                            | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-NT-PTCG                              | -11,506,487                    | 138,195,535         | -7,979,615                                                    | -             | 11,506,487                           | -                        | 20,115,080                   | -                            | -150,331,000          | -0                           | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-NT-PTCG                              | -14,638,777                    | 30,374,809          | 7,096,415                                                     | -             | 14,638,777                           | -                        | 3,322,161                    | -                            | -48,773,000           | -                            | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-NT-MIG                               | -6,865,803                     | 139,493,069         | -                                                             | -             | 6,865,803                            | -                        | 20,282,182                   | -                            | -175,256,120          | -15,480,869                  | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-NT-MIG                               | -                              | 16,179,682          | -                                                             | -             | -                                    | -                        | 1,880,198                    | -                            | -18,059,880           | -                            | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-NT-MIG                               | -33,614,850                    | 371,693,429         | 7,096,415                                                     | -             | 33,614,849                           | -                        | 46,570,842                   | -                            | -454,670,000          | -29,309,314                  | UNSPENT CG - NATIONAL GOVERNMENT   |
| GRANTS:OP-KZ-DEV OF                            | -715,102                       | 650,000             | -                                                             | -             | -                                    | 86,311                   | -                            | -21,209                      | -                     | 0                            | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-P/HOUSE                           | -3,108                         | -                   | -                                                             | 3,191         | -                                    | -                        | -                            | -84                          | -                     | -0                           | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-S/LIGHT                           | -4,877                         | -                   | -                                                             | 5,009         | -                                    | -                        | -                            | -132                         | -                     | -0                           | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-MARKET                            | -925,534                       | 446,650             | -                                                             | 347,202       | -                                    | -                        | -                            | -35,502                      | -                     | -167,184                     | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZN-DOHS-ORIBI VILLAGE               | -689,836                       | 689,836             | -                                                             | -             | -                                    | -                        | -                            | -                            | -                     | -                            | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZN-DOHS-BENEFIT AUDIT/TRANSFER      | -9,602,390                     | 3,328,710           | -                                                             | -             | -                                    | -                        | -                            | -584,948                     | -                     | -6,858,629                   | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZN-DOHS-MILITARY VETERANS           | -8,624,156                     | -                   | -                                                             | -             | -                                    | -                        | -                            | -                            | -                     | -8,624,156                   | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-DOHS - JIKA JOE                   | -                              | 27,087,046          | -                                                             | -             | -                                    | -                        | -                            | -                            | -37,602,972           | -10,515,927                  | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-DOHS - TITLE DEED RESTORATION     | -                              | -                   | -                                                             | -             | -                                    | -                        | -                            | -                            | -8,965,991            | -8,965,991                   | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-TAG                               | -12,179                        | 666,982             | -                                                             | -307,279      | -                                    | -                        | -                            | -24,481                      | -385,000              | -61,958                      | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-TAG                               | -707,279                       | 18,319              | -                                                             | 307,279       | -                                    | -                        | -                            | -37,503                      | -56,000               | -475,184                     | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-GEVDI                             | -5,528,936                     | 5,489,801           | -                                                             | 94,025        | -                                    | -                        | -                            | -315,125                     | -                     | -260,234                     | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-GEVDI                             | -9,329,488                     | 10,129,662          | -                                                             | -94,025       | -                                    | -                        | -                            | -706,149                     | -                     | -0                           | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-LIBRARY                           | -298,570                       | 2,112,234           | -                                                             | -             | -                                    | -                        | -                            | -202,213                     | -6,650,000            | -5,038,548                   | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-LIBRARY                           | -512,927                       | 11,220,020          | -                                                             | -             | -                                    | -                        | -                            | -631,707                     | -12,909,000           | -2,833,614                   | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-ACCRED                            | -4,500,558                     | 1,157,486           | -                                                             | -             | -                                    | -                        | -                            | -571,212                     | -7,855,968            | -11,770,252                  | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-ACCRED                            | -31,900,495                    | 9,346,841           | -                                                             | -             | -                                    | -                        | -                            | -2,127,507                   | -5,740,818            | -30,421,979                  | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-MANAYE                            | -3,919,048                     | 1,852,832           | -                                                             | -347,202      | -                                    | -                        | -                            | -255,226                     | -                     | -2,668,643                   | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-MANAYE                            | -235,639                       | 205,442             | -                                                             | -8,200        | -                                    | -                        | -                            | -12,175                      | -                     | -50,572                      | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-YOUTH                             | -8,184,361                     | 492,694             | -                                                             | -             | -                                    | -                        | -                            | -499,939                     | -                     | -8,191,606                   | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-YOUTH                             | -1,486,113                     | 1,316,864           | -                                                             | -             | -                                    | -                        | -                            | -75,840                      | -                     | -245,089                     | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZNP/BAIRP                           | -54,118                        | -                   | -                                                             | 54,118        | -                                    | -                        | -                            | -                            | -                     | 0                            | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS UNSPENT:CP-KZN-TREASURY - ORIBI AIRPORT | -                              | 54,118              | -                                                             | -54,118       | -                                    | -                        | -                            | -                            | -                     | 0                            | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-DLULIS.                           | -1,000,000                     | -                   | -                                                             | -             | -                                    | -                        | -                            | -                            | -                     | -1,000,000                   | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-DLULIS.                           | -500,000                       | -                   | -                                                             | -             | -                                    | -                        | -                            | -                            | -                     | -500,000                     | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-DLULIS.                           | -88,734,714                    | 76,265,537          | -                                                             | 0             | -                                    | 86,311                   | -                            | -6,100,950                   | -80,165,748           | -98,649,565                  | UNSPENT CG - PROVINCIAL GOVERNMENT |
| GRANTS:OP-KZ-DLULIS.                           | -122,349,564                   | 447,958,966         | 7,096,415                                                     | 0             | 33,614,849                           | 86,311                   | 46,570,842                   | -6,100,950                   | -534,835,748          | -127,958,879                 | UNSPENT CG - PROVINCIAL GOVERNMENT |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                     | MATTER TYPE                                                                                                                                                                                                                                | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                            | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                   | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
|-----|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| 1   | Kheswa v. Msunduzi Municipality                            | Delictual Claim: The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle.                                                                                                                    | 2009           | Internal                                                                                                                                                | R30 470.12 Plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                        | 128,734         | Not probable           |
| 2   | Orion Telecom v. Msunduzi Municipality                     | Contractual Claim: Plaintiff sued the Municipality for outstanding fees in terms of a contract.                                                                                                                                            | 2007           | Internal                                                                                                                                                | R 92 189.52 and R23047.38 Plus interest at 15.5 per cent per annum. Plea filed. Plaintiff did not proceed any further.                                                               | 649,496         | Not probable           |
| 3   | Nzaba IN v Msunduzi Municipality                           | Delictual Claim. The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle.                                                                                                                    | 2008           | File retrieved from Bhamjee Attorneys                                                                                                                   | R73 500.00 Plus interest at 15.5 per cent per annum. Set down for trial was part-heard. Ongoing.                                                                                     | 358,665         | Not probable           |
| 4   | Thuthugisa Contracting Enterprise v. Msunduzi municipality | Memorandum of Agreement Dispute. Plaintiff owed monies by the Municipality in terms of a contract.                                                                                                                                         | 2007           | Internal                                                                                                                                                | R 210 749.00 Plus Vat at 14 per cent. In court.                                                                                                                                      | 240,254         | Not probable           |
| 5   | Terwolbeek PJ v Msunduzi Municipality                      | Delictual Claim: A water pipe allegedly causing flooding at Plaintiff's property and damaging his household appliances.                                                                                                                    | 2008           | Insurance                                                                                                                                               | R1 121 620. 00 plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                    | 5,473,279       | Not probable           |
| 6   | Makungisa E v Msunduzi Municipality                        | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle as a result of a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee within the course and scope of his employment. | 2007           | Internal                                                                                                                                                | R 6 213.00 plus interest at 15.5 per cent per annum. Part-heard. The Defendant filed an amended plea (defence). The matter is ongoing.                                               | 35,018          | Not probable           |
| 7   | F. Osman V Msunduzi Municipality                           | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries.                                                                                                                                                              | 2007           | Internal                                                                                                                                                | R 198 840.00 plus interest at 15.5 per cent per annum. The defendant's plea has been filed. The matter is ongoing.                                                                   | 1,120,695       | Not probable           |
| 8   | Rabikisoan R v Msunduzi Municipality                       | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained during a fall on an uneven pavement on Retief Street.                                                                                                      | 2007           | Internal                                                                                                                                                | R20 000.00 plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                        | 112,723         | Not probable           |
| 9   | Zuma NG v Msunduzi Municipality                            | Delictual Claim: The Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers.                                                                                                                  | 2008           | Internal                                                                                                                                                | R100 000.00 Plus interest at 15.5 per cent per annum. Correspondence exchanged between attorneys of record. The matter is ongoing.                                                   | 487,980         | Not probable           |
| 10  | Zondi PS v Msunduzi Municipality                           | Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.                                 | 2007           | Internal                                                                                                                                                | R15 080.00 plus interests at 15.5 per cent per annum. The matter is ongoing.                                                                                                         | 84,993          | Not probable           |
| 11  | Painter LV v Msunduzi Municipality                         | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to his vehicle after a tree had fallen on top of Plaintiff's vehicle.                                                                                       | 2006           | Internal                                                                                                                                                | R45 361.38 plus interest at 15.5 per cent per annum. Pre-trial notices have been exchanged. The matter is ongoing.                                                                   | 295,292         | Not probable           |
| 12  | Dladla G v Msunduzi Municipality                           | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries.                                                                                                                                                              | 2006           | Internal                                                                                                                                                | R20 000.00 plus interest at 15.5 per cent per annum. Further particulars were requested from Plaintiff. The matter is ongoing.                                                       | 130,195         | Not probable           |
| 13  | Haffejee RB v Msunduzi Municipality                        | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence.     | 2004           | Internal                                                                                                                                                | R98 800.00 plus interest at 15.5 per cent per annum. Ongoing                                                                                                                         | 857,999         | Not probable           |
| 14  | Zondi M. v Msunduzi Municipality                           | Delictual Claim: The Plaintiff is suing the Municipality for alleged unlawful arrest and detention by Municipal Traffic Officers.                                                                                                          | 2006           | Internal                                                                                                                                                | R50 000.00 plus interest at 15.5 per cent per annum. Matter set down. Part-heard. Unlawful arrest.                                                                                   | 325,489         | Not probable           |
| 15  | Mamusa Marketing v Msunduzi Municipality                   | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after having been involved in a collision with a Municipal vehicle driven by an employee in the course and scope of his employment.                    | 2007           | Internal                                                                                                                                                | R 9823.48 plus interest at 15.5 per cent per annum. The matter is part-heard.                                                                                                        | 55,367          | Not probable           |
| 16  | Naidoo Kogulan v Msunduzi Municipality                     | Delictual claim. Plaintiff suing the Municipality caused by having fallen into an uncovered manhole.                                                                                                                                       | 2010           | Internal                                                                                                                                                | R 100 000.00 plus interest at 15.5 per cent per annum. Matter is ongoing.                                                                                                            | 365,795         | Not probable           |
| 17  | Majozi HS v Msunduzi Municipality                          | Delictual claim. Plaintiff is suing the Municipality for injuries sustained as a result of having fallen into an uncovered manhole.                                                                                                        | 2010           | Internal                                                                                                                                                | R 95 000.00 plus interest at 15.5 per cent per annum. Matter is ongoing.                                                                                                             | 347,505         | Not probable           |
| 18  | Dlamini BM v Msunduzi Municipality                         | Delictual Claim: Plaintiff's minor child fell into an open trench/ drainage system and sustained injuries to their lower limbs.                                                                                                            | 2010           | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | R 300 000.00 plus interest at 15.5 per cent per annum. The matter is ongoing. R 300 000.00 plus interest at 15.5 per cent per annum. CURRENT STATUS : This matter has been archived. | 1,097,385       | Not probable           |
| 19  | Bishop's roadworks v. Msunduzi Municipality                | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                         | 2009           | Internal                                                                                                                                                | R 120 000.00 plus interest at 15.5 per cent per annum.                                                                                                                               | 506,992         | Not probable           |
| 20  | Reddy Ronald v Msunduzi Municipality                       | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                         | 2010           | Internal                                                                                                                                                | R282 818.08 plus interest at 15.5 per cent per annum. The matter is part-heard.                                                                                                      | 1,034,535       | Not probable           |
| 21  | Mavundla AB v Msunduzi Municipality                        | Delictual Claim: The Plaintiff is suing the Municipality for being allegedly unlawfully arrested and detained by Municipal Traffic Officers.                                                                                               | 2010           | Internal                                                                                                                                                | R 200 000.00 plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                      | 731,590         | Not probable           |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                    |                |                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                              |                 |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                                                     | MATTER TYPE                                                                                                                                                                                                                                                                                                                                                                                        | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                 | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                           | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
| 22                                                                                                                                                                                                        | 3 DM contractors v Msunduzi Municipality                                                   | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                                                                                                                                                                                 | 2011           | Diedricks attorneys,90@ Roberts road, claredon, Pietermaritzburg, tel:3429808, fax:0862191672,e-mail:admin@diedricksattorneys.co.za, Adv Flemming, Tel: 033 845 3501                                                                                         | R 66,930                                                                                                                                                                                                                                                                     | 66,930          | Not Probable           |
| 23                                                                                                                                                                                                        | Dladla NB v. Msunduzi Municipality                                                         | Overpayment of Rates. The Plaintiff is disputing a rates account and is seeking reimbursement.                                                                                                                                                                                                                                                                                                     | 2011           | Internal                                                                                                                                                                                                                                                     | R109 038.97 plus interest at 15.5 per cent per annum. The defendant's plea has been filed. The matter is ongoing.                                                                                                                                                            | 345,333         | Not probable           |
| 24                                                                                                                                                                                                        | KZN-Digi connect v Msunduzi                                                                | Claim by contractor for payment for IT services allegedly rendered.                                                                                                                                                                                                                                                                                                                                | 2012           | Kwela Attorneys. 224 Boom Street, Pietermaritzburg, 3201. james@kwelalaw.co.za. Tel: 033 394 8116                                                                                                                                                            | R505 000.00 plus interest @ 15.5% p/a plus legal costs. Matter in abeyance.                                                                                                                                                                                                  | 1,384,731       | Not probable           |
| 25                                                                                                                                                                                                        | Check One Supermarket (PTY) LTD v. Msunduzi Municipality                                   | Delictual claim. Plaintiff is suing the Municipality for overcharges in relation to a water account.                                                                                                                                                                                                                                                                                               | 2012           | Internal                                                                                                                                                                                                                                                     | R139 961.45 plus interest at 15.5 per cent per annum.Ongoing.                                                                                                                                                                                                                | 383,780         | Not probable           |
| 26                                                                                                                                                                                                        | Mkhonza B. v Msunduzi Municipality                                                         | Delictual claim. Plaintiff is suing the Municipality due to a fall on an uneven pavement slab.                                                                                                                                                                                                                                                                                                     | Oct-12         | Internal                                                                                                                                                                                                                                                     | R 293 000.00 plus interest at 15.5 per cent per annum. Matter ongoing.                                                                                                                                                                                                       | 774,990         | Not probable           |
| 27                                                                                                                                                                                                        | Ogle COO v Msunduzi Municipality                                                           | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries.                                                                                                                                                                                                                                                                                                                      | Dec-12         | Internal/Insurance                                                                                                                                                                                                                                           | R 267 660.00 plus interest at 15.5 per cent per annum. An appearance to defend has been filed. The matter is ongoing.                                                                                                                                                        | 691,164         | Not probable           |
| 28                                                                                                                                                                                                        | Makhaye SB v Msunduzi Municipality                                                         | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.                                                                                                                                                                      | Mar-13         | Internal                                                                                                                                                                                                                                                     | R8688.46 plus interest at 15.5 per cent per annum. An application to dismiss was received and opposed. Various correspondences exchanged between attorneys of record. The matter is ongoing.                                                                                 | 21,642          | Not probable           |
| 29                                                                                                                                                                                                        | Indo Contractors cc                                                                        | Termination of contract: contract dispute with Contractor claiming premature termination.                                                                                                                                                                                                                                                                                                          | 2013           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                     | Contractor claiming R 2 million. Matter still to be decided on arbitration.                                                                                                                                                                                                  | 2,000,000       | Not Probable           |
| 30                                                                                                                                                                                                        | I. Hansa                                                                                   | Delictual Claim: Plaintiff fell into an uncovered manhole in the vicinity of Mountain rise.                                                                                                                                                                                                                                                                                                        | 2013           | Internal                                                                                                                                                                                                                                                     | R 124 734,50. Matter ongoing.                                                                                                                                                                                                                                                | 124,735         | Not probable           |
| 31                                                                                                                                                                                                        | Imbali Mens Hostel                                                                         | Municipality seeking the reversal of various title deeds on the basis of unlawful registrations. 3 unlawful property owners deceased and only 1 deceased estate reported. Trace reports received and summons prepared for 11 matters. For remaining matters we await the Registrar to allocate these matters for pre-trial conference. Default judgements to be lodged in first week of June 2015. | 2013           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate AJ Dickson, 17 Prince Edward Street, Advocates' Chambers, tel: 38453542/3, fax: 38453544, e-mail:adickson@law.co.za | No monetary claim. Costs and further legal fees cannot be quantified at this stage as the matter on-going.                                                                                                                                                                   | 0               | Not probable           |
| 32                                                                                                                                                                                                        | CDK Investments Trust CC                                                                   | Electricity Disconnection Acc number 2915243. The Plaintiff is disputing the disconnection.                                                                                                                                                                                                                                                                                                        | 2013           | Internal                                                                                                                                                                                                                                                     | Costs cannot be quantified at this stage. Matter ongoing.                                                                                                                                                                                                                    | 0               | Not probable           |
| 33                                                                                                                                                                                                        | CDK Investments Trust CC                                                                   | Electricity Disconnection Acc number 2976214. The Plaintiff is disputing the disconnection.                                                                                                                                                                                                                                                                                                        | 2013           | Internal                                                                                                                                                                                                                                                     | Costs cannot be quantified at this stage. Mttter ongoing.                                                                                                                                                                                                                    | 0               | Not probable           |
| 34                                                                                                                                                                                                        | Transnet/ Occupiers of Woodlands and Msunduzi Municipality                                 | Application for eviction of illegal occupiers from railway sidings. Msunduzi a party because it previously agreed to move occupiers.Social survey now completed. Application for funding to relocate the occupiers made to DOHS.                                                                                                                                                                   | 2013           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Moodley                                                                                                             | No monetary claim. Matter ongoing and building has commenced. Once building has been completed, relocation of illegal occupiers can commence. Construction of alternative accommodation has been suspended while Municipality seeks alternative contractor for construction. | 0               | Not probable           |
| 35                                                                                                                                                                                                        | M.E. Mnguni/ Msunduzi Municipality                                                         | Action instituted to compel the Municipality to build a road under case number 10250/2014, out of the High Court, Pietermaritzburg                                                                                                                                                                                                                                                                 | 2014           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Anton Flemming                                                                                                      | No monetary claim. Applicant to enrolled matter.                                                                                                                                                                                                                             | 0               | Not probable           |
| 36                                                                                                                                                                                                        | Telkom SA SOC LTD/ Msunduzi Municipality (127 Waterwork Road-Edendale) Case No. 13903/2015 | Delictual claim: The plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                                                                                                                          | 2014           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747,e-mail:mail@mfilaw.co.za, Adv AJ Dickson, 17 Prince Edward Street, Advocate's Chambers, tel: 38453542/3, fax: 38453544,e-mail:adickson@law.co.za   | Action instituted against the municipality for R 74 803.90. The plaintiff has yet to enroll the matter for trial.                                                                                                                                                            | 74,804          | Not Probable.          |
| 37                                                                                                                                                                                                        | Gugu Leeuw                                                                                 | Contravention of Problem Buildings Bylaws                                                                                                                                                                                                                                                                                                                                                          | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                              | No monetary value                                                                                                                                                                                                                                                            | 0               | Not probable           |
| 38                                                                                                                                                                                                        | Nashini Reddy / Keshree Reddy v Msunduzi Municipality                                      | Contravention of Problem Buildings Bylaws                                                                                                                                                                                                                                                                                                                                                          | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                              | No monetary value                                                                                                                                                                                                                                                            | 0               | Not probable           |
| 39                                                                                                                                                                                                        | Shanaaz Essop                                                                              | Contravention of Problem Buildings Bylaws                                                                                                                                                                                                                                                                                                                                                          | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                              | No monetary value                                                                                                                                                                                                                                                            | 0               | Not Probable           |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                                                                         | MATTER TYPE                                                                                                                                                                            | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                     | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                   | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
|-----|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| 40  | Navida Marais v Msunduzi Municipality                                                                          | Interdict Application to prevent unlawful eviction of respondents                                                                                                                      | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                  | No monetary value, potential liability for costs if unsuccessful.                                                                                                                                                                                    | 0               | Not Probable           |
| 41  | EOH Mthombo v Msunduzi Municipality                                                                            | Potential Cancellation of services by service provider                                                                                                                                 | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv A Flemming 7 Prince Edward Street, PMB, 3201. Tel: 033 845 3539. Email: aflemming@group1pmb.co.za                            | No monetary value.                                                                                                                                                                                                                                   | 0               | Not probable           |
| 42  | Menzi Mpanza v Msunduzi Municipality                                                                           | Interdict for the reconnection of Applicant's electricity at Unit 4, Goal Flats, 1 Prince Alfred Street. Application for contempt of interim order granted as stated above.            | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                  | No monetary value                                                                                                                                                                                                                                    | 0               | Not Probable           |
| 43  | Pranesh Indrajith v Msunduzi Municipality                                                                      | Interdict for the reconnection of Applicant's electricity at 25 Naidoo Road, Raisethorpe                                                                                               | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv D Crampton 17 Prince Edward Street, PMB, 3201. Tel: 033 845 3512. Email: davidc@pmblaw.co.za                                 | No monetary value                                                                                                                                                                                                                                    | 0               | Not Probable           |
| 44  | A Maharaj/ N Maharaj v Msunduzi Municipality                                                                   | Application for an Interdict due to contravention of Building and Town Planning Bylaws taking place at 44 Bangalore Road, Northdale.                                                   | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv M Mazibuko 17 Prince Edward Street, PMB, 3201. Tel: 033 845 3539. Email: ms.mazibuko@gmail.com                               | No monetary value                                                                                                                                                                                                                                    | 0               | Not Probable           |
| 45  | E. G. Alexander                                                                                                | Delictual Claim: The Plaintiff is suing the Municipality as a result of colliding with a pothole whilst cycling in the vicinity of Murray Road.                                        | 2014           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv A Flemming 7 Prince Edward Street, PMB, 3201. Tel: 033 845 3539. Email: aflemming@group1pmb.co.za                            | R 83,499                                                                                                                                                                                                                                             | 83,499          | Not Probable           |
| 46  | Farouk Jasat N.O & 3 others v Msunduzi Municipality                                                            | Delictual Claim for damages: Plaintiff's motor vehicle collided with a pothole on Scania Road intersection. Action instituted in the Magistrate's Court under case No. 2219/2015       | 2014           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:alicia@mfilaw.co.za,                                                                                | Action instituted against the Municipality for R 54 588,60. Matter is defended and has not been enrolled for trial as yet by the Plaintiff.                                                                                                          | 54,589          | Not Probable           |
| 47  | Bermin Investments CC t/a Magalela electrical                                                                  | Contractual claim. Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                         | 2015           | Internal                                                                                                                                                                                                         | R 170 100.69. This is a claim arising from a contractual dispute. The claim is being defended and an appearance to defend as well as a defendant's plea have been filed.                                                                             | 170,101         | Not probable           |
| 48  | Deveng Africa Consulting (PTY) LTD and Municipal Manager, The Msunduzi Municipality/ The Msunduzi Municipality | Contractual Claim                                                                                                                                                                      | 2018 February  | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za | R5 309 127.01. Plea filed awaiting replication.                                                                                                                                                                                                      | 5,309,127       | Not Probable           |
| 49  | Lloyd Mentory/ Msunduzi Municipality                                                                           | Delictual Claim for damages: The plaintiff is suing the Municipality for damages as a result of his motor vehicle having collided with a pothole in the vicinity of Otto's Bluff Road. | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Anton Flemming                                                          | Action instituted against the municipality for R 31 487.02 The taxation has been finalised and monies due to the Municipality in this regard and we have processed the payment due to the Municipality.                                              | 31,487          | Not probable           |
| 50  | 465 Prince Alfred                                                                                              | interdict by municipality to prevent unauthorised town planning use in terms of the Planning and Development Act                                                                       | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                         | No Monetary Claim                                                                                                                                                                                                                                    | 0               | Not Probable           |
| 51  | AJC White                                                                                                      | Delictual Claim: The matter arises from plaintiff having fallen into an uncovered meter box in the vicinity of Flemming Street/ Prince Alfred Street.                                  | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                         | R100 000.00. Plaintiff's Attorneys withdrawn as attorneys on record awaiting Plaintiff to set the matter down for Trial.                                                                                                                             | 100,000         | Not Probable           |
| 52  | 53 Hoosen Haffajee Street                                                                                      | Interdict by municipality to prevent unauthorised town planning use in terms of the Planning and Development Act                                                                       | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                         | No monetary claim.                                                                                                                                                                                                                                   | 0               | Not Probable           |
| 53  | 252 King Edward Drive:                                                                                         | Interdict by municipality to prevent unauthorised town planning use in terms of the Planning and Development Act                                                                       | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                         | No monetary claim                                                                                                                                                                                                                                    | 0               | Not Probable           |
| 54  | Msunduzi Municipality/ Feroz Essa Ismail & 2 others (118 Boom St )                                             | Interdict by municipality to prevent unauthorised town planning use in terms of the Planning and Development Act                                                                       | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                  | The contempt application was successful and the process of recovering the costs due in terms of the Bill of costs has commenced. Respondents have since wrote an application for leave to appeal, which is awaiting a set down date. Matter ongoing. | 0               | Not Probable           |



| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                                     |                                                                                                                                        |                |                                                                                                                                                                                                                                                                                                         |                                                                                                                              |                 |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                                              | MATTER TYPE                                                                                                                            | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                                                            | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                           | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
| 55                                                                                                                                                                                                        | Msunduzi Municipality/ The SA Incinerator Company                                   | Delictual Claim for damages. Action instituted in the High Court, Pietermaritzburg under case number 5422/2015                         | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate H. Gani                                                                                                                                                        | R970 568.88 (in respect of the Defendants counterclaim for retention monies). Matter has not been enrolled for trial as yet. | 970,569         | Not Probable           |
| 56                                                                                                                                                                                                        | Telkom SA SOC LTD/ Msunduzi Municipality (Oribi Road, Pelham) Case No. (15146/2015) | Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes. | 2015           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail:alicia@mfilaw.co.za, REF: 22M003128                                                                                                                                                   | Action instituted against the municipality for R75 433.42. The palintiff has yet to enroll the matter for trial.             | 75,433          | Not Probable           |
| 57                                                                                                                                                                                                        | Telkom SA SOC LTD/ Msunduzi Municipality (Eden Park Drive) Case No. 14572/2015      | Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes. | 2015           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail:alicia@mfilaw.co.za, REF: 22M003161                                                                                                                                                   | Action instituted against the municipality for R43 262.08. The palintiff has yet to enroll the matter for trial.             | 43,262          | Not Probable           |
| 58                                                                                                                                                                                                        | Gomla Singh                                                                         | Interdict: To prevent the Municipality from disconnecting electricity.                                                                 | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net                                                                                                                                                                                           | No monetary value, potential liability for costs if unsuccessful.                                                            | 0               | Not probable.          |
| 59                                                                                                                                                                                                        | C Ngcobo ( Willow)                                                                  | Town Planning                                                                                                                          | 2016           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv A Flemming Tel: 033 845 3546 Fax 033 394 5744 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201        | No Risk. Estimate of legal fees                                                                                              | 0               | Not Probable           |
| 60                                                                                                                                                                                                        | Belinda Lisa Bramdaw                                                                | Interdict: To prevent the Municipality from disconnecting electricity.                                                                 | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                                                   | Setting up settlement meeting.                                                                                               | 0               | Not probable.          |
| 61                                                                                                                                                                                                        | Diedre Doreen Rajah                                                                 | Interdict: To prevent the Municipality from disconnecting electricity.                                                                 | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv R. Padayachee SC Tel: 033 845 3546 Fax 033 394 5744 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No monetary value however the municipality could be liable for costs if unsuccessful. Matter ongoing.                        | 0               | Not Probable.          |
| 62                                                                                                                                                                                                        | Anthoo Marion and Associates                                                        | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                     | 2015           | Internal                                                                                                                                                                                                                                                                                                | R12 935.00. An appearance to defend has been filed at court.                                                                 | 12,935          | Not probable           |
| 63                                                                                                                                                                                                        | Willowton Group t/a Willowton Oil                                                   | Interdict to prevent illegal use of Municipal land in contravention of zoning bylaws                                                   | Sep-15         | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net                                                                                                                                                                                           | No monetary value. Costs if unsuccessful.                                                                                    | 0               | Not probable.          |
| 64                                                                                                                                                                                                        | C Mbanjwa                                                                           | Recovery of monies due to unauthorized use of Municipal vehicle for personal use                                                       | Jul-05         | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net                                                                                                                                                                                           | R 32,972                                                                                                                     | 32,972          | Not probable           |
| 65                                                                                                                                                                                                        | 71 New England Road: Avinash Samiail & Others: case no: 14104/15                    | Application to challenge decision by a Town Planning Tribunal                                                                          | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net. Adv A Rall SC; 17 Prince Edrward Street, Pietermarutzburg. Tel: 033 845 3529. Email: rall@iafrica.com                                                                                    | No monetary value. Costs if unsuccessful.                                                                                    | 0               | Not probable.          |
| 66                                                                                                                                                                                                        | 50 Pope Ellis Drive                                                                 | Interdict to prevent the uses of premises for events                                                                                   | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg; 3201; Tel 033 345 4022. Adv R Nirghin, 17 Prince Edward Street, PMB, 3201. Tel: 033 845 3520. Email: ranjiv.nirghin@gmail.com                                                                                                                 | No monetary value. Costs if unsuccessful.                                                                                    | 0               | Not probable           |
| 67                                                                                                                                                                                                        | 101 Greyling Street                                                                 | Interdict to prevent contravention of zoning bylaws                                                                                    | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                                                                                                         | No monetary value. Legal costs if unsuccessful.                                                                              | 0               | Not probable.          |
| 68                                                                                                                                                                                                        | 47 Tayton Road                                                                      | Interdict: restrained from using or allowing others to use the property as offices.                                                    | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                                                                                                         | No monetary value. Costs if unsuccessful.                                                                                    | 0               | Not probable.          |
| 69                                                                                                                                                                                                        | Msunduzi Municipality v S Antony                                                    | Labour Matter: Review of Arbitration Award                                                                                             | 2014           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                                                                                                         | No monetary value, potential liability for legal costs if unsuccessful                                                       | 0               | Not Probable           |
| 70                                                                                                                                                                                                        | 19 West Street                                                                      | Interdict: restrained from using or allowing others to use the property as a boarding house.                                           | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                                                                                                         | No monetary value. Legal costs if unsuccessful.                                                                              | 0               | Not probable.          |
| 71                                                                                                                                                                                                        | 534 Prince Alfred Street                                                            | Interdict: restrained from using or allowing others to use the property as a business premises.                                        | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                                                                                                         | No monetary value. Costs if unsuccessful.                                                                                    | 0               | Not probable.          |
| 72                                                                                                                                                                                                        | 8 Polo Avenue                                                                       | Interdict: restrained from using or allowing others to use the property as a boarding house.                                           | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                                                                                                         | No monetary value. Legal costs if unsuccessful.                                                                              | 0               | Not probable.          |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                                              | MATTER TYPE                                                                                                                                                                                                                               | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                       | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                             | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
|-----|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| 73  | 79 Boom Street                                                                      | Interdict: restrained from using or allowing others to use the property as a boarding house.                                                                                                                                              | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value,potential liability for legal costs if unsuccessful.                                                                                                                                                         | 0               | Not probable.          |
| 74  | 143 Greyling Street                                                                 | Interdict: restrained from using or allowing others to use the property as a business premises.                                                                                                                                           | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value. Legal costs if unsuccessful. .                                                                                                                                                                              | 0               | Not probable.          |
| 75  | 14 Boom Street                                                                      | Interdict: restrained from using or allowing others to use the property as offices.                                                                                                                                                       | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value, potential liability for legal costs if unsuccessful.                                                                                                                                                        | 0               | Not probable.          |
| 76  | Electricity Action Gorup                                                            | Application to compel the Municipality to implement its Indigent Policy                                                                                                                                                                   | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net Adv A Rall SC; 17 Prince Edward Street, Pietermaritzburg. Tel: 033 845 3529. Email: rall@iafrica.com | No monetary value. Potential liability for legal costs if unsuccessful.                                                                                                                                                        | 0               | Not Probable           |
| 77  | K. Ferosse                                                                          | Application to demolish illegally erected aviaries.                                                                                                                                                                                       | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net                                                                                                      | No monetary value. Potential liability for costs if unsuccessful                                                                                                                                                               | 0               | Not probable.          |
| 78  | Ilitha Research and Management CC                                                   | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                        | 2016           | Internal                                                                                                                                                                                                           | R62 768.00. The summons was issued in the Magistrates Court. Further particulars were sought from ICT and an appearance to defend has been filed. The matter is ongoing.                                                       | 62,768          | Not probable           |
| 79  | PH Magubane                                                                         | Collection of monies from a staff member                                                                                                                                                                                                  | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                    | We have issued a summons and have obtained a judgement. We are attempting to recover the money due, the debtor does not appear to have many assets and this means that the prospects of recovering the money is not very good. | 0               | Not probable           |
| 80  | Victoria Country Club Estate                                                        | Town Planning                                                                                                                                                                                                                             | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg, PO Box 50, Pietermaritzburg, 3200 and Adv Choudree, Masonic Group, Durban.                     | No Risk. Estimate of legal fees                                                                                                                                                                                                | 0               | Not probable           |
| 81  | Mr Mduduzi Collen Sosibo, Mrs Sosibo                                                | Delictual Claim: The plaintiff is suing the Municipality in respect of rates, taxes and services owed by the previous owner of the property.                                                                                              | 2016           | Internal                                                                                                                                                                                                           | Summons were received in the amount of R 132 431, 96 were received from the plaintiff. Discovery notices have been filed and served on the plaintiff.                                                                          | 132,432         | Not probable           |
| 82  | AMA-Grace Business Enterprises                                                      | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered damages as a result of a burst pipe which then allegedly caused damage to the plaintiff's property.                         | 2016           | Internal                                                                                                                                                                                                           | The Plaintiff has claimed an amount of R59 042.52. Notices in terms of Rule 23 have been filed and served on the plaintiff.                                                                                                    | 59,043          | Not probable           |
| 83  | Philani Kenneth Sikhosana                                                           | Delictual Claim: The plaintiff is suing the Municipality for damages incurred as a result of the alleged failure of the defendant to keep the Hall in good condition for the Plaintiff's event on time.                                   | 2016           | Internal                                                                                                                                                                                                           | The plaintiff has claimed an amount of R90 000. A plea has been filed and served on the plaintiff.                                                                                                                             | 90,000          | Not probable           |
| 84  | Prethabran Govender                                                                 | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein the municipality allegedly caused damages to the properties of eight tenants as a result of a power surge.                                               | 2016           | Internal                                                                                                                                                                                                           | A summons in the amount of R48 200.00 was received. A Notice of Exception in terms of Rule 19 (1) to Plaintiff's Particulars of claim has been filed in court and served on the plaintiff                                      | 48,200          | Not probable           |
| 85  | Kua-Siza Transporters CC and Msunduzi Municipality                                  | Delictual claim: The Plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal driven by a Municipal employee in the course and scope of his employment. | 2017           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | The plaintiff has claimed an amount of R55 532, 34. Matter is ongoing.                                                                                                                                                         | 55,532          | Not Probable           |
| 86  | Elizabeth Fredrica Jepson and The Msunduzi Local Municipality                       | Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff allegedly tripped over the pavement and was injured.                                                                                           | 2017           | External Insurers                                                                                                                                                                                                  | The plaintiff has claimed in the amount of R600 000.00.                                                                                                                                                                        | 600,000         | not probable           |
| 87  | Electro Technical Agencies cc and Msunduzi Municipality/ Mohamed Shaik              | Delictual Claim: The plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal driven by a Municipal employee in the course and scope of his employment. | 2017           | Internal                                                                                                                                                                                                           | The plaintiff has claimed an amount of R10 817.73. A notice to withdraw the action was received from the Plaintiff.                                                                                                            | 10,818          | Not Probable           |
| 88  | Qalapha Jacob Ngubane and Msunduzi Municipality                                     | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a power outage which resulted in a power surge.                                                       | 2017           | Internal                                                                                                                                                                                                           | The Plaintiff has claimed an amount of R21 862, 00. An Appearance to defend was filed and served on the Plaintiff.                                                                                                             | 21,862          | Not probable           |
| 89  | Telkom SA SOC LTD/ Msunduzi Municipality (Zwartkop, Blackridge) Case No. 15793/2015 | Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.                                                                                                    | 2015           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747,e-mail:alicia@mfilaw.co.za,                                                                              | Action instituted against the municipality for R 25 554,55. The plaintiff has yet to enroll the matter for trial.                                                                                                              | 25,555          | Not Probable           |

| <b>THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br/>                     CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br/>                     APPENDIX E1<br/>                     SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019</b> |                                                                      |                                                                                                                                                                      |                |                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                             |                 |                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| NO.                                                                                                                                                                                                                                                                                | MATTER                                                               | MATTER TYPE                                                                                                                                                          | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                             | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                          | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
| 90                                                                                                                                                                                                                                                                                 | Msunduzi Municipality/Gubela Trading                                 | Contractual dispute: Applicant sought an order to review the Municipality's decision to cancel a contract of services.                                               | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, advocate A. De Wet ,17 Prince Edward Street, Advocates' Chambers, tel: 0338453534, fax: 033-3428941,e-mail:dewet@group8.co.za            | R595 337.26 plus costs of the application. Costs and further legal fees cannot be quantified at this stage as the matter is ongoing. Gubela Trading has made a proposal to withdraw the Application against the Municipality with each party to tender its own legal costs. | 595,337         | Not probable           |
| 91                                                                                                                                                                                                                                                                                 | Msunduzi Municipality/ Zamanyambose Mbambo and Leonard Hitler Freeze | Action for damages based on fraud/ unjust enrichment instituted in the High Court, Pietermaritzburg under case number 8018/2010                                      | 2010           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Ranjiv Nirghin, 17 Prince Edward Street, Advocates' Chambers, e-mail:ranjiv.nirghin@gmail.com                                   | Matter settled in so far as second defendant is concerned. Matter to be enrolled for trial in respect of first defendant.                                                                                                                                                   | 0               | Not probable           |
| 92                                                                                                                                                                                                                                                                                 | Lawrence Ngcobo                                                      | Town planning matter: contravention of the Planning and Development Act by running business in special residential area.                                             | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | Order granted in favour of the Municipality. In process of recovering costs. Cannot trace debtor.                                                                                                                                                                           | 0               | Not probable.          |
| 93                                                                                                                                                                                                                                                                                 | 35 Pietermaritz Street                                               | New instruction in November, need further instructions from Mr Mdu Mbokazi on the most recent inspection date. The file only records latest date to be October 2013. | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not Probable.          |
| 94                                                                                                                                                                                                                                                                                 | Archie Gumede                                                        | Land invasion, Court Interdict                                                                                                                                       | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200. Adv R Nirgin: 033 845 2501. Block A1, Advocate's Chambers, 17 Prince Edward Street.                               | No Risk. Estimate of Legal Fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 95                                                                                                                                                                                                                                                                                 | Pietermaritzburg Pistol Club                                         | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Dickson 033-845 3501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No Risk. Estimate of legal fees.                                                                                                                                                                                                                                            | 0               | Not probable.          |
| 96                                                                                                                                                                                                                                                                                 | 38 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 97                                                                                                                                                                                                                                                                                 | 41 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 98                                                                                                                                                                                                                                                                                 | 42 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 99                                                                                                                                                                                                                                                                                 | 43 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 100                                                                                                                                                                                                                                                                                | 44 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 101                                                                                                                                                                                                                                                                                | 46 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 102                                                                                                                                                                                                                                                                                | 50 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 103                                                                                                                                                                                                                                                                                | 51 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |
| 104                                                                                                                                                                                                                                                                                | 53 Pietermaritz Street                                               | Town Planning                                                                                                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                                                                                                                                                                                                                                             | 0               | Not probable.          |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1  
SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                  | MATTER TYPE   | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                               | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
|-----|-------------------------|---------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|-----------------|------------------------|
| 105 | 54 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 106 | 55 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 107 | 56 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 108 | 13 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 109 | 17 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 110 | 21 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 111 | 27 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 112 | 11 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 113 | 29 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 114 | 14 McCullum Street      | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 115 | 13 McCullum Street      | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 116 | 33 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 117 | 31 Pietermaritz Street  | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 118 | 4 McCullum Street       | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 119 | 15 McCullum Street      | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                      | No Risk. Estimate of legal fees                    | 0               | Not probable.          |
| 120 | 441 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg, 3200 and Adv Dickson 033-8453501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No Risk. Estimate of legal fees                    | 0               | Not probable.          |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                             |                |                                                                                                                                                                                                                                                                          |                                                                                                                                                                                              |                 |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                                                                                                                                                                                                                                                                                                                                                                                | MATTER TYPE                                                                                                                                                 | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                             | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                           | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
| 121                                                                                                                                                                                                       | Uphill Trading                                                                                                                                                                                                                                                                                                                                                                                                        | Town Planning                                                                                                                                               | 2012           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Dickson 033-8453501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201.  | No Risk. Estimate of legal fees.                                                                                                                                                             | 0               | Not probable.          |
| 122                                                                                                                                                                                                       | Various                                                                                                                                                                                                                                                                                                                                                                                                               | Eviction                                                                                                                                                    | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv S Moola 033-897 8482 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No risk. Estimate of legal fees.                                                                                                                                                             | 0               | Not probable.          |
| 123                                                                                                                                                                                                       | V. D. Gunkel (58 Les Van Wyk Drive)                                                                                                                                                                                                                                                                                                                                                                                   | Town Planning: contravention of PDA by running business in special residential area.                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Awaiting instructions to withdraw the matter.                                                                                                                                       | 0               | Not probable.          |
| 124                                                                                                                                                                                                       | IXS MCHUNU & OTHERS/ MSUNDUZI MUNICIPALITY                                                                                                                                                                                                                                                                                                                                                                            | INTERDICT: TOWN PLANNING                                                                                                                                    | 2012           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: alicia@mfilaw.co.za. REF: 22M003021                                                                                                                   | No monetary claim. Taxed costs still to be recovered.                                                                                                                                        | 0               | Not probable           |
| 125                                                                                                                                                                                                       | Msunduzi Municipality/ surendra singh & 13 others                                                                                                                                                                                                                                                                                                                                                                     | INTERDICT: TOWN PLANNING                                                                                                                                    | 2015           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, Adv A Potgieter SC & Adv H Gani                                                                                                    | No monetary claim. Draft contempt application provided to client, who is to provide additional information from various inspection departments in order to finalise                          | 0               | Not probable           |
| 126                                                                                                                                                                                                       | Combined summons- Basfour 3281 CC t/a Save Supermarket and Msunduzi Municipality                                                                                                                                                                                                                                                                                                                                      | Debatemont of Electricity Account.                                                                                                                          | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 . Adv Deon Schaup, Tel: 033 845 3501                                                                               | Risk of R334 920,77.                                                                                                                                                                         | 334,921         | Not probable           |
| 127                                                                                                                                                                                                       | MAGICONE INVESTMENTS/ MSUNDUZI MUNICIPALITY                                                                                                                                                                                                                                                                                                                                                                           | INTERDICT: TOWN PLANNING                                                                                                                                    | 2012           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: alicia@mfilaw.co.za, Adv H Gani                                                                                                                       | No monetary claim. Appeal was dismissed with costs. Taxed costs still to be recovered. Contempt application prepared by Counsel and provided to client to confirm veracity of facts alleged. | 0               | Not probable           |
| 128                                                                                                                                                                                                       | G. Govender/ P. Naidoo and Msunduzi Municipality.                                                                                                                                                                                                                                                                                                                                                                     | Application in terms of PIE.                                                                                                                                | 2018           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za. REF: 22M003071                                                                                                                     | No monetary claim. Awaiting outcome of application for absolution. The Municipality has been absolved from the proceedings.                                                                  | 0               | Not probable.          |
| 129                                                                                                                                                                                                       | S. Shangase/ Sibisi and 2 others.                                                                                                                                                                                                                                                                                                                                                                                     | Application in terms of PIE.                                                                                                                                | 2018           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za. REF: 22M003196                                                                                                                     | No monetary claim. The Application was set down for hearing on 05 February 2019. Application was dismissed.                                                                                  | 0               | Not probable.          |
| 130                                                                                                                                                                                                       | RV. Zulu/ Msunduzi municipality                                                                                                                                                                                                                                                                                                                                                                                       | Application in terms of PIE.                                                                                                                                | 2018           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za. REF: 22M003405                                                                                                                     | No monetary claim. Matter ongoing.                                                                                                                                                           | 0               | Not probable.          |
| 131                                                                                                                                                                                                       | Nimie Mahomed and The Msunduzi Municipality                                                                                                                                                                                                                                                                                                                                                                           | Plaintiff is suing the municipality for damages arising out of the Plaintiff allegedly falling on an uneven concrete slab.                                  | Jan-18         | External Insurers                                                                                                                                                                                                                                                        | R585 400.00.                                                                                                                                                                                 | 585,400         | Not probable           |
| 132                                                                                                                                                                                                       | Zabalaza Mshengu/ Thabisile Ntombifuthi Ngema / Association for Rural Advancement and Msunduzi Local Municipality/ Umshwathi Local Municipality / Umgungundlovu District Municipality/ Shock proof Investments 71 (Pty) Ltd / Vargapath Propriety Limited / Minister of water and sanitation / Minister of Co-operative Governance and Traditional Affairs/ MEC: Co-operative Governance and Traditional Affairs, KZN | The Plaintiffs are seeking and Order from the courts to order the various Respondents to provide certain municipal services in the areas which they occupy. | Oct-17         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za / tmj@tmj.co.za                                                        | No monetary claim. Currently awaiting judgment from court.                                                                                                                                   | 0               | Not Probable.          |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                     | MATTER TYPE                                                                                                                                                                           | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                             | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
|-----|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| 133 | Abdool Saccor Trust                                        | Dispute in a property transaction: review application in respect of the Municipality's decision to sell the property.                                                                 | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                         | No monetary claim. Counsel drafting opposing papers.                                                                                                                                                                              | 0               | Not Probable.          |
| 134 | Ted Textiles                                               | Application before the High Court to compel the Municipality to place the Applicant on a different electrical tariff scale                                                            | Mar-19         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                         | No monetary claim. Currently preparing answering affidavit                                                                                                                                                                        | 0               | Not Probable           |
| 135 | 47 Darvil Road                                             | Contravention matter                                                                                                                                                                  | Feb-19         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                         | No monetary claim. Contravention notice was sent, currently awaiting dies to expire and a second inspection may be undertaken                                                                                                     | 0               | Not Probable           |
| 136 | Giyani Engineering                                         | Contractual Claim                                                                                                                                                                     | Nov-17         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                         | No monetary claim. Parties have exchanged affidavits. Awaiting applicant to set matter down on opposed roll.                                                                                                                      | 0               | Not Probable           |
| 137 | Mohammed and Others                                        | Interdict: High Court application for Re-connection of electricity                                                                                                                    | Oct-17         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                         | No monetary claim. Applicants' attorney has passed away. Awaiting new attorney to be placed on record.                                                                                                                            | 0               | Not Probable           |
| 138 | S. Jetu/ S. P Ngamu/ S.N Ngamu and Msunduzi Municipality   | Application for an interdict                                                                                                                                                          | 2018           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, REF: 22M00                                                                                               | No monetary claim. Respondent has filed Answering Affidavit. Matter to be set down on opposed roll. Matter ongoing                                                                                                                | 0               | Not Probable           |
| 139 | G Hlengwa/ N. N Mthembu                                    | Application in terms of PIE.                                                                                                                                                          | 2018           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                                          | No monetary claim. Applicant has not set matter down for hearing. Matter ongoing. Applicants to set the matter down for hearing.                                                                                                  | 0               | Not Probable           |
| 140 | Ajay Beharie                                               | Labour Dispute                                                                                                                                                                        |                | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                    | No risk. Estimate of legal fees.                                                                                                                                                                                                  | 0               | Not Probable           |
| 141 | Glenmer CC t/a Metal Finishing Industries                  | Town Planning                                                                                                                                                                         |                | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200, Adv Diskson                                                                       | No risk. Estimate of legal fees                                                                                                                                                                                                   | 0               | Not Probable           |
| 142 | Khuselani Risk Management and Security Services and Others | Contractual Dispute                                                                                                                                                                   |                | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Broster SC, 6 Durban Club Place, Durban                                    | On merits in relation to KSA, the main applicant, outflow not probable. In relation to two other applicants, Council settled to pay their legal costs, which are currently not yet quantified.                                    | 0               | Not Probable           |
| 143 | Grant Fryer                                                | Labour dispute before the CCMA relating to fixed term contract.                                                                                                                       | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                         | The arbitration is held in abeyance by agreement pending the exchange of information between the parties. Applicant took no further steps to refer matter to Arbitration in view of a further fixed term contract offered to him. | 0               | Not Probable           |
| 144 | Nkabini and Others                                         | Alleged unfair labour practice in relation to termination of the Progressive attainment. Policy for security workers. Application of a collective agreement. Before the Labour Court. | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za.Advocate David Crampton | Notice of intended Exception as applicants have not referred their dispute to Conciliation. Matter on-going                                                                                                                       | 0               | Not Probable           |
| 145 | Moses Thusi and 230 Others                                 | Unfair discrimination of 230 employees.                                                                                                                                               | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za.Advocate David Crampton | Applicant seeks re-employment. Not a monetary claim. Counsel instructed to prepare an application to dismiss the matter. Same served and filed. No opposition from the Applicants.                                                | 0               | Not Probable           |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                                                                                                  |                                                                                                                                                                                                                                   |                |                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                                                                                                           | MATTER TYPE                                                                                                                                                                                                                       | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                               | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                                                                                                                                                | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
| 146                                                                                                                                                                                                       | Thandi Gloria Mayisela                                                                                                                           | Alleged unfair labour practice. Applicants sought to be considered as a security officer and get security officer benefit.                                                                                                        | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                                                           | Notice to intended Exception as applicants have not referred their dispute to conciliation. Matter on-ongoing                                                                                                                                                                                                                                                                                     | 0               | Not Probable           |
| 147                                                                                                                                                                                                       | Savari Thevaranjeeh                                                                                                                              | Application for an Interdict in terms of SPLUMA to prevent contraventions of SPLUMA Bylaws                                                                                                                                        | Jul-05         | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                                            | No monetary value                                                                                                                                                                                                                                                                                                                                                                                 | 0               | Not Probable           |
| 148                                                                                                                                                                                                       | ICON Construction (PtyP LTD                                                                                                                      | Claim for monies due in respect of services rendered.                                                                                                                                                                             | Jul-05         | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv D Crampton, 17 Prince Alfred Street, Pietermaritzburg 3201. Email davidc@pmblaw.co.za. Tel: 033 845 3512                                                                               | R 2,191,596                                                                                                                                                                                                                                                                                                                                                                                       | 2,191,596       | Not Probable           |
| 149                                                                                                                                                                                                       | T Mbhele                                                                                                                                         | Referral to the South African Local Government Bargaining Council for Arbitration                                                                                                                                                 | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv A G Flemming, 17 Prince Alfred Street, Pietermaritzburg 3201. Email: aflemming@group1pmb.co.za                                                                                         | Potential back pay to employee from 2016.                                                                                                                                                                                                                                                                                                                                                         | 0               | Not probable           |
| 150                                                                                                                                                                                                       | S Nxele/ T Mshengu v Msunduzi Municipality                                                                                                       | Referral to the South African Local Government Bargaining Council for Arbitration                                                                                                                                                 | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv A G Flemming, 17 Prince Edward Street. Pietermaritzburg;3201. Cell 076 264 6397. Email: aflemming@group1pmb.co.za                                                                      | Potential back pay to employees                                                                                                                                                                                                                                                                                                                                                                   | 0               | Not probable           |
| 151                                                                                                                                                                                                       | G Goodall & Another                                                                                                                              | Contempt of Court Application against private individuals concerning land grabs where the applicant seeks assistance from the Municipality and the Land Invasion Unit                                                             | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                                                                             | No monetary value, potential liability for legal costs if unsuccessful                                                                                                                                                                                                                                                                                                                            | 0               | Not probable           |
| 152                                                                                                                                                                                                       | F Sheik                                                                                                                                          | Spoilation Application involving a stand at the Debi Market                                                                                                                                                                       | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv M Mazibuko 17 Prince Edward Street, PMB, 3201. Tel: 033 845 3539. Email: ms.mazibuko@gmail.com                                                                                         | No monetary value, potential liability for legal costs if unsuccessful.                                                                                                                                                                                                                                                                                                                           | 0               | Not Probable           |
| 153                                                                                                                                                                                                       | Nomfundo Thandeka Makhaye and Msunduzi Local Municipality.                                                                                       | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment. | 2018           | Internal                                                                                                                                                                                                                                                                   | The Plaintiff has claimed an amount of R 19 788.31. Matter is ongoing                                                                                                                                                                                                                                                                                                                             | 19,788          | Not probable           |
| 154                                                                                                                                                                                                       | Bhekumzi Alphios Dlamini and The Mayor: Msunduzi Local Municipality and The Municipal Manager: Msunduzi Local Municipality and Sphumelele Ngcobo | The Applicant has applied for condonation in the High Court in for not having complied with section 3 of Act 40 of 2002.                                                                                                          | 2019           | Internal                                                                                                                                                                                                                                                                   | The claimant has not issued summons but has filed an application for condonation in the High Court. According to the papers and the letter of demand attached to the papers, an amount of R309 000,00 is claimed in paragraph 3 of the letter excluding costs. This amount could change on summons. The Respondent filed its Notice to Oppose the matter in court and served it on the Applicant. | 309,000         | Not Probable           |
| 155                                                                                                                                                                                                       | Bayaphambile Proteties 55 (Pty) Ltd                                                                                                              | Town planning.                                                                                                                                                                                                                    | 2018           | Shannon Lawrence Diedricks of Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                        | To file a Replying Affidavit. Consulting with officials on 6th May 2019.                                                                                                                                                                                                                                                                                                                          | 0               | Not Probable           |
| 156                                                                                                                                                                                                       | Manzimati Trading                                                                                                                                | Town Planning                                                                                                                                                                                                                     | 2019           | Shannon Lawrence Diedricks of Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                        | No monetary value. Received Summons. Drafting papers.                                                                                                                                                                                                                                                                                                                                             | 0               | Not Probable           |
| 157                                                                                                                                                                                                       | Anton Venter                                                                                                                                     | Interdict against Municipality for road construction.                                                                                                                                                                             | 2014           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                                   | Applicant's application for contempt of Court Order is set down for hearing on 20 May 2019.                                                                                                                                                                                                                                                                                                       | 0               | Probable               |
| 158                                                                                                                                                                                                       | Moosa Omar                                                                                                                                       | Debatemnt of Electricity Account.                                                                                                                                                                                                 | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                                   | Matter to be set down for taxation.                                                                                                                                                                                                                                                                                                                                                               | 0               | Probable               |
| 159                                                                                                                                                                                                       | Takeshape Properties                                                                                                                             | Debatemnt of services account R 413 213, 72                                                                                                                                                                                       | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Potgieter 033-845 3501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No risk. Estimate of legal fees                                                                                                                                                                                                                                                                                                                                                                   | 0               | Probable.              |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                                                                                                | MATTER TYPE                                                                                                                                                                                                                          | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                                                            | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
|-----|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| 160 | IMA PROP 29 CC                                                                                                                        | Interdict: Applicants/Plaintiffs sought to interdict the Municipality from disconnecting electricity supply to their various buildings.                                                                                              | 2016           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, advocate De Wet SC, 17 Prince Edward Street, Advocates' Chambers                      | No monetary claim. Trial adjourned sine die to attempt settlement, following Plaintiff's application for amnesty for rates and services amounts outstanding. Schedules depicting current outstanding amounts for rates and services provided to Defendant's attorneys and we await proposed settlement amount | 0               | Probable               |
| 161 | Certificate of Urgency in the matter Kwezi Cash and Carry CC (Reg No. 1994/029959/23 and The Msunduzi Municipality Case No. 13363/17P | Interdict: The matter involves a dispute over the placement and use of electricity meters on the property                                                                                                                            | 2017           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za,                                                                                       | Costs cannot be quantified at this stage. The Plaintiff has requested a meeting to settle the matter. The Municipality has undertaken to provide certain documentation to the other side in order to facilitate settlement.                                                                                   | 0               | Probable               |
| 162 | Planet Waves 399                                                                                                                      | Council withholding payment to contractor that built sludge dams. Possibility of eventual liability.                                                                                                                                 | 2012           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB. tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                   | Planet Waves sued for R1 694 937.70 and Municipality counter sued for R 1, 940 934.00.                                                                                                                                                                                                                        | 1,694,938       | Probable               |
| 163 | A S Variawa/ Y Cassim                                                                                                                 | Eviction application as a result of an encroachment by Municipality onto the Applicant's land.                                                                                                                                       | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg; 3201; Tel 033 345 4022. 17 Prince Edward Street, PMB, 3201. Adv A Flemming 7 Prince Edward Street, PMB, 3201. Tel: 033 845 3539 . Email: aflemming@group1pmb.co.za | No monetary value. Potential conveyancing costs payable.                                                                                                                                                                                                                                                      | 0               | Probable               |
| 164 | Standard Bank v Msunduzi Municipality                                                                                                 | Interdict to compel the Municipality to provide rates clearance figures.                                                                                                                                                             | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg; 3201; Tel 033 345 4022.                                                                                                                                            | No monetary value, potential liability for costs if unsuccessful.                                                                                                                                                                                                                                             | 0               | Probable               |
| 165 | Simphiwe Dube                                                                                                                         | Interdict for the return of a motor vehicle, Contempt Application for not complying with the Interdict Order and Rescission Application for Initial Interdict                                                                        | 2019           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg; 3201; Tel 033 345 4022. Adv V Moodley, 17 Prince Alfred Street, Pietermaritzburg 3201. Tel: 033 845 3591. Email: vershenn@advmoodley.co.za                         | No monetary value claimed, however, there might be liability for the value of the lost vehicle.                                                                                                                                                                                                               | 0               | Probable               |
| 166 | Dan Moonsamy Naidoo and Msunduzi Municipality/ Hlengiwe Sithole                                                                       | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.    | 2019           | Internal                                                                                                                                                                                                                    | The Plaintiff has claimed an amount of R38 000.00. ( Claim 1 R 35 000.00 , Claim 2 R 3000.00) A round table conference has been arranged between the parties.                                                                                                                                                 | 38,000          | Probable               |
| 167 | Telkom SA LTD v Msunduzi Municipality Case No.6292/05                                                                                 | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.                                                                                      | 2004           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.                                        | R22 541.11 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                                                                                                                                                                                      | 195,751         | Probable               |
| 168 | Telkom SA LTD v Msunduzi Municipality Case No.16356/05                                                                                | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.                                                                                      | 2005           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.                                        | R34 806.17 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                                                                                                                                                                                      | 261,700         | Probable               |
| 169 | Telkom SA LTD v Msunduzi Municipality Case No.3994/06                                                                                 | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.                                                                                      | 2006           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.                                        | R13 283.82 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                                                                                                                                                                                      | 86,475          | Probable               |
| 170 | Telkom SA LTD v Msunduzi Municipality Case No 542/06                                                                                  | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.                                                                                      | 2006           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.                                        | R21 697.25 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                                                                                                                                                                                      | 141,244         | Probable               |
| 171 | Telkom v. Msunduzi Municipality Case No12506/08                                                                                       | Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.                                                                                               | 2008           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.                                        | R45 979. 87 Plus interest at 15.5 per cent per annum. A judgement awaited before moving forward. Matter ongoing                                                                                                                                                                                               | 224,372         | Probable               |
| 172 | B.A. Clark v. Msunduzi Municipality                                                                                                   | Delictual Claim. The Municipality dug trenches along Old Howick Road, a net was placed adjacent to the trenches. Plaintiff alleges that he was caught by such nets whilst cycling.                                                   | 2009           | Internal                                                                                                                                                                                                                    | R397 975.83 Plus interest at 15.5 per cent per annum. Awaiting new set down for trial.                                                                                                                                                                                                                        | 1,681,421       | Probable               |
| 173 | Bayeni GP v Msunduzi Municipality                                                                                                     | Delictual claim. Plaintiff fell into a trench dug by contractors appointed by the Municipality.                                                                                                                                      | 2010           | Internal                                                                                                                                                                                                                    | R 97 430.00 plus interest at 15.5 per cent per annum. Matter is ongoing.                                                                                                                                                                                                                                      | 356,394         | Probable               |
| 174 | Mans N. v Msunduzi Municipality                                                                                                       | Delictual Claim: The Plaintiff is suing the Municipality for damages to her vehicle as a result of a collision between her vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2010           | Internal                                                                                                                                                                                                                    | R 7 045.75 plus interest at 15.5 per cent per annum. An application for condonation was opposed and the matter is ongoing.                                                                                                                                                                                    | 25,773          | Probable               |



| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                          |                                                                                                                                                                                                                                                                                               |                |                                                                                                                                                                                      |                                                                                                                                                    |                 |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                   | MATTER TYPE                                                                                                                                                                                                                                                                                   | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                         | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                 | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
| 175                                                                                                                                                                                                       | Mlaba M. v Msunduzi Municipality                         | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained due to a fall on an open trench in Edendale.                                                                                                                                                                  | 2010           | Internal                                                                                                                                                                             | R 100 000.00 plus interest at 15.5 per cent per annum. The matter is ongoing.                                                                      | 365,795         | Probable               |
| 176                                                                                                                                                                                                       | Kroese J. v. Msunduzi Municipality                       | Delictual claim. Plaintiff is suing the Municipality and the Minister of the Police for unlawful arrest and detention.                                                                                                                                                                        | 2011           | Internal                                                                                                                                                                             | R 40 000.00 plus interest at 15.5 per cent per annum. The matter is part-heard.                                                                    | 126,682         | Probable               |
| 177                                                                                                                                                                                                       | Mpungose NK v Msunduzi Municipality                      | Delictual claim. Plaintiff is suing the Municipality due to structural and mechanical damage to his vehicle caused by towing by municipal traffic officers.                                                                                                                                   | 2011           | Internal                                                                                                                                                                             | R 23 964.42 plus interest at 15.5 per cent per annum. Matter is ongoing.                                                                           | 75,897          | Probable               |
| 178                                                                                                                                                                                                       | Naidoo M. v Msunduzi Municipality                        | Delictual Claim: The plaintiff is suing the Municipality because he fell on an uneven pavement in the vicinity of Delhi Road.                                                                                                                                                                 | 2011           | Internal/Insurance                                                                                                                                                                   | R 370 000.00 plus interest at 15.5 per cent per annum. An appearance to defend has been filed and defendant's plea has been filed. Matter ongoing. | 1,171,811       | Probable               |
| 179                                                                                                                                                                                                       | Nxumalo TR v. Msunduzi Municipality                      | Delictual Claim: The Plaintiff is suing the Municipality for damages to his motor vehicle as a result of a street lamp pole falling on it. The Municipality alleges that the site at the time was controlled by SANRAL and as such an application to join them as co-defendant has been made. | 2011           | Internal                                                                                                                                                                             | R 21 791.04 plus interest at 15.5 per cent per annum. The matter is part-heard.                                                                    | 69,013          | Probable               |
| 180                                                                                                                                                                                                       | Taro Govender / Msunduzi Municipality/ Case No. 12048/11 | Delictual Claim: The Plaintiff is suing the Municipality for damages arising from a flood that allegedly caused damage to the Plaintiff's property                                                                                                                                            | 2011           | Internal                                                                                                                                                                             | R100 000-00. The matter is ongoing                                                                                                                 | 100,000         | Probable               |
| 181                                                                                                                                                                                                       | Govender Kern v. Msunduzi Municipality                   | Delictual Claim: Plaintiff suffered damages due to a power surge at his property.                                                                                                                                                                                                             | 2012           | Internal                                                                                                                                                                             | R22 242.00 plus interest at 15.5 per cent per annum. The defendant's plea has been filed. The matter is ongoing.                                   | 60,988          | Probable               |
| 182                                                                                                                                                                                                       | Planet Waves 399                                         | Council withholding payment to contractor that built sludge dams. Possibility of eventual liability.                                                                                                                                                                                          | 2012           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                             | Planet Waves sued for R1 694 937.70 and Municipality counter sued for R 1, 940 934.00.                                                             | 0               | Probable               |
| 183                                                                                                                                                                                                       | Ramharak RJ v Msunduzi Municipality                      | Delictual Claim: The Plaintiff is a Municipal employee. He is suing the Municipality because he was assaulted by a fellow employee within the premises of the Municipality whilst they were in the course and scope of their employment.                                                      | 2012           | Diedricks attorneys,90© Roberts road, claredon, Pietermaritzburg, tel:3429808, fax:0862191672,e-mail:admin@diedricksattorneys.co.za,                                                 | Risk is R300 000.00                                                                                                                                | 300,000         | Probable               |
| 184                                                                                                                                                                                                       | Simphiwe Jonathan Zama case no. 199039/12                | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                                                                     | 2012           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                             | R14 846,22 Municipality to revert on settlement proposal.                                                                                          | 14,846          | Probable               |
| 185                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case No.3806/12    | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                     | 2012           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R49 834.75 plus interest at 15.5 per cent per annum. Awaiting judgement. Matter ongoing.                                                           | 136,649         | Probable               |
| 186                                                                                                                                                                                                       | L.V. Nagel                                               | Delictual. Plaintiff is suing the Municipality for damages caused by poor maintenance of a reservoir. The overflow of the reservoir caused damage to plaintiff's property.                                                                                                                    | 2013           | Internal                                                                                                                                                                             | R95 000.00 . Matter ongoing.                                                                                                                       | 95,000          | Probable               |
| 187                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case No. 4709/13   | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                     | 2013           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R46 628.06 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                           | 110,698         | Probable               |
| 188                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case 12403/07      | Delictual Claim: The matter arises from a dispute wherein Telkom alleges that Municipal water pipes cause damage to their underground cables.                                                                                                                                                 | 2013           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R34 951.26 .Awaiting judgement in another case. Matter ongoing.                                                                                    | 34,951          | Probable               |
| 189                                                                                                                                                                                                       | Telkom SA LTD Case No. 7256/14                           | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                     | 2013           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R40 236.47 plus Interest at 15.5 per cent per annum                                                                                                | 95,524          | Probable               |
| 190                                                                                                                                                                                                       | Telkom SA Limited Case No.14696/13                       | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                     | 2013           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R34 951.26 plus interest at 15.5 per cent per annum.                                                                                               | 82,976          | Probable               |
| 191                                                                                                                                                                                                       | Anton Venter                                             | Interdict against Municipality for road construction.                                                                                                                                                                                                                                         | 2014           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                             | Applicant's application for contempt of Court Order is set down for hearing on 20 May 2019.                                                        | 0               | Probable               |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                             | MATTER TYPE                                                                                                                                                                                                                                        | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                              | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
|-----|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| 192 | Asiphakame Projects CC 9321-14                     | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                                 | 2014           | Internal                                                                                                                                                                                                                                                    | R195 035.85 plus interest at 15.5 per cent per annum. The Plaintiff applied for summary judgement and this was successfully opposed. Matter not yet finalised.                                                                                  | 400,889         | Probable               |
| 193 | Asiphakame Projects CC 9358-14                     | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                                 | 2014           | Internal                                                                                                                                                                                                                                                    | R73 590.47 plus Interest at 15.5 per cent per annum. The Plaintiff applied for summary judgement and this was successfully opposed. The matter is not yet finalised with Plaintiff not having moved further.                                    | 151,263         | Probable               |
| 194 | EMT. Kapp                                          | Delictual Claim: The plaintiff is suing the Municipality for damaged sustained to his vehicle as a result of an open trench in a public road.                                                                                                      | 2014           | Internal                                                                                                                                                                                                                                                    | R13 154.75. Pleadings have closed in the matter. Matter ongoing.                                                                                                                                                                                | 13,155          | Probable               |
| 195 | Kwezi Cash and Carry CC                            | Payment under Protest for opening of new electricity account                                                                                                                                                                                       | 2014           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, advocate AJ Dickson, 17 Prince Edward Street, Advocates' Chambers, tel: 38453542/3, fax: 38453544,e-mail:adickson@law.co.za | R103 148.00 plus interest at 15.5 per cent per annum. The matter is ongoing. Costs and further legal fees cannot be quantified at this stage The Plaintiff has requested a meeting to settle the matter. Settlement has not yet been finalized. | 212,017         | Probable               |
| 196 | Musawenkosi Isaac Dlamini                          | Delictual claim. Plaintiff collided with a tree that had fallen across the road.                                                                                                                                                                   | 2014           | Internal                                                                                                                                                                                                                                                    | R78 616.27 plus interest at 15.5 per cent per annum. The Municipality has filed a plea. Matter ongoing.                                                                                                                                         | 161,593         | Probable               |
| 197 | Sikelephi Ngubane                                  | Delictual Claim: This claim arises from plaintiff's vehicle having collided with a municipal vehicle driven by a municipal employee in the course and scope of his employment.                                                                     | 2014           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                    | R17 312,33 plus interest at 15.5 per cent per annum. Possible settlement in matter                                                                                                                                                              | 35,585          | Probable               |
| 198 | V. Barnabas                                        | Delictual Claim: The claim arises from Plaintiff's vehicle having collided with a pothole in the vicinity of Plymouth Road.                                                                                                                        | 2014           | Internal                                                                                                                                                                                                                                                    | R18 228.00. An appearance to defend has been filed.                                                                                                                                                                                             | 18,228          | Probable               |
| 199 | A. Aboobaker                                       | Delictual Claim: Plaintiff's vehicle collided with a municipal vehicle driven by an employee in the course and scope of his employment.                                                                                                            | 2015           | Internal                                                                                                                                                                                                                                                    | R10 411.46                                                                                                                                                                                                                                      | 10,411          | Probable               |
| 200 | Abbas Ghulam                                       | Delictual Claim: The claim arise from an alleged assault by a Municipal Traffic Officer in the course and scope of his employment.                                                                                                                 | 2015           | Insurance                                                                                                                                                                                                                                                   | R1 000 000.00 plus interest at 15% per annum.                                                                                                                                                                                                   | 1,779,623       | Probable               |
| 201 | Andre Geard Ramsingh                               | Delictual Claim: The plaintiff herein is suing the Municipality for damages suffered as a result of being arrested and detained unlawfully.                                                                                                        | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                    | R200 000. Plaintiff to set matter down. The matter is ongoing.                                                                                                                                                                                  | 200,000         | Probable               |
| 202 | APS Panelbeaters (Hugo's Panel Beaters) v Msunduzi | Delictual Claim: The claim arises from a new meter that was installed at Plaintiff's premises giving inaccurate readings resulting in Plaintiff being overcharged.                                                                                 | 2015           | Kwela Attorneys Tel: 224 Boom Street, Pietermaritzburg, 3201. james@kwelalaw.co.za. Tel: 033 394 8116                                                                                                                                                       | R292 725.00, plus interest @ 15.5% p/a plus legal costs. Matter in abeyance                                                                                                                                                                     | 520,940         | Probable               |
| 203 | IDT and others                                     | Civil Claim                                                                                                                                                                                                                                        | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                                                             | We have claimed approximately R 34 million from the IDT. We are now at the pre-trial stage. Costs and legal fees cannot be quantified at this stage.                                                                                            | 0               | Probable               |
| 204 | Infraserve (Pty) LTD                               | Contractual dispute claim: Breach of contract for cancellation and non-payment of invoices.                                                                                                                                                        | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                    | R13 000 000. Awaiting Plaintiff to set the matter down for Trial.                                                                                                                                                                               | 13,000,000      | Probable               |
| 205 | Krishna Govender and Msunduzi Municipality         | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment. | 2015           | Internal                                                                                                                                                                                                                                                    | The Plaintiff has claimed an amount of R13 405.21. An Appearance to Defend was filed and served on the Plaintiff.                                                                                                                               | 13,405          | Probable               |
| 206 | Minnesh Singh                                      | Delictual Claim: Plaintiff is suing the municipality for damages to his motor vehicle after it collided with a pothole/ uneven road surface.                                                                                                       | 2015           | Afzal Akoo and Partners Tel: 033 394 7274 Fax: 033 345 0938. Physical Address 187 Boshoff Street, Pietermaritzburg, 3201. Postal Address PO Box 7836, Cumberwood, 3235.                                                                                     | R69 224.62 Defence has closed its case. Magistrate requested written heads of argument based on the record of the proceedings.                                                                                                                  | 69,225          | Probable               |
| 207 | Moosa Omar                                         | Debatement of Electricity Account.                                                                                                                                                                                                                 | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                    | Matter to be set down for taxation.                                                                                                                                                                                                             | 0               | Probable               |
| 208 | MSUNDUZI MUNICIPALITY/ GDB ENGINEERS & G. BOUTELL  | CONTRACT DISPUTE, DAMAGES CLAIM                                                                                                                                                                                                                    | 2015           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747,e-mail:mail@mfilaw.co.za, Adv De Wet SC & Adv A Christison. REF: 22M003087                                                                        | Action instituted by the municipality for R8 191 934.06.                                                                                                                                                                                        | 8,191,934       | Probable               |
| 209 | NS Ngwenya                                         | Delictual claim. Plaintiff's vehicle collided with a municipal vehicle.                                                                                                                                                                            | 2015           | Internal                                                                                                                                                                                                                                                    | R11 395.37. Matter on-going                                                                                                                                                                                                                     | 11,395          | Probable               |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                   |                                                                                                                                                                                                                                                    |                |                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                               |                 |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                            | MATTER TYPE                                                                                                                                                                                                                                        | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                               | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                                                            | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
| 210                                                                                                                                                                                                       | S Dewaraj                                                         | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                          | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, Pietermaritzburg ,tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com PC Bezuidenhout SC Advocates Chambers 17 Prince Edward Street, Pietermaritzburg 033-8453522/082443836 fax 0333943734                   | Claim for R15 575.00. Possible settlement in the matter. Matter on-going                                                                                                                                                                                                                                      | 15,575          | Probable               |
| 211                                                                                                                                                                                                       | SM Mazibuko                                                       | Delictual Claim: The claim arises from an incident whereby Plaintiff's motor vehicle collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.                                                   | 2015           | Internal                                                                                                                                                                                                                                                                   | R11 395.73.                                                                                                                                                                                                                                                                                                   | 11,396          | Probable               |
| 212                                                                                                                                                                                                       | Southern African Music Rights Organisation/ Msunduzi Municipality | Breach of contract in terms of copyright laws. Action instituted in the Magistrates Court under case number 5701/2015                                                                                                                              | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate V. Moodley                                                                                                                        | Action instituted against the municipality for R170 265.21. Matter is defended but has not been enrolled for trial as yet by the plaintiff.                                                                                                                                                                   | 170,265         | Probable               |
| 213                                                                                                                                                                                                       | Takeshape Properties                                              | Debatem of services account R413 213,72                                                                                                                                                                                                            | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Potgieter 033-845 3501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No risk. Estimate of legal fees                                                                                                                                                                                                                                                                               | 0               | Probable               |
| 214                                                                                                                                                                                                       | Akira Pillay                                                      | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                          | 2016           | Internal                                                                                                                                                                                                                                                                   | R14 365.96. The Defendant's Plea and counterclaim were filed in court and served on the Plaintiff                                                                                                                                                                                                             | 14,366          | Probable               |
| 215                                                                                                                                                                                                       | IMA PROP 29 CC                                                    | Interdict: Applicants/Plaintiffs sought to interdict the Municipality from disconnecting electricity supply to their various buildings.                                                                                                            | 2016           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, advocate De Wet SC, 17 Prince Edward Street, Advocates' Chambers                                                                           | No monetary claim. Trial adjourned sine die to attempt settlement, following Plaintiff's application for amnesty for rates and services amounts outstanding. Schedules depicting current outstanding amounts for rates and services provided to Defendant's attorneys and we await proposed settlement amount | 0               | Probable               |
| 216                                                                                                                                                                                                       | Israel Sibiya                                                     | Delictual Claim: The plaintiff is suing the Municipality for an alleged unlawful arrest and detention, defamation of character as well as injuries sustained to his wrist.                                                                         | 2016           | Internal                                                                                                                                                                                                                                                                   | A summons in the amount of R400 000 was received from the plaintiff. A plea has been filed in the matter.                                                                                                                                                                                                     | 400,000         | Probable               |
| 217                                                                                                                                                                                                       | Koshik Singh                                                      | Delictual Claim: The plaintiff has sued the Municipality as a result of a collision with a pothole.                                                                                                                                                | 2016           | Internal                                                                                                                                                                                                                                                                   | R9 406,21.The Defendant's Plea was filed in court and served on the Plaintiff.                                                                                                                                                                                                                                | 9,406           | Probable               |
| 218                                                                                                                                                                                                       | L. Van Zyl                                                        | Delictual Claim. Plaintiff's motor vehicle collided with a Municipal vehicle driven by an employee in the performance of his duties.                                                                                                               | 2016           | Internal                                                                                                                                                                                                                                                                   | R46 692.18. Matter is ongoing.                                                                                                                                                                                                                                                                                | 46,692          | Probable               |
| 219                                                                                                                                                                                                       | L.M. Stillies                                                     | Delictual Claim: The Plaintiff herein as sued the Municipality as a result of injuries sustained during a fall on an uncovered manhole.                                                                                                            | 2016           | Insurance/ External Insurance                                                                                                                                                                                                                                              | R864 272.36. The summons was issued at the High Court. An appearance to defend has been filed.                                                                                                                                                                                                                | 864,272         | Probable               |
| 220                                                                                                                                                                                                       | Lanre Ayodele Olaboye and Sibongile Mthembu                       | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment. | 2016           | Internal                                                                                                                                                                                                                                                                   | Summons in the amount of R42 376.09 were received. An Appearance to defend was filed and served on plaintiff.                                                                                                                                                                                                 | 42,376          | Probable               |
| 221                                                                                                                                                                                                       | M. Brown                                                          | Delictual claim: The Plaintiff claims that he was arrested unlawfully by a Municipal Traffic Officer.                                                                                                                                              | 2016           | Internal/ Insurance                                                                                                                                                                                                                                                        | 257000                                                                                                                                                                                                                                                                                                        | 257,000         | Probable               |
| 222                                                                                                                                                                                                       | N. Singh                                                          | Delictual Claim: Plaintiff's vehicle collided with a pothole on a public road that falls within the jurisdiction of the Municipality.                                                                                                              | 2016           | Internal                                                                                                                                                                                                                                                                   | R9 406.21                                                                                                                                                                                                                                                                                                     | 9,406           | Probable               |
| 223                                                                                                                                                                                                       | S. W. Khanyile                                                    | Delictual Claim: Plaintiff claims that he was unlawfully assaulted and detained by Municipal Traffic Officers.                                                                                                                                     | 2016           | Internal/Insurance                                                                                                                                                                                                                                                         | R200 000.00. Matter is ongoing.                                                                                                                                                                                                                                                                               | 200,000         | Probable               |
| 224                                                                                                                                                                                                       | S.S.Nyoka                                                         | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle.                                                                                                         | 2016           | Internal                                                                                                                                                                                                                                                                   | R67 008.77. The summons herein was issued in the Magistrates Court. An appearance to defend has been filed.                                                                                                                                                                                                   | 67,009          | Probable               |
| 225                                                                                                                                                                                                       | Telkom SA Soc Limited Case No. 9672/16                            | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused during excavations by the municipal water department.                                                                              | 2016           | Internal                                                                                                                                                                                                                                                                   | Summons in the amount of R 33 523.55 was received. A plea has been filed in the matter.                                                                                                                                                                                                                       | 33,524          | Probable               |
| 226                                                                                                                                                                                                       | Ziyad Alley                                                       | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                          | 2016           | Internal                                                                                                                                                                                                                                                                   | R45 887.66. A summons has been received. An appearance to defend was filed and served on the Plaintiff.                                                                                                                                                                                                       | 45,888          | Probable               |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                                                                                                | MATTER TYPE                                                                                                                                                                                                                      | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                               | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                         | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
|-----|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| 227 | SAMRO and Msunduzi Municipality- Case No KZN/PMB/RC7295/17                                                                            | The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 25 062,90.                                                                                           | 2017           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747,e-mail: mail@mfilaw.co.za,                                                                                       | R25 062,90. We have filed an affidavit resisting summary judgement. A plea has been filed and served.                                                                                                                                                      | 25,063          | Probable               |
| 228 | Thandeka Brightness Dubazana and Mzwenhlanhla Wiseman Khoza                                                                           | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                        | 2017           | Internal                                                                                                                                                                                                                   | R34 214.88. The Defendant's plea has been filed in the matter. Matter is ongoing.                                                                                                                                                                          | 34,215          | Probable               |
| 229 | Anton Venter and The Msunduzi Municipality - Case No. 7596/17                                                                         | The Plaintiff is suing the municipality for allegedly suffering damage in the amount of R 13 641.50 for incurring legal fees in resolving his rates query.                                                                       | 2017           | Internal                                                                                                                                                                                                                   | 13642                                                                                                                                                                                                                                                      | 13,642          | Probable               |
| 230 | Catherine Scott and Msunduzi Local Municipality                                                                                       | The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a colliding with a pothole.                                                                                   | 2017           | Internal                                                                                                                                                                                                                   | R11 443, 92. Matter ongoing                                                                                                                                                                                                                                | 11,444          | Probable               |
| 231 | Certificate of Urgency in the matter Kwezi Cash and Carry CC (Reg No. 1994/029959/23 and The Msunduzi Municipality Case No. 13363/17P | Interdict: The matter involves a dispute over the placement and use of electricity meters on the property                                                                                                                        | 2017           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747,e-mail: mail@mfilaw.co.za,                                                                                       | Costs cannot be quantified at this stage. The Plaintiff has requested a meeting to settle the matter. The Municipality has undertaken to provide certain documentation to the other side in order to facilitate settlement.                                | 0               | Probable               |
| 232 | Gys De Necker Ontwinklings (Pty) Ltd and Msunduzi Local Municipality                                                                  | The plaintiff is suing the Municipality for an alleged failure to refund the Plaintiff in respect municipal service. The plaintiff issued summons in the amount of R 77 083.05.                                                  | 2017           | Internal                                                                                                                                                                                                                   | R 77 083.05. The Defendant's Plea was filed in court and served on the Plaintiff.                                                                                                                                                                          | 77,083          | Probable               |
| 233 | Lionel Longsdale Vuminkosi Magaqa and Msunduzi Municipality                                                                           | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly damaged in a collision with a pothole.                                                                        | 2017           | Internal                                                                                                                                                                                                                   | The Plaintiff has claimed an amount of R19 724, 58. An Appearance to defend was filed and served on the Plaintiff.                                                                                                                                         | 19,725          | Probable               |
| 234 | Musa Nxumalo and Msunduzi Local Municipality/ Petros Reta Mokoena                                                                     | Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal employee in the course and scope of his employment.              | 2017           | Internal                                                                                                                                                                                                                   | The plaintiff has claimed an amount of R44 454.88. A Plea and Counter claim were filed and served on the Plaintiff.                                                                                                                                        | 44,455          | Probable               |
| 235 | Ncamisile Madlala and Msunduzi Municipality                                                                                           | The plaintiff is suing the Municipality for damages arising because of the Defendant's alleged erroneous disconnection of a meter supplying electricity to the Plaintiff's premises.                                             | 2017           | Internal                                                                                                                                                                                                                   | R1 495.23. The Defendant filed its Appearance to Defend in court and served it on the Plaintiff.                                                                                                                                                           | 1,495           | Probable               |
| 236 | SAMRO and Msunduzi Municipality- Case No KZN/PMB/RC723/17                                                                             | The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 369 337, 77.                                                                                         | 2017           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747,e-mail: mail@mfilaw.co.za,                                                                                       | R369 337,77. We have filed an affidavit resisting summary judgement. A plea has been filed and served.                                                                                                                                                     | 369,338         | Probable               |
| 237 | Servest Hygiene and Msunduzi Municipality                                                                                             | Breach of contract. The Plaintiff is suing the Municipality for services rendered to the Municipality.                                                                                                                           | 2017           | Internal                                                                                                                                                                                                                   | R36 941,89. Matter is ongoing                                                                                                                                                                                                                              | 36,942          | Probable               |
| 238 | Thandeka Brightness Dubazana                                                                                                          | The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle.                                           | 2017           | Internal                                                                                                                                                                                                                   | R34 214.88. The Defendant filed its Plea in court and served it on the Plaintiff.                                                                                                                                                                          | 34,215          | Probable               |
| 239 | Wiseman Sibonelo Thamsanqa Maphumulo and Msunduzi Local Municipality                                                                  | Delictual Claim: The Plaintiff is suing the Municipality for an incident where the Plaintiff fell into an open manhole and allegedly suffered damages.                                                                           | 2017           | External Insurers                                                                                                                                                                                                          | 177000                                                                                                                                                                                                                                                     | 177,000         | Probable               |
| 240 | Hatch Africa and Msunduzi Municipality                                                                                                | Contractual Claim: the Plaintiff is suing for unpaid monies owing to Plaintiff for work done flowing from an alleged agreement between the parties.                                                                              | 2018           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747,e-mail:mail@mfilaw.co.za,                                                                                        | R8 323 443.20. We have filed a notice of intention to depose on behalf of the municipality. This is a claim for money due pursuant to services rendered. The services have in fact been rendered. The matter is now at the pre-trial stage of proceedings. | 8,323,443       | Probable               |
| 241 | Ntombeningi Sokhela                                                                                                                   | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/her employment. | 2018           | Internal                                                                                                                                                                                                                   | The Plaintiff has claimed an amount of R19 345.83. Matter is ongoing.                                                                                                                                                                                      | 19,346          | Probable               |
| 242 | A S Variawa/ Y Cassim                                                                                                                 | Eviction application as a result of an encroachment by Municipality onto the Applicant's land.                                                                                                                                   | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. 17 Prince Edward Street, PMB, 3201. Adv A Flemming 7 Prince Edward Street, PMB, 3201. Tel: 033 845 3539 . Email: aflemming@group1pmb.co.za | No monetary value. Potential conveyancing costs payable.                                                                                                                                                                                                   | 0               | Probable               |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                                                  |                                                                                                                                                                                                                                  |                |                                                                                                                                                                                                                                                                              |                                                                                                                                         |                 |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                                                           | MATTER TYPE                                                                                                                                                                                                                      | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                                 | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                      | AMOUNT IN RANDS | PROBABILITY OF OUTFLOW |
| 243                                                                                                                                                                                                       | African Diya Trading                                                                             | Sale of Municipal Capital Assets: Application to compel the Municipality to sign transfer papers                                                                                                                                 | 2018           | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                                                             | R2 495 000.00. Answering Affidavit filed, awaiting replying affidavit                                                                   | 2,495,000       | Probable               |
| 244                                                                                                                                                                                                       | Anthony Crookes v Msunduzi Municipality                                                          | Application for repayment of the sum of R642 908.92 as overpayment for rates clearance                                                                                                                                           | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                                              | 642 909                                                                                                                                 | 642,909         | Probable               |
| 245                                                                                                                                                                                                       | Bhekezakhe Victor Langa and Msunduzi Local Municipality                                          | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/her employment. | 2018           | Internal                                                                                                                                                                                                                                                                     | The Plaintiff has claimed an amount of R24 909.17. Conducted research, consultations and instructions on plea and claim in reconvention | 24,909          | Probable               |
| 246                                                                                                                                                                                                       | Built Environment Support Group NPC (RF) and Msunduzi Municipality                               | Contractual Claim: the Plaintiff is suing for unpaid monies owing to Plaintiff for work done.                                                                                                                                    | 2018           | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                                                             | R600 891.72. Plea has been filed in the matter to be set down for pre-trial. Matter ongoing.                                            | 600,892         | Probable               |
| 247                                                                                                                                                                                                       | Dharam C Deepplau and Msunduzi Municipality                                                      | The Plaintiff is suing the Municipality for damages allegedly suffered to its motor vehicle as a result of colliding with a pothole.                                                                                             | 2018           | Internal                                                                                                                                                                                                                                                                     | R 50 462.89. Matter ongoing.                                                                                                            | 50,463          | Probable               |
| 248                                                                                                                                                                                                       | Eskom Holdings Soc Limited and Msunduzi Municipality and Indiza Airport Management (PTY) Limited | The Plaintiff is suing the Municipality for having allegedly suffered damage to its aircraft due to a fire breakout.                                                                                                             | 2018           | External Insurers                                                                                                                                                                                                                                                            | 17 963 806                                                                                                                              | 17,963,806      | Probable               |
| 249                                                                                                                                                                                                       | Kandasamy Moonsamy Devan and Msunduzi Municipality                                               | Delictual Claim: The Plaintiff is suing the municipality for allegedly suffering damage from having tripped on a broken protruding portion of a pavement block/slab.                                                             | 2018           | Internal                                                                                                                                                                                                                                                                     | R92 596.44. The Defendat's Plea has been filed in the matter.                                                                           | 92,596          | Probable               |
| 250                                                                                                                                                                                                       | Melvyn Conrad Jansen and The Msunduzi Municipality                                               | Delictual claim. Plaintiff suing the Municipality caused by having fallen into an uncovered manhole.                                                                                                                             | 2018           | External Insurers                                                                                                                                                                                                                                                            | 927 400                                                                                                                                 | 927,400         | Probable               |
| 251                                                                                                                                                                                                       | Mxolisi Reginald Mkhize and Msunduzi Local Municipality                                          | The Plaintiff is suing the Municipality for damages allegedly suffered to its motor vehicle as a result of colliding with a pothole.                                                                                             | 2018           | Internal                                                                                                                                                                                                                                                                     | 83 119                                                                                                                                  | 83,119          | Probable               |
| 252                                                                                                                                                                                                       | Mzotshingwe Million Mzobe and Kevin Deon Joseph/ The Msunduzi Municipality                       | Delictual claim: The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle                           | 2018           | Internal                                                                                                                                                                                                                                                                     | R 75 119,79. Matter is ongoing.                                                                                                         | 75,120          | Probable               |
| 253                                                                                                                                                                                                       | Peter Baxter Spray Painters and Msunduzi Local Municipality                                      | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/her employment. | 2018           | Insurance                                                                                                                                                                                                                                                                    | The Plaintiff has claimed an amount of R20 993.91. Matter is ongoing.                                                                   | 20,994          | Probable               |
| 254                                                                                                                                                                                                       | Rajendra Govender and Msunduzi Municipality                                                      | Labour Dispute (appeal and High Court application). Application for re-instatement.                                                                                                                                              | 2018           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200. Adv Gani - Appeal. Adv Moola- High Court Application. Advocates Chambers Block A1, 17 Prince Edward Street, PMB, 3201 | Risk of R115 000. ( Salary related)                                                                                                     | 115,000         | Probable               |
| 255                                                                                                                                                                                                       | Red Alert TSS (PTY) LTD                                                                          | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/her employment. | 2018           | Internal                                                                                                                                                                                                                                                                     | The Plaintiff has claimed an amount of R105 930.97. Matter is ongoing                                                                   | 105,931         | Probable               |
| 256                                                                                                                                                                                                       | Rowan Gareth Blakeman and Msunduzi Municipality                                                  | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a large pothole.                                                                                  | 2018           | Internal                                                                                                                                                                                                                                                                     | The Plaintiff has claimed an amount of R104 352.10. Matter is ongoing.                                                                  | 104,352         | Probable               |
| 257                                                                                                                                                                                                       | Sibongile Priscilla Nzama and Msunduzi Municipality/ Philani Patrick Vidima                      | The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle                                            | 2018           | Internal                                                                                                                                                                                                                                                                     | R53 152.22.The Defendants filed an Appearance to defend in court and served same on the Plaintiff.                                      | 53,152          | Probable               |
| 258                                                                                                                                                                                                       | Skhumbuzo M Mpata and Msunduzi Municipality                                                      | The plaintiff is suing the Municipality for damages arising because of the natural flow of water, which caused damage the Plaintiff's property                                                                                   | 2018           | Internal                                                                                                                                                                                                                                                                     | R11 914.43. Defendant filed its Notice of Appearance to Defend as well as its Plea in court and served both on the Plaintiff            | 11,914          | Probable               |
| 259                                                                                                                                                                                                       | Standard Bank v Msunduzi Municipality                                                            | Interdict to compel the Municipality to provide rates clearance figures.                                                                                                                                                         | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                                              | No monetary value, potential liability for costs if unsuccessful.                                                                       | 0               | Probable               |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                 |                                                                                                                                                                                                                                   |                |                                                                                                                                                                                                  |                                                                                                                                                           |                   |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                          | MATTER TYPE                                                                                                                                                                                                                       | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                     | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                        | AMOUNT IN RANDS   | PROBABILITY OF OUTFLOW |
| 260                                                                                                                                                                                                       | J Supathy and Msunduzi Local Municipality                       | Delictual Claim for damages: The plaintiff is suing the Municipality for damages as a result of his motor vehicle having allegedly collided with a pothole in the vicinity of Newholmes Way.                                      | 2019           | Internal                                                                                                                                                                                         | The Plaintiff has claimed an amount of R26 250,30. Matter is ongoing                                                                                      | 26,250            | Probable               |
| 261                                                                                                                                                                                                       | Dan Moonsamy Naidoo and Msunduzi Municipality/ Hlengiwe Sithole | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment. | 2019           | Internal                                                                                                                                                                                         | The Plaintiff has claimed an amount of R38 000.00. (Claim 1 R35 000,00, Claim 2 R3000.00) A round table conference has been arranged between the parties. | 38,000            | Probable               |
| 262                                                                                                                                                                                                       | John Goodall and Phumlani Mlada/ Msunduzi Municipality          | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment. | 2019           | Internal                                                                                                                                                                                         | The Plaintiff has claimed an amount of R9 018,61. Matter is ongoing                                                                                       | 9,019             | Probable               |
| 263                                                                                                                                                                                                       | Simphiwe Dube                                                   | Interdict for the return of a motor vehicle, Contempt Application for not complying with the Interdict Order and Rescission Application for Initial Interdict                                                                     | 2019           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv V Moodley,17 Prince Alfred Street, Pietermaritzburg 3201. Tel: 033 845 3591. Email: vershen@advmoodley.co.za | No monetary value claimed, however, there might be liability for the value of the lost vehicle.                                                           | 0                 | Probable               |
| 264                                                                                                                                                                                                       | John Goodall and Phumlani Mlada/ Msunduzi Municipality          | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment. | 2019           | Internal                                                                                                                                                                                         | The Plaintiff has claimed an amount of R9 018,61. Matter is ongoing                                                                                       | 9,019             | Probable               |
| 265                                                                                                                                                                                                       | J Supathy and Msunduzi Local Municipality                       | Delictual Claim for damages: The plaintiff is suing the Municipality for damages as a result of his motor vehicle having allegedly collided with a pothole in the vicinity of Newholmes Way.                                      | 2019           | Internal                                                                                                                                                                                         | The Plaintiff has claimed an amount of R26 250,30. Matter is ongoing                                                                                      | 26,250            | Probable               |
|                                                                                                                                                                                                           |                                                                 |                                                                                                                                                                                                                                   |                |                                                                                                                                                                                                  |                                                                                                                                                           |                   |                        |
|                                                                                                                                                                                                           | <b>TOTAL</b>                                                    |                                                                                                                                                                                                                                   |                |                                                                                                                                                                                                  |                                                                                                                                                           | <b>99,521,553</b> |                        |

**NOTES:**

1. The Municipality is also involved in numerous cases regarding the collection of outstanding service charges owed by consumers. For the purpose of this exercise, these cases are not listed here.
2. The Municipality has been granted authority by the National Prosecuting Authority to commence criminal prosecutions in the Magistrate's court against offenders of Municipal Bylaws. These prosecutions are not listed here.

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                            |                                                                                                                                                                                                                                          |                |                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                    |           |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                     | MATTER TYPE                                                                                                                                                                                                                              | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                            | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                                                                                 | AMOUNT    | PROBABILITY OF OUTFLOW |
| 1                                                                                                                                                                                                         | Kheswa v. Msunduzi Municipality                            | Delictual Claim: The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle.                                                                                                                  | 2009           | Internal                                                                                                                                                | R30 470.12 Plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                                                                                                                                                                      | 111,458   | Not probable           |
| 2                                                                                                                                                                                                         | Orion Telecom v. Msunduzi Municipality                     | Contractual Claim: Plaintiff sued the Municipality for outstanding fees in terms of a contract.                                                                                                                                          | 2007           | Internal                                                                                                                                                | R92 189.52 and R23 047.38 Plus interest at 15.5 per cent per annum. Plea filed. Plaintiff did not proceed any further.                                                                                                                                                                                                             | 562,333   | Not probable           |
| 3                                                                                                                                                                                                         | Nzaba IN v Msunduzi Municipality                           | Delictual Claim. The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle.                                                                                                                  | 2008           | File retrieved from Bhamjee Attorneys                                                                                                                   | R73 500.00 Plus interest at 15.5 per cent per annum. Set down for trial was part-heard. Ongoing.                                                                                                                                                                                                                                   | 310,533   | Not probable           |
| 4                                                                                                                                                                                                         | Thuthugisa Contracting Enterprise v. Msunduzi municipality | Memorandum of Agreement Dispute. Plaintiff owed monies by the Municipality in terms of a contract.                                                                                                                                       | 2007           | Internal                                                                                                                                                | R210 749.00 Plus Vat at 14 per cent. In court.                                                                                                                                                                                                                                                                                     | 890,674   | Not probable           |
| 5                                                                                                                                                                                                         | Terwolbeek PJ v Msunduzi Municipality                      | Delictual Claim: A water pipe allegedly causing flooding at Plaintiff's property and damaging his household appliances.                                                                                                                  | 2008           | Insurance                                                                                                                                               | R1 121 620. 00 plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                                                                                                                                                                  | 4,738,770 | Not probable           |
| 6                                                                                                                                                                                                         | Makungisa E v Msunduzi Municipality                        | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle as result of a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee within the course and scope of his employment. | 2007           | Internal                                                                                                                                                | R6 213.00 plus interest at 15.5 per cent per annum. Part-heard. The Defendant filed an amended plea (defence). The matter is ongoing.                                                                                                                                                                                              | 30,318    | Not probable           |
| 7                                                                                                                                                                                                         | F. Osman V Msunduzi Municipality                           | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries.                                                                                                                                                            | 2007           | Internal                                                                                                                                                | R198 840.00 plus interest at 15.5 per cent per annum. A defendants plea has been filed. The matter is ongoing.                                                                                                                                                                                                                     | 970,299   | Not probable           |
| 8                                                                                                                                                                                                         | Rabikisoan R v Msunduzi Municipality                       | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained during a fall on an uneven pavement on Retief Street.                                                                                                    | 2007           | Internal                                                                                                                                                | R20 000.00 plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                                                                                                                                                                      | 97,596    | Not probable           |
| 9                                                                                                                                                                                                         | Zuma NG v Msunduzi Municipality                            | Delictual Claim: The Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers.                                                                                                                | 2008           | Internal                                                                                                                                                | R100 000.00 Plus interest at 15.5 per cent per annum. Correspondence exchanged between attorneys of record. The matter is ongoing.                                                                                                                                                                                                 | 422,493   | Not probable           |
| 10                                                                                                                                                                                                        | Majazi NV v Msunduzi Municipality                          | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained due to a fall on an uneven pavement in Retief Street.                                                                                                    | 2007           | Uys Matyeka Schwartz: Tel 031 312 2064 Fax: 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000.          | R110 046.28 plus interest at 15.5 per cent per annum. Part-heard. R110 046.28 plus interest at 15.5 per cent per annum. Part-heard. CURRENT STATUS : This matter has been archived.                                                                                                                                                | 537,004   | Not probable           |
| 11                                                                                                                                                                                                        | Zondi PS v Msunduzi Municipality                           | Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.                               | 2007           | Internal                                                                                                                                                | R15 080.00 plus interests at 15.5 per cent per annum. The matter is ongoing.                                                                                                                                                                                                                                                       | 73,587    | Not probable           |
| 12                                                                                                                                                                                                        | Painter LV v Msunduzi Municipality                         | Delictual Claim: The Plaintiff is suing the Municipality for damages sustained to his vehicle after a tree had fallen on top of Plaintiff's vehicle.                                                                                     | 2006           | Internal                                                                                                                                                | R45 361.38 plus interest at 15.5 per cent per annum. Pre-trial notices have been exchanged. The matter is ongoing.                                                                                                                                                                                                                 | 255,664   | Not probable           |
| 13                                                                                                                                                                                                        | Dladla G v Msunduzi Municipality                           | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries.                                                                                                                                                            | 2006           | Internal                                                                                                                                                | R20 000.00 plus interest at 15.5 per cent per annum. Further particulars were requested from Plaintiff. The matter is ongoing.                                                                                                                                                                                                     | 112,723   | Not probable           |
| 14                                                                                                                                                                                                        | Haffejee RB v Msunduzi Municipality                        | Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence.   | 2004           | Internal                                                                                                                                                | R98 800.00 plus interest at 15.5 per cent per annum. Ongoing                                                                                                                                                                                                                                                                       | 742,856   | Not probable           |
| 15                                                                                                                                                                                                        | Zondi M. v Msunduzi Municipality                           | Delictual Claim: The Plaintiff is suing the Municipality for alleged unlawful arrest and detention by Municipal Traffic Officers.                                                                                                        | 2006           | Internal                                                                                                                                                | R50 000.00 plus interest at 15.5 per cent per annum. Matter set down. Part-heard. Unlawful arrest.                                                                                                                                                                                                                                 | 281,808   | Not probable           |
| 16                                                                                                                                                                                                        | Mthimkhulu S. v Msunduzi Municipality                      | Delictual claim. Plaintiff is suing the Municipality on behalf of a minor child who was injured when an electrical meter box exploded and caught fire in the vicinity of Wonderers Crescent.                                             | 2009           | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | R204 650. 00 plus interest at 15.5 per cent per annum. The matter has been finalised. Plaintiff served a notice of withdrawal of action. R 204 650. 00 plus interest at 15.5 per cent per annum. The matter has been finalised. Plaintiff served a notice of withdrawal of action. CURRENT STATUS : This matter has been archived. | 748,600   | Not probable           |
| 17                                                                                                                                                                                                        | Mamusa Marketing v Msunduzi Municipality                   | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after having been involved in a collision with a Municipal vehicle driven by an employee in the course and scope of his employment.                  | 2007           | Internal                                                                                                                                                | R9 823.48 plus interest at 15.5 per cent per annum. The matter is part-head.                                                                                                                                                                                                                                                       | 47,937    | Not probable           |
| 18                                                                                                                                                                                                        | Naidoo Kogulan v Msunduzi Municipality                     | Delictual claim. Plaintiff suing the Municipality caused by having fallen into an uncovered manhole.                                                                                                                                     | 2010           | Internal                                                                                                                                                | R100 000.00 plus interest at 15.5 per cent per annum. Matter is ongoing.                                                                                                                                                                                                                                                           | 316,706   | Not probable           |
| 19                                                                                                                                                                                                        | Majazi HS v Msunduzi Municipality                          | Delictual claim. Plaintiff is suing the Municipality for injuries sustained as a result of having fallen into an uncovered manhole.                                                                                                      | 2010           | Internal                                                                                                                                                | R95 000.00 plus interest at 15.5 per cent per annum. Matter is ongoing.                                                                                                                                                                                                                                                            | 300,870   | Not probable           |
| 20                                                                                                                                                                                                        | Dlamini BM v Msunduzi Municipality                         | Delictual Claim: Plaintiff's minor child fell into an open trench/ drainage system and sustained injuries to their lower limbs.                                                                                                          | 2010           | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | R300 000.00 plus interest at 15.5 per cent per annum. The matter is ongoing. R300 000.00 plus interest at 15.5 per cent per annum. CURRENT STATUS : This matter has been archived.                                                                                                                                                 | 950,117   | Not probable           |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                   | MATTER TYPE                                                                                                                                                                                                                   | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                            | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                                                                                                                                       | AMOUNT    | PROBABILITY OF OUTFLOW |
|-----|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------------|
| 21  | Bishop's roadworks v. Msunduzi Municipality              | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                            | 2009           | Internal                                                                                                                                                | R120 000.00 plus interest at 15.5 per cent per annum.                                                                                                                                                                                                                                                                                                                                    | 438,954   | Not probable           |
| 22  | Daljeeth Daljeeth v Msunduzi Municipality                | Delictual Claim: The Plaintiff is suing the Municipality after he fell and sustained injuries due to certain steel rods that were protruding dangerously on the pavement.                                                     | 2010           | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | R200 000.00 plus interest at 15.5 per cent per annum. Matter is ongoing. Claimant is deceased and Plaintiff's Attorneys has no further instructions to proceed.                                                                                                                                                                                                                          | 633,411   | Not probable           |
| 23  | Gayer Gail v Msunduzi Municipality                       | Delictual Claim: Plaintiff fell of her bicycle due to a collision with a pothole/ an uneven road surface.                                                                                                                     | 2010           | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | R262 473.98 plus interest at 15.5 per cent per annum. A defendant's plea has been filed. The matter is ongoing. CURRENT STATUS : Pre-Trial has been finalised. Merits have been conceded by the other side. Proceeding on Quantum alone. Pleadings have closed and the Plaintiff's Attorney's are applying for a Trial date. We therefore currently await a trial date to be allocated.  | 831,270   | Not probable           |
| 24  | Reddy Ronald v Msunduzi Municipality                     | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                            | 2010           | Internal                                                                                                                                                | R282 818.08 plus interest at 15.5 per cent per annum. The matter is part-heard.                                                                                                                                                                                                                                                                                                          | 895,701   | Not probable           |
| 25  | Mavundla AB v Msunduzi Municipality                      | Delictual Claim: The Plaintiff is suing the Municipality for being allegedly unlawfully arrested and detained by Municipal Traffic Officers.                                                                                  | 2010           | Internal                                                                                                                                                | R200 000.00 plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                                                                                                                                                                                                                           | 633,411   | Not probable           |
| 26  | Dladla NB v. Msunduzi Municipality                       | Overpayment of Rates. The Plaintiff is disputing a rates account and is seeking reimbursement.                                                                                                                                | 2011           | Internal                                                                                                                                                | R109 038.97 plus interest at 15.5 per cent per annum. A defendant's plea has been filed. The matter is ongoing.                                                                                                                                                                                                                                                                          | 298,989   | Not probable           |
| 27  | KZN-Digi connect                                         | Claim by contractor for payment for IT services allegedly rendered.                                                                                                                                                           | 2012           | Alwyn Volsum & Associates. 4 Geore street, Pietermaritzburg, 3201. james@kwelalaw.co.za. Fax:096 715 1379 Tel: 033 394 8116                             | Claim for R505 000.00 plus legal interest @15.5% plus legal costs. Matter laying dormant not being pursued by plaintiff.                                                                                                                                                                                                                                                                 | 1,198,901 | Not probable           |
| 28  | L Naidoo & another/ Msunduzi Municipality                | Delictual Claim: An embankment collapsed into Plaintiff's property causing damage.                                                                                                                                            | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                         | R6 000. Matter was settled. Attorneys in the process of recovering costs in the matter                                                                                                                                                                                                                                                                                                   | 9,245     | Not Probable           |
| 29  | Govender K v. Msunduzi Municipality                      | Delictual Claim: Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers.                                                                                                         | 2012           | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | R180 000.00 plus interest at 15.5 per cent per annum. A Discovery affidavit has been filed. The matter is ongoing. CURRENT STATUS: This matter is dormant and the last activity was in 2013. Therefore, we have archived our file.                                                                                                                                                       | 427,331   | Not probable           |
| 30  | Check One Supermarket (PTY) LTD v. Msunduzi Municipality | Delictual claim. Plaintiff is suing the Municipality for overcharges in relation to a water account.                                                                                                                          | 2012           | Internal                                                                                                                                                | R139 961.45 plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                                                                                                                                                                                                                           | 332,277   | Not probable           |
| 31  | Wozataintment CC v. Msunduzi Municipality                | Contractual claim: Summons was issued in the Regional Court for an alleged contract for the supply of a marquee, stage chairs and a band to the Municipality.                                                                 | 2012           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                | R214 400.00 plus interest at 15.5 per cent per annum. Awaiting ruling from Magistrate. Matter is still on-going.                                                                                                                                                                                                                                                                         | 508,999   | Not Probable           |
| 32  | Mkhonza B. v Msunduzi Municipality                       | Delictual claim. Plaintiff is suing the Municipality due to a fall on an uneven pavement slab.                                                                                                                                | 2012           | Internal                                                                                                                                                | R293 000.00 plus interest at 15.5 per cent per annum. Ongoing.                                                                                                                                                                                                                                                                                                                           | 695,600   | Not probable           |
| 33  | Wood DM v. Msunduzi Municipality                         | Delictual Claim: The Plaintiff sustained injuries due to a fall caused by an uneven pavement.                                                                                                                                 | 2012           | Uys Matyeka Schwartz Attorneys: Tel 031 312 2064 Fax 031 304 2379. Physical Address Suite 301 Nedbank Centre. Postal Address PO Box 1328, Durban, 4000. | R123 000.00 plus interest at 15.5 per cent per annum. The Defendant has filed an amended plea. The matter is ongoing. CURRENT STATUS : Pleadings closed in November 2014. The Defendant (Msunduzi Municipality) filed its discovery affidavit and the Plaintiff (Wood) filed its discovery affidavit. Therefore, the matter is ready for trial. The Plaintiff has taken no further steps | 292,010   | Not probable           |
| 34  | Ogle COO v Msunduzi Municipality                         | Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries.                                                                                                                                                 | 2012           | Internal/Insurance                                                                                                                                      | R267 660.00 plus interest at 15.5 per cent per annum. An appearance to defend has been filed. The matter is ongoing.                                                                                                                                                                                                                                                                     | 635,441   | Not probable           |
| 35  | Makhaye SB v Msunduzi Municipality                       | Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2013           | Internal                                                                                                                                                | R8 688.46 plus interest at 15.5 per cent per annum. An application to dismiss was received and opposed. Various correspondences exchanged between attorneys of record. The matter is ongoing.                                                                                                                                                                                            | 17,859    | Not probable           |
| 36  | I. Hansa                                                 | Delictual Claim: Plaintiff fell into an uncovered manhole in the vicinity of Mountain rise.                                                                                                                                   | 2013           | Internal                                                                                                                                                | R124 734,50. Matter ongoing.                                                                                                                                                                                                                                                                                                                                                             | 124,735   | Not probable           |



| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                    |                |                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                              |         |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                     | MATTER TYPE                                                                                                                                                                                                                                                                                                                                                                                        | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                           | AMOUNT  | PROBABILITY OF OUTFLOW |
| 37                                                                                                                                                                                                        | Imbali Mens Hostel                                         | Municipality seeking the reversal of various title deeds on the basis of unlawful registrations. 3 unlawful property owners deceased and only 1 deceased estate reported. Trace reports received and summons prepared for 11 matters. For remaining matters we await the Registrar to allocate these matters for pre-trial conference. Default judgements to be lodged in first week of June 2015. | 2013           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate AJ Dickson, 17 Prince Edward Street, Advocates' Chambers, tel: 38453542/3, fax: 38453544,e-mail:adickson@law.co.za | No monetary claim. Costs and further legal fees cannot be quantified at this stage as the matter on-going.                                                                                                                                                                   | 0       | Not probable           |
| 38                                                                                                                                                                                                        | CDK Investments Trust CC                                   | Electricity Disconnection Acc number 2915243. The Plaintiff is disputing the disconnection.                                                                                                                                                                                                                                                                                                        | 2013           | Internal                                                                                                                                                                                                                                                    | Costs cannot be quantified at this stage. Ongoing.                                                                                                                                                                                                                           | 0       | Not probable           |
| 39                                                                                                                                                                                                        | Transnet/ Occupiers of Woodlands and Msunduzi Municipality | Application for eviction of illegal occupiers from railway sidings. Msunduzi a party because it previously agreed to move occupiers. Social survey now completed. Application for funding to relocate the occupiers made to DOHS.                                                                                                                                                                  | 2013           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Moodley                                                                                                            | No monetary claim. Matter ongoing and building has commenced. Once building has been completed, relocation of illegal occupiers can commence. Construction of alternative accommodation has been suspended while Municipality seeks alternative contractor for construction. | 0       | Not probable           |
| 40                                                                                                                                                                                                        | M.E. Mnguni/ Msunduzi Municipality                         | Action instituted to compel the Municipality to build a road under case number 10250/2014, out of the High Court, Pietermaritzburg                                                                                                                                                                                                                                                                 | 2014           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Anton Flemming                                                                                                     | No monetary claim. Matter has not been enrolled for trial as yet by the plaintiff.                                                                                                                                                                                           | 0       | Not probable           |
| 41                                                                                                                                                                                                        | Gugu Leeuw                                                 | Contravention of Problem Buildings Bylaws                                                                                                                                                                                                                                                                                                                                                          | 2018           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                            | No monetary value                                                                                                                                                                                                                                                            | 0       | Not probable           |
| 42                                                                                                                                                                                                        | Nashini Reddy / Keshree Reddy v Msunduzi Municipality      | Contravention of Problem Buildings Bylaws                                                                                                                                                                                                                                                                                                                                                          | 2018           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                            | No monetary value                                                                                                                                                                                                                                                            | 0       | Not probable           |
| 43                                                                                                                                                                                                        | Shanaaz Essop                                              | Contravention of Problem Buildings Bylaws                                                                                                                                                                                                                                                                                                                                                          | 2018           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                            | No monetary value                                                                                                                                                                                                                                                            | 0       | Not probable           |
| 44                                                                                                                                                                                                        | Navida Marais v Msunduzi Municipality                      | Interdict Application to prevent unlawful eviction of respondents                                                                                                                                                                                                                                                                                                                                  | 2018           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                            | No monetary value, potential liability for costs if unsuccessful.                                                                                                                                                                                                            | 0       | Not probable           |
| 45                                                                                                                                                                                                        | EOH Mthombo v Msunduzi Municipality                        | Potential Cancellation of services by service provider                                                                                                                                                                                                                                                                                                                                             | 2018           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv A Flemming 7 Prince Edward Street, PMB, 3201. Tel: 033 845 3539 . Email: aflemming@group1pmb.co.za                                                                     | No monetary value.                                                                                                                                                                                                                                                           | 0       | Not probable           |
| 46                                                                                                                                                                                                        | Menzi Mpanza v Msunduzi Municipality                       | Interdict for the reconnection of Applicant's electricity at Unit 4, Goal Flats, 1 Prince Alfred Street. Application for contempt of interim order granted as stated above.                                                                                                                                                                                                                        | 2018           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                            | No monetary value                                                                                                                                                                                                                                                            | 0       | Not probable           |
| 47                                                                                                                                                                                                        | Pranesh Indrajith v Msunduzi Municipality                  | Interdict for the reconnection of Applicant's electricity at 25 Naidoo Road, Raisethorpe                                                                                                                                                                                                                                                                                                           | 2018           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv D Crampton 17 Prince Edward Street, PMB, 3201. Tel: 033 845 3512 . Email: davidc@pmblaw.co.za                                                                          | No monetary value                                                                                                                                                                                                                                                            | 0       | Not probable           |
| 48                                                                                                                                                                                                        | A Maharaj/ N Maharaj v Msunduzi Municipality               | Application for an Interdict due to contravention of Building and Town Planning Bylaws taking place at 44 Bangalore Road, Northdale.                                                                                                                                                                                                                                                               | 2018           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv M Mazibuko 17 Prince Edward Street, PMB, 3201. Tel: 033 845 3539 . Email: ms.mazibuko@gmail.com                                                                        | No monetary value                                                                                                                                                                                                                                                            | 0       | Not probable           |
| 49                                                                                                                                                                                                        | E. G. Alexander                                            | Delictual Claim: The Plaintiff is suing the Municipality as a result of colliding with a pothole whilst cycling in the vicinity of Murray Road.                                                                                                                                                                                                                                                    | 2014           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. 17 Prince Edward Street, PMB, 3201. Adv A Flemming 7 Prince Edward Street, PMB, 3201. Tel: 033 845 3539 . Email: aflemming@group1pmb.co.za                                 | R83 499.16 plus interest at 15.5 per cent per annum. Matter postponed for Pre-Trial Conference. Awaiting date from Applicant.                                                                                                                                                | 148,597 | Not Probable           |
| 50                                                                                                                                                                                                        | Bermin Investments CC t/a Magalela electrical              | Contractual claim. Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                                                                                                                                                                                     | 2015           | Internal                                                                                                                                                                                                                                                    | R170 100 .69. This is a claim arising from a contractual dispute. The claim is being defended and an appearance to defend as well as a defendant's plea have been filed.                                                                                                     | 170,101 | Not probable           |
| 51                                                                                                                                                                                                        | Lloyd Mentory/ Msunduzi Municipality                       | Delictual Claim for damages: The plaintiff is suing the Municipality for damages as a result of his motor vehicle having collided with a pothole in the vicinity of Otto's Bluff Road.                                                                                                                                                                                                             | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate Anton Flemming                                                                                                     | Action instituted against the municipality for R31 487.02 but absolution from the instance granted in the municipality's favour. Costs still to be recovered.                                                                                                                | 31,487  | Not probable           |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                             | MATTER TYPE                                                                                                                                           | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                                                           | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                   | AMOUNT  | PROBABILITY OF OUTFLOW |
|-----|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------------------------|
| 52  | 465 Prince Alfred                                                  | Interdict by municipality to prevent unauthorised town planning use in terms of the Planning and Development Act                                      | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                                                               | No Monetary Claim                                                                                                                                                                                                                                    | 0       | Not probable           |
| 53  | AJC White                                                          | Delictual Claim: The matter arises from plaintiff having fallen into an uncovered meter box in the vicinity of Flemming Street/ Prince Alfred Street. | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                                                               | R100 000.00. Plaintiff's attorneys have withdrawn as attorneys of record. Plaintiff to set matter down for trial.                                                                                                                                    | 100,000 | Not Probable           |
| 54  | 53 Hoosen Haffajee Street                                          | Interdict by municipality to prevent unauthorised town planning use in terms of the Planning and Development Act                                      | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                                                               | No monetary claim.                                                                                                                                                                                                                                   | 0       | Not Probable           |
| 55  | 252 King Edward Drive:                                             | Interdict by municipality to prevent unauthorised town planning use in terms of the Planning and Development Act                                      | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                                                               | No monetary claim                                                                                                                                                                                                                                    | 0       | Not Probable           |
| 56  | Msunduzi Municipality/ Feroz Essa Ismail & 2 others (118 Boom St ) | Interdict by municipality to prevent unauthorised town planning use in terms of the Planning and Development Act                                      | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                                                                                                        | The contempt application was successful and the process of recovering the costs due in terms of the Bill of costs has commenced. Respondents have since wrote an application for leave to appeal, which is awaiting a set down date. Matter ongoing. | 0       | Not Probable           |
| 57  | Gomla Singh                                                        | Interdict: To prevent the Municipality from disconnecting electricity.                                                                                | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net                                                                                                                                                                                          | No monetary value, potential liability for costs if unsuccessful.                                                                                                                                                                                    | 0       | Not Probable           |
| 58  | C Ngcobo ( Willow)                                                 | Town Planning                                                                                                                                         | 2016           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv A Flemming Tel: 033 845 3546 Fax 033 394 5744 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201       | No Risk. Estimate of legal fees                                                                                                                                                                                                                      | 0       | Not Probable           |
| 59  | Belinda Lisa Bramdaw                                               | Interdict: To prevent the Municipality from disconnecting electricity.                                                                                | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                                                  | Setting up settlement meeting.                                                                                                                                                                                                                       | 0       | Not Probable           |
| 60  | Diedre Doreen Rajah                                                | Interdict: To prevent the Municipality from disconnecting electricity.                                                                                | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv R Padayachee SC Tel: 033 845 3546 Fax 033 394 5744 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No monetary value however the municipality could be liable for costs if unsuccessful. Matter ongoing.                                                                                                                                                | 0       | Not Probable           |
| 61  | Anthoo Marion and Associates                                       | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                    | 2015           | Internal                                                                                                                                                                                                                                                                                               | R12 935.00. An appearance to defend has been filed at court.                                                                                                                                                                                         | 12,935  | Not probable           |
| 62  | Willowton Group t/a Willowton Oil                                  | Interdict to prevent illegal use of Municipal land in contravention of zoning bylaws                                                                  | Sep-15         | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net                                                                                                                                                                                          | No monetary value. Costs if unsuccessful.                                                                                                                                                                                                            | 0       | Not probable           |
| 63  | 71 New England Road: Avinash Samlall & Others: case no: 14104/15   | Application to challenge decision by a Town Planning Tribunal                                                                                         | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email:emmerson@telkomsa.net Adv A Rall SC; 17 Prince Edward Street, Pietermaritzburg. Tel: 033 845 3529. Email: rall@iafrica.com                                                                                      | No monetary value. Costs if unsuccessful.                                                                                                                                                                                                            | 0       | Not probable           |
| 64  | 50 Pope Ellis Drive                                                | Interdict to prevent the uses of premises for events                                                                                                  | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Adv R Nirghin, 17 Prince Edward Street, PMB, 3201. Tel: 033 845 3520. Email: ranjiv.nirghin@gmail.com                                                                                                                 | No monetary value. Costs if unsuccessful.                                                                                                                                                                                                            | 0       | Not probable           |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                       |                                                                                                                                                                                                                   |                |                                                                                                                                                                                                                    |                                                                                                                                                                                                                                |         |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                                | MATTER TYPE                                                                                                                                                                                                       | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                       | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                             | AMOUNT  | PROBABILITY OF OUTFLOW |
| 65                                                                                                                                                                                                        | 101 Greyling Street                                                   | Interdict to prevent contravention of zoning bylaws                                                                                                                                                               | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value. Legal costs if unsuccessful.                                                                                                                                                                                | 0       | Not probable           |
| 66                                                                                                                                                                                                        | 47 Tayton Road                                                        | Interdict: restrained from using or allowing others to use the property as offices.                                                                                                                               | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value. Costs if unsuccessful.                                                                                                                                                                                      | 0       | Not probable           |
| 67                                                                                                                                                                                                        | Msunduzi Municipality v S Antony                                      | Labour Matter: Review of Arbitration Award                                                                                                                                                                        | 2014           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value, potential liability for legal costs if unsuccessful                                                                                                                                                         | 0       | Not probable           |
| 68                                                                                                                                                                                                        | 19 West Street                                                        | Interdict: restrained from using or allowing others to use the property as a boarding house.                                                                                                                      | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value. Legal costs if unsuccessful.                                                                                                                                                                                | 0       | Not probable           |
| 69                                                                                                                                                                                                        | 534 Prince Alfred Street                                              | Interdict: restrained from using or allowing others to use the property as a business premises.                                                                                                                   | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value. Costs if unsuccessful.                                                                                                                                                                                      | 0       | Not probable           |
| 70                                                                                                                                                                                                        | 8 Polo Avenue                                                         | Interdict: restrained from using or allowing others to use the property as a boarding house.                                                                                                                      | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value. Legal costs if unsuccessful.                                                                                                                                                                                | 0       | Not probable           |
| 71                                                                                                                                                                                                        | 79 Boom Street                                                        | Interdict: restrained from using or allowing others to use the property as a boarding house.                                                                                                                      | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value,potential liability for legal costs if unsuccessful.                                                                                                                                                         | 0       | Not probable           |
| 72                                                                                                                                                                                                        | 143 Greyling Street                                                   | Interdict: restrained from using or allowing others to use the property as a business premises.                                                                                                                   | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value. Legal costs if unsuccessful. .                                                                                                                                                                              | 0       | Not probable           |
| 73                                                                                                                                                                                                        | 14 Boom Street                                                        | Interdict: restrained from using or allowing others to use the property as offices.                                                                                                                               | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022                                                                                                                                    | No monetary value, potential liability for legal costs if unsuccessful.                                                                                                                                                        | 0       | Not probable           |
| 74                                                                                                                                                                                                        | Electricity Action Gorup                                              | Application to compel the Municipality to implement its Indigent Policy                                                                                                                                           | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net Adv A Rall SC; 17 Prince Edward Street, Pietermaritzburg. Tel: 033 845 3529. Email: rall@iafrica.com | No monetary value. Potential liability for legal costs if unsuccessful.                                                                                                                                                        | 0       | Not probable           |
| 75                                                                                                                                                                                                        | K. Ferose                                                             | Application to demolish illegally erected aviaries.                                                                                                                                                               | 2015           | Mdledle Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. Email: emmerson@telkomsa.net                                                                                                      | No monetary value. Potential liability for costs if unsuccessful                                                                                                                                                               | 0       | Not probable           |
| 76                                                                                                                                                                                                        | Ilitha Research and Management CC                                     | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                | 2016           | Internal                                                                                                                                                                                                           | R62 768.00. The summons was issued in the Magistrates Court. Further particulars were sought from ICT and an appearance to defend has been filed. The matter is ongoing.                                                       | 62,768  | Not probable           |
| 77                                                                                                                                                                                                        | PH Magubane                                                           | Collection of monies from a staff member                                                                                                                                                                          | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                    | We have issued a summons and have obtained a judgement. We are attempting to recover the money due, the debtor does not appear to have many assets and this means that the prospects of recovering the money is not very good. | 0       | Not probable           |
| 78                                                                                                                                                                                                        | Victoria Country Club Estate                                          | Town Planning                                                                                                                                                                                                     | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Choudree, Masonic Group, Durban.                     | No Risk. Estimate of legal fees                                                                                                                                                                                                | 0       | Not probable           |
| 79                                                                                                                                                                                                        | Various Employees from Community Services (31)/ Msunduzi Municipality | Delictual Claim: Plaintiffs are suing the municipality for alleged assault that took place during an unprotected strike.                                                                                          | 2016           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                    | R350 000.00 claimed by each employee. The matter is ongoing.                                                                                                                                                                   | 350,000 | Not probable           |
| 80                                                                                                                                                                                                        | Bigen Afrika Services (PTY) Ltd.                                      | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                | 2016           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                    | R919 979.31. A summons has been received. An appearance to defend will be filed at court. Matter on-going. Matter settled.                                                                                                     | 919,979 | Not probable           |
| 81                                                                                                                                                                                                        | Mr Mduzuzi Collen Sosibo, Mrs Sosibo                                  | Delictual Claim: The plaintiff is suing the Municipality in respect of rates, taxes and services owed by the previous owner of the property.                                                                      | 2016           | Internal                                                                                                                                                                                                           | Summons were received in the amount of R 132 431, 96 were received from the plaintiff. Discovery notices have been filed and served on the plaintiff.                                                                          | 132,432 | Not probable           |
| 82                                                                                                                                                                                                        | AMA-Grace Business Enterprises                                        | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered damages as a result of a burst pipe which then allegedly caused damage to the plaintiff's property. | 2016           | Internal                                                                                                                                                                                                           | The Plaintiff has claimed an amount of R59 042.52. Notices in terms of Rule 23 have been filed and served on the plaintiff.                                                                                                    | 59,043  | Not probable           |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1  
SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                                 | MATTER TYPE                                                                                                                                                                                                                               | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                                | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                          | AMOUNT    | PROBABILITY OF OUTFLOW |
|-----|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------------|
| 83  | Philani Kenneth Sikhosana                                              | Delictual Claim: The plaintiff is suing the Municipality for damages incurred as a result of the alleged failure of the defendant to keep the Hall in good condition for the Plaintiff's event on time.                                   | 2016           | Internal                                                                                                                                                                                                                                                                    | The plaintiff has claimed an amount of R90 000. A plea has been filed and served on the plaintiff.                                                                                          | 90,000    | Not probable           |
| 84  | Prethabran Govender                                                    | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein the municipality allegedly caused damages to the properties of eight tenants as a result of a power surge.                                               | 2016           | Internal                                                                                                                                                                                                                                                                    | A summons in the amount of R R48 200.00 was received. A Notice of Exception in terms of Rule 19 (1) to Plaintiff's Particulars of claim has been filed in court and served on the plaintiff | 48,200    | Not probable           |
| 85  | Electro Technical Agencies cc and Msunduzi Municipality/ Mohamed Shaik | Delictual Claim: The plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal driven by a Municipal employee in the course and scope of his employment. | 2017           | Internal                                                                                                                                                                                                                                                                    | The plaintiff has claimed an amount of R 10 817.73. A notice to withdraw the action was received from the Plaintiff.                                                                        | 10,818    | Not Probable           |
| 86  | Qalapha Jacob Ngubane and Msunduzi Municipality                        | Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a power outage which resulted in a power surge.                                                       | 2017           | Internal                                                                                                                                                                                                                                                                    | The Plaintiff has claimed an amount of R 21 862, 00. During the month of May 2017, and Appearance to defend was filed and served on the Plaintiff.                                          | 21,862    | Not probable           |
| 87  | Zama Traffic Signals                                                   | Contractual dispute: Applicant sought an order to review the Municipality's decision to cancel a contract of services.                                                                                                                    | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, advocate A. De Wet ,17 Prince Edward Street, Advocates' Chambers, tel: 0338453534, fax: 033-3428941,e-mail:dewet@group8.co.za               | R1 076 846.01 plus costs of the application. We managed to successfully oppose the application. Costs and further legal fees cannot be quantified at this stage as the matter is ongoing.   | 1,076,846 | Not probable           |
| 88  | Msunduzi Municipality/Gubela Trading                                   | Contractual dispute: Applicant sought an order to review the Municipality's decision to cancel a contract of services.                                                                                                                    | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za, advocate A. De Wet ,17 Prince Edward Street, Advocates' Chambers, tel: 0338453534, fax: 033-3428941,e-mail:dewet@group8.co.za               | R595 337.26 plus costs of the application. Costs and further legal fees cannot be quantified at this stage as the matter is ongoing.                                                        | 595,337   | Not probable           |
| 89  | Lawrence Ngcobo                                                        | Town planning matter: contravention of the Planning and Development Act by running business in special residential area.                                                                                                                  | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Deon Schaup 033-8453501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | Order granted in favour of the Municipality. In process of recovering costs.                                                                                                                | 0         | Not probable.          |
| 90  | 35 Pietermaritz Street                                                 | New instruction in November, need further instructions from Mr Mdu Mbokazi on the most recent inspection date. The file only records latest date to be October 2013.                                                                      | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                       | No Risk. Estimate of legal fees                                                                                                                                                             | 0         | Not probable           |
| 91  | Archie Gumede                                                          | Land invasion, Court Interdict                                                                                                                                                                                                            | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200. Adv R Nirgin: 033 845 2501. Block A1, Advocate's Chambers, 17 Prince Edward Street.                                  | No Risk. Estimate of Legal Fees                                                                                                                                                             | 0         | Not probable           |
| 92  | Pietermaritzburg Pistol Club                                           | Town Planning                                                                                                                                                                                                                             | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Dickson 033-845 3501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201.    | No Risk. Estimate of legal fees.                                                                                                                                                            | 0         | Not probable           |
| 93  | 38 Pietermaritz Street                                                 | Town Planning                                                                                                                                                                                                                             | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                       | No Risk. Estimate of legal fees                                                                                                                                                             | 0         | Not probable           |
| 94  | 41 Pietermaritz Street                                                 | Town Planning                                                                                                                                                                                                                             | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                       | No Risk. Estimate of legal fees                                                                                                                                                             | 0         | Not probable           |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                        |               |                |                                                                                                                                                       |                                                    |        |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|--------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                 | MATTER TYPE   | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                          | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE | AMOUNT | PROBABILITY OF OUTFLOW |
| 95                                                                                                                                                                                                        | 42 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 96                                                                                                                                                                                                        | 43 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 97                                                                                                                                                                                                        | 44 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 98                                                                                                                                                                                                        | 46 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 99                                                                                                                                                                                                        | 50 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 100                                                                                                                                                                                                       | 51 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 101                                                                                                                                                                                                       | 53 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 102                                                                                                                                                                                                       | 54 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 103                                                                                                                                                                                                       | 55 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 104                                                                                                                                                                                                       | 56 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 105                                                                                                                                                                                                       | 13 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 106                                                                                                                                                                                                       | 17 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 107                                                                                                                                                                                                       | 21 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 108                                                                                                                                                                                                       | 27 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |
| 109                                                                                                                                                                                                       | 11 Pietermaritz Street | Town Planning | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 | No Risk. Estimate of legal fees                    | 0      | Not probable           |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1  
SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                     | MATTER TYPE                                                                          | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                             | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE     | AMOUNT | PROBABILITY OF OUTFLOW |
|-----|--------------------------------------------|--------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|--------|------------------------|
| 110 | 29 Pietermaritz Street                     | Town Planning                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                        | 0      | Not probable           |
| 111 | 14 McCullum Street                         | Town Planning                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                        | 0      | Not probable           |
| 112 | 13 McCullum Street                         | Town Planning                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                        | 0      | Not probable           |
| 113 | 33 Pietermaritz Street                     | Town Planning                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                        | 0      | Not probable           |
| 114 | 31 Pietermaritz Street                     | Town Planning                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                        | 0      | Not probable           |
| 115 | 4 McCullum Street                          | Town Planning                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                        | 0      | Not probable           |
| 116 | 15 McCullum Street                         | Town Planning                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Estimate of legal fees                        | 0      | Not probable           |
| 117 | 441 Pietermaritz Street                    | Town Planning                                                                        | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Dickson 033-8453501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201.  | No Risk. Estimate of legal fees                        | 0      | Not probable           |
| 118 | Uphill Trading                             | Town Planning                                                                        | 2012           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Dickson 033-8453501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201.  | No Risk. Estimate of legal fees.                       | 0      | Not probable           |
| 119 | Various                                    | Eviction                                                                             | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv S Moola 033-897 8482 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No risk. Estimate of legal fees.                       | 0      | Not probable           |
| 120 | V. D. Gunkel (58 Les Van Wyk Drive)        | Town Planning: contravention of PDA by running business in special residential area. | 2017           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200                                                                                                                    | No Risk. Awaiting instructions to withdraw the matter. | 0      | Not probable           |
| 121 | IXS MCHUNU & OTHERS/ MSUNDUZI MUNICIPALITY | INTERDICT: TOWN PLANNING                                                             | 2012           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: alicia@mflaw.co.za. REF: 22M003021                                                                                                                    | No monetary claim. Taxed costs still to be recovered.  | 0      | Not probable           |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                                                                |                                                                                                                                                                                       |                |                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                               |            |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                                                                         | MATTER TYPE                                                                                                                                                                           | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                              | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                            | AMOUNT     | PROBABILITY OF OUTFLOW |
| 122                                                                                                                                                                                                       | Msunduzi Municipality/ surendra singh & 13 others                                                              | INTERDICT: TOWN PLANNING                                                                                                                                                              | 2015           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, Adv A Potgieter SC & Adv H Gani                                                                     | No monetary claim. Draft contempt application provided to client, who is to provide additional information from various inspection departments in order to finalise                                                                                           | 0          | Not probable           |
| 123                                                                                                                                                                                                       | MAGICONE INVESTMENTS/ MSUNDUZI MUNICIPALITY                                                                    | INTERDICT: TOWN PLANNING                                                                                                                                                              | 2012           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: alicia@mfilaw.co.za, Adv H Gani                                                                                        | No monetary claim. Appeal was dismissed with costs. Taxed costs still to be recovered. Contempt application prepared by Counsel and provided to client to confirm veracity of facts alleged.                                                                  | 0          | Not probable           |
| 124                                                                                                                                                                                                       | G. Govender/ P. Naidoo and Msunduzi Municipality.                                                              | Application in terms of PIE.                                                                                                                                                          | 2018           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za. REF: 22M003071                                                                                      | No monetary claim. Awaiting outcome of application for absolution. The Municipality has been absolved from the proceedings.                                                                                                                                   | 0          | Not probable           |
| 125                                                                                                                                                                                                       | S. Shangase/ Sibisi and 2 others.                                                                              | Application in terms of PIE.                                                                                                                                                          | 2018           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, REF: 22M003196                                                                                      | No monetary claim. The Application was set down for hearing on 05 February 2019. Application was dismissed.                                                                                                                                                   | 0          | Not probable           |
| 126                                                                                                                                                                                                       | RV. Zulu/ Msunduzi municipality                                                                                | Application in terms of PIE.                                                                                                                                                          | 2018           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, REF: 22M003405                                                                                      | No monetary claim. Matter ongoing.                                                                                                                                                                                                                            | 0          | Not probable           |
| 127                                                                                                                                                                                                       | Grant Fryer                                                                                                    | Labour dispute before the CCMA relating to fixed term contract.                                                                                                                       | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                          | The arbitration is held in abeyance by agreement pending the exchange of information between the parties. Applicant took no further steps to refer matter to Arbitration in view of a further fixed term contract offered to him.                             | 0          | Not probable           |
| 128                                                                                                                                                                                                       | Nkabini and Others                                                                                             | Alleged unfair labour practice in relation to termination of the Progressive attainment. Policy for security workers. Application of a collective agreement. Before the Labour Court. | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za. Advocate David Crampton | Notice of intended Exception as applicants have not referred their dispute to Conciliation. Matter on-going                                                                                                                                                   | 0          | Not probable           |
| 129                                                                                                                                                                                                       | Moses Thusi and 230 Others                                                                                     | Unfair discrimination of 230 employees.                                                                                                                                               | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za. Advocate David Crampton | Applicant seeks re-employment. Not a monetary claim. Counsel instructed to prepare an application to dismiss the matter. Same served and filed. No opposition from the Applicants.                                                                            | 0          | Not probable           |
| 130                                                                                                                                                                                                       | Thandi Gloria Mayisela                                                                                         | Alleged unfair labour practice. Applicants sought to be considered as a security officer and get security officer benefit.                                                            | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                          | Notice to intended Exception as applicants have not referred their dispute to conciliation. Matter on-ongoing                                                                                                                                                 | 0          | Not probable           |
| 131                                                                                                                                                                                                       | Musa Edward Mthembu                                                                                            | Unfair Labour Practice relating to an application of a collective agreement. Before the Labour Court.                                                                                 | Apr-18         | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                          | Arbitration on the 31st May 2018. Application for condonation – refused. Applicants are seeking re-instatement and compensation (Back pay) of R57 252.00 per annum from 1999. Municipality successfully opposed application for condonation. Matter finalised | 1,087,788  | Not Probable           |
| 132                                                                                                                                                                                                       | Deveng Africa Consulting (PTY) LTD and Municipal Manager, The Msunduzi Municipality/ The Msunduzi Municipality | Contractual Claim                                                                                                                                                                     | 2018 February  | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                          | R5 309 127.01. Exception raised and awaiting set down on opposed roll.                                                                                                                                                                                        | 5,309,127  | Not Probable           |
| 133                                                                                                                                                                                                       | Khuselani Security: Case number 4474/16                                                                        | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                    | 2016           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za,                                                                                                     | R14 660 993.31. This is a High Court matter. This matter was settled.                                                                                                                                                                                         | 14,660,993 | Not Probable           |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1  
SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                                                                           | MATTER TYPE                                                                                                                                                                                            | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                                | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                                                                        | AMOUNT     | PROBABILITY OF OUTFLOW |
|-----|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------|
| 134 | NP Mbanjwa, N Dlamini, S Madlala case no.66/2015                                                 | Application in terms of the pie act : application for eviction                                                                                                                                         | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747,e-mail:mail@mfilaw.co.za                                                                                                                                              | No financial implication, Municipality ordered to furnish report or alternative accomodation. We proceeded to file the report as well as the affidavit opposing the contempt application and on 18 April 2016 the application for contempt of court was withdrawn by the applicant with each party to bear its own costs. | 0          | Not probable           |
| 135 | Melvyn Conrad Jansen and The Msunduzi Municipality                                               | Delictual claim. Plaintiff suing the Municipality caused by having fallen into an uncovered manhole.                                                                                                   | 2018           | External Insurers                                                                                                                                                                                                                                                           | R927,400                                                                                                                                                                                                                                                                                                                  | 927,400    | Probable               |
| 136 | Mzotshingwe Million Mzobe and Kevin Deon Joseph/ The Msunduzi Municipality                       | Delictual claim: The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle | 2018           | Internal                                                                                                                                                                                                                                                                    | R 75 119,79. Matter is ongoing.                                                                                                                                                                                                                                                                                           | 75,120     | Probable               |
| 137 | Hatch Africa and Msunduzi Municipality                                                           | Contractual Claim: the Plaintiff is suing for unpaid monies owing to Plaintiff for work done flowing from an alleged agreement between the parties.                                                    | 2018           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747,e-mail:mail@mfilaw.co.za,                                                                                                                                         | R8 323 443.20. We have filed a notice of intention to depose on behalf of the municipality. This is a claim for money due pursuant to services rendered. The services have in fact been rendered. The matter is now at the pre-trial stage of proceedings.                                                                | 8,323,443  | Probable               |
| 138 | Built Environment Support Group NPC (RF) and Msunduzi Municipality                               | Contractual Claim: the Plaintiff is suing for unpaid monies owing to Plaintiff for work done.                                                                                                          | 2018           | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                                                            | R600 891.72. Plea has been filed in the matter to be set down for pre-trial. Matter ongoing.                                                                                                                                                                                                                              | 600,892    | Probable               |
| 139 | African Diya Trading                                                                             | Sale of Municipal Capital Assets: Application to compel the Municipality to sign transfer papers                                                                                                       | 2018           | Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za                                                            | R2 495 000.00. Answering Affidavit filed, awaiting replying affidavit.                                                                                                                                                                                                                                                    | 2,495,000  | Probable               |
| 140 | Rajendra Govender and Msunduzi Municipality                                                      | Labour Dispute (appeal and High Court application). Application for reinstatement.                                                                                                                     | 2018           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg, PO Box 50, Pietermaritzburg, 3200. Adv Gani - Appeal. Adv Moola-High Court Application. Advocates Chambers Block A1, 17 Prince Edward Street, PMB, 3201 | Risk of R115 000. ( Salary related)                                                                                                                                                                                                                                                                                       | 115,000    | Probable               |
| 141 | Standard Bank v Msunduzi Municipality                                                            | Interdict to compel the Municipality to provide rates clearance figures.                                                                                                                               | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                                             | No monetary value, potential liability for costs if unsuccessful.                                                                                                                                                                                                                                                         | 0          | Probable               |
| 142 | Anthony Crookes v Msunduzi Municipality                                                          | Application for repayment of the sum of R 642 908.92 as overpayment for rates clearance                                                                                                                | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022.                                                                                                                                                                                             | 642 909                                                                                                                                                                                                                                                                                                                   | 642,909    | Probable               |
| 143 | Sibongile Priscilla Nzama and Msunduzi Municipality/ Philani Patrick Vidima                      | The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle                  | 2018           | Internal                                                                                                                                                                                                                                                                    | R53 152.22.The Defendants filed an Appearance to defend in court and served same on the Plaintiff.                                                                                                                                                                                                                        | 53,152     | Probable               |
| 144 | Kandasamy Moonsamy Devan and Msunduzi Municipality                                               | Delictual Claim: The Plaintiff is suing the municipality for allegedly suffering damage from having tripped on a broken protruding portion of a pavement block/slab.                                   | 2018           | Internal                                                                                                                                                                                                                                                                    | R92 596.44. The Defendant's Plea has been filed in the matter.                                                                                                                                                                                                                                                            | 92,596     | Probable               |
| 145 | Skhumbuzo M Mputa and Msunduzi Municipality                                                      | The plaintiff is suing the Municipality for damages arising because of the natural flow of water, which caused damage the Plaintiff's property                                                         | 2018           | Intenal                                                                                                                                                                                                                                                                     | R11 914.43. Defendant filed its Notice of Appearance to Defend as well as its Plea in court and served both on the Plaintiff                                                                                                                                                                                              | 11,914     | Probable               |
| 146 | A S Variawa/ Y Cassim                                                                            | Eviction application as a result of an encroachment by Municipality onto the Applicant's land.                                                                                                         | 2018           | Mdlele Inc. 187 Hoosen Haffajee Street Pietermaritzburg;3201; Tel 033 345 4022. 17 Prince Edward Street, PMB, 3201. Adv A Flemming 7 Prince Edward Street, PMB, 3201. Tel: 033 845 3539 . Email: aflemming@group1pmb.co.za                                                  | No monetary value. Potential conveyancing costs payable.                                                                                                                                                                                                                                                                  | 0          | Probable               |
| 147 | Eskom Holdings Soc Limited and Msunduzi Municipality and Indiza Airport Management (PTY) Limited | The Plaintiff is suing the Municipality for having allegedly suffered damage to its aircraft due to a fire breakout.                                                                                   | 2018           | External Insurers                                                                                                                                                                                                                                                           | 17 963 806                                                                                                                                                                                                                                                                                                                | 17,963,806 | Probable               |



| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                             |                                                                                                                                                                                                                                      |                |                                                                                                                                                                                      |                                                                                                                                          |           |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                      | MATTER TYPE                                                                                                                                                                                                                          | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                         | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                       | AMOUNT    | PROBABILITY OF OUTFLOW |
| 148                                                                                                                                                                                                       | Dharam C Deeplaul and Msunduzi Municipality                 | The Plaintiff is suing the Municipality for damages allegedly suffered to its motor vehicle as a result of colliding with a pothole.                                                                                                 | 2018           | Internal                                                                                                                                                                             | R50 462.89. Matter ongoing.                                                                                                              | 50,463    | Probable               |
| 149                                                                                                                                                                                                       | Mxolisi Reginald Mkhize and Msunduzi Local Municipality     | The Plaintiff is suing the Municipality for damages allegedly suffered to its motor vehicle as a result of colliding with a pothole.                                                                                                 | 2018           | Internal                                                                                                                                                                             | 83 119                                                                                                                                   | 83,119    | Probable               |
| 150                                                                                                                                                                                                       | Peter Baxter Spray Painters and Msunduzi Local Municipality | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/her employment.     | 2018           | Insurance                                                                                                                                                                            | The Plaintiff has claimed an amount of R20 993.91. Matter is ongoing.                                                                    | 20,994    | Probable               |
| 151                                                                                                                                                                                                       | Rowan Gareth Blakeman and Msunduzi Municipality             | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a large pothole.                                                                                      | 2018           | Internal                                                                                                                                                                             | The Plaintiff has claimed an amount of R104 352.10. Matter is ongoing.                                                                   | 104,352   | Probable               |
| 152                                                                                                                                                                                                       | Bhekezakhe Victor Langa and Msunduzi Local Municipality     | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/her employment.     | 2018           | Internal                                                                                                                                                                             | The Plaintiff has claimed an amount of R24 909.17. Conducted research, consultations and instructions on plea and claim in re-convention | 24,909    | Probable               |
| 153                                                                                                                                                                                                       | Ntombeningi Sokhela                                         | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/her employment.     | 2018           | Internal                                                                                                                                                                             | The Plaintiff has claimed an amount of R 19 345.83. Matter is ongoing.                                                                   | 19,346    | Probable               |
| 154                                                                                                                                                                                                       | Red Alert TSS (PTY) LTD                                     | The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/her employment.     | 2018           | Internal                                                                                                                                                                             | The Plaintiff has claimed an amount of R 105 930.97. Matter is ongoing                                                                   | 105,931   | Probable               |
| 155                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case No.6292/05       | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.                                                                                      | 2004           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R22 541.11 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                 | 195,751   | Probable               |
| 156                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case No.16356/05      | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.                                                                                      | 2005           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R34 806.17 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                 | 261,700   | Probable               |
| 157                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case No.3994/06       | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.                                                                                      | 2006           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R13 283.82 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                 | 86,475    | Probable               |
| 158                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case No 542/06        | Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.                                                                                      | 2006           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R 21 697.25 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                | 141,244   | Probable               |
| 159                                                                                                                                                                                                       | Telkom v. Msunduzi Municipality Case No12506/08             | Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.                                                                                               | 2008           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R45 979. 87 Plus interest at 15.5 per cent per annum. A judgement awaited before moving forward. Matter ongoing                          | 224,372   | Probable               |
| 160                                                                                                                                                                                                       | B.A. Clark v Msunduzi Municipality                          | Delictual Claim. The Municipality dug trenches along Old Howick Road, a net was placed adjacent to the trenches. Plaintiff alleges that he was caught by such nets whilst cycling.                                                   | 2009           | Internal                                                                                                                                                                             | R397 975.83 Plus interest at 15.5 per cent per annum. Awaiting new set down for trial.                                                   | 1,681,421 | Probable               |
| 161                                                                                                                                                                                                       | Bayeni GP v Msunduzi Municipality                           | Delictual claim. Plaintiff fell into a trench dug by contractors appointed by the Municipality.                                                                                                                                      | 2010           | Internal                                                                                                                                                                             | R 97 430.00 plus interest at 15.5 per cent per annum. Matter is ongoing.                                                                 | 356,394   | Probable               |
| 162                                                                                                                                                                                                       | Mlaba M. v Msunduzi Municipality                            | Delictual Claim: The Plaintiff is suing the Municipality for injuries sustained due to a fall on an open trench in Edendale.                                                                                                         | 2010           | Internal                                                                                                                                                                             | R 100 000.00 plus interest at 15.5 per cent per annum. The matter is ongoing.                                                            | 365,795   | Probable               |
| 163                                                                                                                                                                                                       | Mans N. v Msunduzi Municipality                             | Delictual Claim: The Plaintiff is suing the Municipality for damages to her vehicle as a result of a collision between her vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment. | 2010           | Internal                                                                                                                                                                             | R 7 045.75 plus interest at 15.5 per cent per annum. An application for condonation was opposed and the matter is ongoing.               | 25,773    | Probable               |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                          |                                                                                                                                                                                                                                                                                               |                |                                                                                                                                                                                      |                                                                                                                                                                 |           |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                   | MATTER TYPE                                                                                                                                                                                                                                                                                   | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                         | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                              | AMOUNT    | PROBABILITY OF OUTFLOW |
| 164                                                                                                                                                                                                       | Mpungose NK v Msunduzi Municipality                      | Delictual claim. Plaintiff is suing the Municipality due to structural and mechanical damage to his vehicle caused by towing by municipal traffic officers.                                                                                                                                   | 2011           | Internal                                                                                                                                                                             | R 23 964.42 plus interest at 15.5 per cent per annum. Matter is ongoing.                                                                                        | 75,897    | Probable               |
| 165                                                                                                                                                                                                       | Nxumalo TR v. Msunduzi Municipality                      | Delictual Claim: The Plaintiff is suing the Municipality for damages to his motor vehicle as a result of a street lamp pole falling on it. The Municipality alleges that the site at the time was controlled by SANRAL and as such an application to join them as co-defendant has been made. | 2011           | Internal                                                                                                                                                                             | R 21 791.04 plus interest at 15.5 per cent per annum. The matter is part-heard.                                                                                 | 69,013    | Probable               |
| 166                                                                                                                                                                                                       | Naidoo M. v Msunduzi Municipality                        | Delictual Claim: The plaintiff is suing the Municipality because he fell on an uneven pavement in the vicinity of Delhi Road.                                                                                                                                                                 | 2011           | Internal/Insurance                                                                                                                                                                   | R 370 000.00 plus interest at 15.5 per cent per annum. An appearance to defend has been filed and defendant's plea has been filed. Matter ongoing.              | 1,171,811 | Probable               |
| 167                                                                                                                                                                                                       | Kroese J. v. Msunduzi Municipality                       | Delictual claim. Plaintiff is suing the Municipality and the Minister of the Police for unlawful arrest and detention.                                                                                                                                                                        | 2011           | Internal                                                                                                                                                                             | R 40 000.00 plus interest at 15.5 per cent per annum. The matter is part-heard.                                                                                 | 126,682   | Probable               |
| 168                                                                                                                                                                                                       | Taro Govender / Msunduzi Municipality/ Case No. 12048/11 | Delictual Claim: The Plaintiff is suing the Municipality for damages arising from a flood that allegedly caused damage to the Plaintiff's property                                                                                                                                            | 2011           | Internal                                                                                                                                                                             | R 100 000-00. The matter is ongoing                                                                                                                             | 100,000   | Probable               |
| 169                                                                                                                                                                                                       | Govender Kem v. Msunduzi Municipality                    | Delictual Claim: Plaintiff suffered damages due to a power surge at his property.                                                                                                                                                                                                             | 2012           | Internal                                                                                                                                                                             | R 22 242.00 plus interest at 15.5 per cent per annum. The defendant's plea has been filed. The matter is ongoing.                                               | 60,988    | Probable               |
| 170                                                                                                                                                                                                       | Planet Waves 399                                         | Council withholding payment to contractor that built sludge dams. Possibility of eventual liability.                                                                                                                                                                                          | 2012           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                             | Planet Waves sued for R1 694 937.70 and Municipality counter sued for R1, 940 934.00.                                                                           | 0         | Probable               |
| 171                                                                                                                                                                                                       | Ramharak RJ v Msunduzi Municipality                      | Delictual Claim: The Plaintiff is a Municipal employee. He is suing the Municipality because he was assaulted by a fellow employee within the premises of the Municipality whilst they were in the course and scope of their employment.                                                      | 2012           | Diedricks attorneys,90© Roberts road, claredon, Pietermaritzburg, tel:3429808, fax:0862191672,e-mail:admin@diedricksattorneys.co.za,                                                 | Risk is R 300 000.00                                                                                                                                            | 300,000   | Probable               |
| 172                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case No.3806/12    | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                     | 2012           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R 49 834.75 plus interest at 15.5 per cent per annum. Awaiting judgement. Matter ongoing.                                                                       | 136,649   | Probable               |
| 173                                                                                                                                                                                                       | Simphiwe Jonathan Zama case no. 199039/12                | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                                                                     | 2012           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                             | R14 846,22 Municipality to revert on settlement proposal.                                                                                                       | 14,846    | Probable               |
| 174                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case No. 4709/13   | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                     | 2013           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R 46 628.06 plus interest at 15.5 per cent per annum. Awaiting judgement in another case. Matter ongoing.                                                       | 110,698   | Probable               |
| 175                                                                                                                                                                                                       | L.V. Nagel                                               | Delictual. Plaintiff is suing the Municipality for damages caused by poor maintenance of a reservoir. The overflow of the reservoir caused damage to plaintiff's property.                                                                                                                    | 2013           | Internal                                                                                                                                                                             | R95 000.00 . Matter ongoing.                                                                                                                                    | 95,000    | Probable               |
| 176                                                                                                                                                                                                       | Telkom SA LTD v Msunduzi Municipality Case 12403/07      | Delictual Claim: The matter arises from a dispute wherein Telkom alleges that Municipal water pipes cause damage to their underground cables.                                                                                                                                                 | 2013           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R34 951.26 .Awaiting judgement in another case. Matter ongoing.                                                                                                 | 34,951    | Probable               |
| 177                                                                                                                                                                                                       | Telkom SA LTD Case No. 7256/14                           | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                     | 2013           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R 40 236.47 plus Interest at 15.5 per cent per annum                                                                                                            | 95,524    | Probable               |
| 178                                                                                                                                                                                                       | Telkom SA Limited Case No.14696/13                       | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.                                                                                                                                                     | 2013           | Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200. | R34 951.26 plus interest at 15.5 per cent per annum.                                                                                                            | 82,976    | Probable               |
| 179                                                                                                                                                                                                       | Asiphakame Projects CC 9321-14                           | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                                                                            | 2014           | Internal                                                                                                                                                                             | R 195 035.85 plus interest at 15.5 per cent per annum. The Plaintiff applied for summary judgement and this was successfully opposed. Matter not yet finalised. | 400,889   | Probable               |

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                   |                                                                                                                                                                                                                                                    |                |                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                 |         |                        |
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| NO.                                                                                                                                                                                                       | MATTER                                                            | MATTER TYPE                                                                                                                                                                                                                                        | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                              | AMOUNT  | PROBABILITY OF OUTFLOW |
| 180                                                                                                                                                                                                       | Asiphakame Projects CC 9358-14                                    | Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.                                                                                                                                                 | 2014           | Internal                                                                                                                                                                                                                                                    | R73 590.47 plus interest at 15.5 per cent per annum. The Plaintiff applied for summary judgement and this was successfully opposed. The matter is not yet finalised with Plaintiff not having moved further.                                    | 151,263 | Probable               |
| 181                                                                                                                                                                                                       | EMT. Kapp                                                         | Delictual Claim: The plaintiff is suing the Municipality for damaged sustained to his vehicle as a result of an open trench in a public road.                                                                                                      | 2014           | Internal                                                                                                                                                                                                                                                    | R13 154.75 .Pleadings have closed in the matter. Matter ongoing.                                                                                                                                                                                | 13,155  | Probable               |
| 182                                                                                                                                                                                                       | V. Barnabas                                                       | Delictual Claim: The claim arises from Plaintiff's vehicle having collided with a pothole in the vicinity of Plymouth Road.                                                                                                                        | 2014           | Internal                                                                                                                                                                                                                                                    | R18 228.00 .An appearance to defend has been filed.                                                                                                                                                                                             | 18,228  | Probable               |
| 183                                                                                                                                                                                                       | Musawenkosi Isaac Dlamini                                         | Delictual claim. Plaintiff collided with a tree that had fallen across the road.                                                                                                                                                                   | 2014           | Internal                                                                                                                                                                                                                                                    | R78 616.27 plus interest at 15.5 per cent per annum. The Municipality has filed a plea. Matter ongoing.                                                                                                                                         | 161,593 | Probable               |
| 184                                                                                                                                                                                                       | Kwezi Cash and Carry CC                                           | Payment under Protest for opening of new electricity account                                                                                                                                                                                       | 2014           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497. fax:0862428747,e-mail:mail@mfilaw.co.za, advocate AJ Dickson, 17 Prince Edward Street, Advocates' Chambers, tel: 38453542/3, fax: 38453544,e-mail:adickson@law.co.za | R103 148.00 plus interest at 15.5 per cent per annum. The matter is ongoing. Costs and further legal fees cannot be quantified at this stage The Plaintiff has requested a meeting to settle the matter. Settlement has not yet been finalized. | 212,017 | Probable               |
| 185                                                                                                                                                                                                       | Sikelephi Ngubane                                                 | Delictual Claim: This claim arises from plaintiff's vehicle having collided with a municipal vehicle driven by a municipal employee in the course and scope of his employment.                                                                     | 2014           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                    | R17 312.33 plus interest at 15.5 per cent per annum. Possible settlement in matter                                                                                                                                                              | 35,585  | Probable               |
| 186                                                                                                                                                                                                       | Anton Venter                                                      | Interdict against Municipality for road construction.                                                                                                                                                                                              | 2014           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                    | Applicant's application for contempt of Court Order is set down for hearing on 20 May 2019.                                                                                                                                                     | 0       | Probable               |
| 187                                                                                                                                                                                                       | IDT and others                                                    | Civil Claim                                                                                                                                                                                                                                        | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497. fax:0862428747,e-mail:mail@mfilaw.co.za,                                                                                                                             | We have claimed approximately R 34 million from the IDT. We are now at the pre-trial stage. Costs and legal fees cannot be quantified at this stage.                                                                                            | 0       | Probable               |
| 188                                                                                                                                                                                                       | Krishna Govender and Msunduzi Municipality                        | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment. | 2015           | Internal                                                                                                                                                                                                                                                    | The Plaintiff has claimed an amount of R13 405. 21. An Appearance to Defend was filed and served on the Plaintiff.                                                                                                                              | 13,405  | Probable               |
| 189                                                                                                                                                                                                       | S Dewaraj                                                         | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                          | 2015           | Xaba Attorneys, 223 Boom Street,Central Office Park,Pietermaritzburg ,tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com PC Bezuidenhout SC Advocates Chambers 17 Prince Edward Street, Pietermaritzburg 033-8453522/082443836 fax 0333943734      | Claim for R15 575.00. Possible settlement in the matter. Matter on-going                                                                                                                                                                        | 15,575  | Probable               |
| 190                                                                                                                                                                                                       | Andre Geard Ramsingh                                              | Delictual claim: The plaintiff herein is suing the Municipality for damages suffered as a result of being arrested and detained unlawfully.                                                                                                        | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                    | R200 000. Plaintiff to set matter down. The matter is ongoing.                                                                                                                                                                                  | 200,000 | Probable               |
| 191                                                                                                                                                                                                       | NS Ngwenya                                                        | Delictual claim. Plaintiff's vehicle collided with a municipal vehicle.                                                                                                                                                                            | 2015           | Internal                                                                                                                                                                                                                                                    | R11 395.37. Matter on-going                                                                                                                                                                                                                     | 11,395  | Probable               |
| 192                                                                                                                                                                                                       | Minnes Singh                                                      | Delictual Claim: Plaintiff is suing the municipality for damages to his motor vehicle after it collided with a pothole/ uneven road surface.                                                                                                       | 2015           | Afzal Akoo and Partners Tel: 033 394 7274 Fax: 033 345 0938. Physical Address 187 Boshoff Street, Pietermaritzburg, 3201. Postal Address PO Box 7836, Cumberwood, 3235.                                                                                     | R69 224.62 Defence has closed its case. Magistrate requested written heads of argument based on the record of the proceedings.                                                                                                                  | 69,225  | Probable               |
| 193                                                                                                                                                                                                       | Southern African Music Rights Organisation/ Msunduzi Municipality | Breach of contract in terms of copyright laws. Action instituted in the Magistrates Court under case number 5701/2015                                                                                                                              | 2015           | Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497. fax:0862428747,e-mail:mail@mfilaw.co.za, Advocate V. Moodley                                                                                                         | Action instituted against the municipality for R170 265.21. Matter is defended but has not been enrolled for trial as yet by the plaintiff.                                                                                                     | 170,265 | Probable               |
| 194                                                                                                                                                                                                       | Moosa Omar                                                        | Debatement of Electricity Account.                                                                                                                                                                                                                 | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                    | Matter to be set down for taxation.                                                                                                                                                                                                             | 0       | Probable               |

**THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY  
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019  
APPENDIX E1**

**SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019**

| NO. | MATTER                                             | MATTER TYPE                                                                                                                                                                                                                                        | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                                                                                               | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                            | AMOUNT     | PROBABILITY OF OUTFLOW |
|-----|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|------------|------------------------|
| 195 | Infraserve (Pty) LTD                               | Contractual dispute claim: Breach of contract for cancellation and non-payment of invoices.                                                                                                                                                        | 2015           | Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com                                                                                                                                   | R13 000 000. Awaiting Plaintiff to set the matter down for Trial.                                             | 13,000,000 | Probable               |
| 196 | Abbas Ghulam                                       | Delictual Claim: The claim arise from an alleged assault by a Municipal Traffic Officer in the course and scope of his employment.                                                                                                                 | 2015           | Insurance                                                                                                                                                                                                                                                                  | R1 000 000.00 plus interest at 15% per annum.                                                                 | 1,779,623  | Probable               |
| 197 | APS Panelbeaters (Hugo's Panel Beaters) v Msunduzi | Delictual Claim: The claim arises from a new meter that was installed at Plaintiff's premises giving inaccurate readings resulting in Plaintiff being overcharged.                                                                                 | 2015           | Kwela Attorneys Tel: 224 Boom Street, Pietermaritzburg, 3201. james@kwelalaw.co.za. Tel: 033 394 8116                                                                                                                                                                      | R 292 725.00, plus interest @ 15.5% p/a plus legal costs. Matter in abeyance                                  | 520,940    | Probable               |
| 198 | SM Mazibuko                                        | Delictual Claim: The claim arises from an incident whereby Plaintiff's motor vehicle collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.                                                   | 2015           | Internal                                                                                                                                                                                                                                                                   | R11 395.73.                                                                                                   | 11,396     | Probable               |
| 199 | A. Aboobaker                                       | Delictual Claim: Plaintiff's vehicle collided with a municipal vehicle driven by an employee in the course and scope of his employment.                                                                                                            | 2015           | Internal                                                                                                                                                                                                                                                                   | R10 411.46                                                                                                    | 10,411     | Probable               |
| 200 | Takeshape Properties                               | Debatement of services account R 413 213, 72                                                                                                                                                                                                       | 2015           | Diedricks Inc Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200 and Adv Potgieter 033-845 3501 Address Advocates Chambers Block A1, 17 Prince Edward Street, Pietermaritzburg, 3201. | No risk. Estimate of legal fees                                                                               | 0          | Probable               |
| 201 | MSUNDUZI MUNICIPALITY/ GDB ENGINEERS & G. BOUTELL  | CONTRACT DISPUTE, DAMAGES CLAIM                                                                                                                                                                                                                    | 2015           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mflaw.co.za, Adv De Wet SC & Adv A Christison. REF: 22M003087                                                                                      | Action instituted by the municipality for R8 191 934.06.                                                      | 8,191,934  | Probable               |
| 202 | L. Van Zyl                                         | Delictual Claim. Plaintiff's motor vehicle collided with a Municipal vehicle driven by an employee in the performance of his duties.                                                                                                               | 2016           | Internal                                                                                                                                                                                                                                                                   | R46 692.18. Matter is ongoing.                                                                                | 46,692     | Probable               |
| 203 | N. Singh                                           | Delictual Claim: Plaintiff's vehicle collided with a pothole on a public road that falls within the jurisdiction of the Municipality.                                                                                                              | 2016           | Internal                                                                                                                                                                                                                                                                   | R9 406.21                                                                                                     | 9,406      | Probable               |
| 204 | S. W. Khanyile                                     | Delictual Claim: Plaintiff claims that he was unlawfully assaulted and detained by Municipal Traffic Officers.                                                                                                                                     | 2016           | Internal/Insurance                                                                                                                                                                                                                                                         | R200 000.00. Matter is ongoing.                                                                               | 200,000    | Probable               |
| 205 | M. Brown                                           | Delictual claim: The Plaintiff claims that he was arrested unlawfully by a Municipal Traffic Officer.                                                                                                                                              | 2016           | Internal/ Insurance                                                                                                                                                                                                                                                        | 257 000                                                                                                       | 257,000    | Probable               |
| 206 | S.S.Nyoka                                          | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle.                                                                                                         | 2016           | Internal                                                                                                                                                                                                                                                                   | R67 008.77. The summons herein was issued in the Magistrates Court. An appearance to defend has been filed.   | 67,009     | Probable               |
| 207 | L.M. Stillies                                      | Delictual Claim: The Plaintiff herein as sued the Municipality as a result of injuries sustained during a fall on an uncovered manhole.                                                                                                            | 2016           | Insurance/ External Insurance                                                                                                                                                                                                                                              | R864 272.36. The summons was issued at the High Court. An appearance to defend has been filed.                | 864,272    | Probable               |
| 208 | Ziyad Alley                                        | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                          | 2016           | Internal                                                                                                                                                                                                                                                                   | R45 887.66. A summons has been received. An appearance to defend was filed and served on the Plaintiff.       | 45,888     | Probable               |
| 209 | Koshik Singh                                       | Delictual Claim: The plaintiff has sued the Municipality as a result of a collision with a pothole.                                                                                                                                                | 2016           | Internal                                                                                                                                                                                                                                                                   | R9 406,21.The Defendant's Plea was filed in court and served on the Plaintiff.                                | 9,406      | Probable               |
| 210 | Akira Pillay                                       | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                          | 2016           | Internal                                                                                                                                                                                                                                                                   | R14 365,96. The Defendant's Plea and counter claim were filed in court and served on the Plaintiff            | 14,366     | Probable               |
| 211 | Israel Sibiya                                      | Delictual Claim: The plaintiff is suing the Municipality for an alleged unlawful arrest and detention, defamation of character as well as injuries sustained to his wrist.                                                                         | 2016           | Internal                                                                                                                                                                                                                                                                   | A summons in the amount of R 400 000 was received from the plaintiff. A plea has been filed in the matter.    | 400,000    | Probable               |
| 212 | Telkom SA Soc Limited Case No. 9672/16             | Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused during excavations by the municipal water department.                                                                              | 2016           | Internal                                                                                                                                                                                                                                                                   | Summons in the amount of R 33 523.55 was received. A plea has been filed in the matter.                       | 33,524     | Probable               |
| 213 | Lanre Ayodele Olaboye and Sibongile Mthembu        | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment. | 2016           | Internal                                                                                                                                                                                                                                                                   | Summons in the amount of R42 376.09 were received. An Appearance to defend was filed and served on plaintiff. | 42,376     | Probable               |

# Msunduzi Annual Report 2018/2019

| THE MSUNDUZI MUNICIPALITY AND ITS MUNICIPALITY ENTITY<br>CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019<br>APPENDIX E1<br>SCHEDULE OF CONTINGENT LIABILITIES AS AT 30 JUNE 2019 |                                                                                                                                       |                                                                                                                                                                                                                                           |                |                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                               |                    |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------|
| NO.                                                                                                                                                                                                       | MATTER                                                                                                                                | MATTER TYPE                                                                                                                                                                                                                               | YEAR INITIATED | ATTORNEY/ADVOCATE INSTRUCTED                                                                                                                                                                           | CURRENT STATUS AS AT AND QUANTUM, WHERE APPLICABLE                                                                                                                                                                                                                                                            | AMOUNT             | PROBABILITY OF OUTFLOW |
| 214                                                                                                                                                                                                       | IMA PROP 29 CC                                                                                                                        | Interdict: Applicants/Plaintiffs sought to interdict the Municipality from disconnecting electricity supply to their various buildings.                                                                                                   | 2016           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za, advocate De Wet SC, 17 Prince Edward Street, Advocates' Chambers | No monetary claim. Trial adjourned sine die to attempt settlement, following Plaintiff's application for amnesty for rates and services amounts outstanding. Schedules depicting current outstanding amounts for rates and services provided to Defendant's attorneys and we await proposed settlement amount | 0                  | Probable               |
| 215                                                                                                                                                                                                       | Musa Nxumalo and Msunduzi Local Municipality/ Petros Reta Mokoena                                                                     | Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal driven by a Municipal employee in the course and scope of his employment. | 2017           | Internal                                                                                                                                                                                               | The plaintiff has claimed an amount of R 44 454.88. A Plea and Counter claim were filed and served on the Plaintiff.                                                                                                                                                                                          | 44,455             | Probable               |
| 216                                                                                                                                                                                                       | Lionel Longsdale Vuminkosi Magaqa and Msunduzi Municipality                                                                           | Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly damaged in a collision with a pothole.                                                                                 | 2017           | Internal                                                                                                                                                                                               | The Plaintiff has claimed an amount of R19 724, 58. An Appearance to defend was filed and served on the Plaintiff.                                                                                                                                                                                            | 19,725             | Probable               |
| 217                                                                                                                                                                                                       | Catherine Scott and Msunduzi Local Municipality                                                                                       | The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a colliding with a pothole.                                                                                            | 2017           | Internal                                                                                                                                                                                               | R11 443, 92. Matter ongoing                                                                                                                                                                                                                                                                                   | 11,444             | Probable               |
| 218                                                                                                                                                                                                       | SAMRO and Msunduzi Municipality- Case No KZN/PMB/ RC723/17                                                                            | The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 369 337, 77.                                                                                                  | 2017           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za,                                                                  | R369 337, 77. We have filed an affidavit resisting summary judgement. A plea has been filed and served.                                                                                                                                                                                                       | 369,338            | Probable               |
| 219                                                                                                                                                                                                       | SAMRO and Msunduzi Municipality- Case No KZN/PMB/ RC7295/17                                                                           | The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 25 062,90.                                                                                                    | 2017           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za,                                                                  | R25 062,90. We have filed an affidavit resisting summary judgement. A plea has been filed and served.                                                                                                                                                                                                         | 25,063             | Probable               |
| 220                                                                                                                                                                                                       | Gys De Necker Ontwinkkelings (Pty) Ltd and Msunduzi Local Municipality                                                                | The plaintiff is suing the Municipality for an alleged failure to refund the Plaintiff in respect municipal service. The plaintiff issued summons in the amount of R 77 083.05.                                                           | 2017           | Internal                                                                                                                                                                                               | R77 083.05. The Defendant's Plea was filed in court and served on the Plaintiff.                                                                                                                                                                                                                              | 77,083             | Probable               |
| 221                                                                                                                                                                                                       | Anton Venter and The Msunduzi Municipality - Case No. 7596/17                                                                         | The Plaintiff is suing the municipality for allegedly suffering damage in the amount of R 13 641.50 for incurring legal fees in resolving his rates query.                                                                                | 2017           | Internal                                                                                                                                                                                               | 13642                                                                                                                                                                                                                                                                                                         | 13,642             | Probable               |
| 222                                                                                                                                                                                                       | Wiseman Sibonelo Thamsanqa Maphumulo and Msunduzi Local Municipality                                                                  | Delictual Claim: The Plaintiff is suing the Municipality for an incident where the Plaintiff fell into an open manhole and allegedly suffered damages.                                                                                    | 2017           | External Insurers                                                                                                                                                                                      | 177000                                                                                                                                                                                                                                                                                                        | 177,000            | Probable               |
| 223                                                                                                                                                                                                       | Servest Hygiene and Msunduzi Municipality                                                                                             | Breach of contract. The Plaintiff is suing the Municipality for services rendered to the Municipality.                                                                                                                                    | 2017           | Internal                                                                                                                                                                                               | R36 941.89. Matter is ongoing                                                                                                                                                                                                                                                                                 | 36,942             | Probable               |
| 224                                                                                                                                                                                                       | Thandeka Brightness Dubazana and Mzwenhlanhla Wiseman Khoza                                                                           | Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle                                                                                                 | 2017           | Internal                                                                                                                                                                                               | R34 214.88. The Defendant's plea has been filed in the matter. Matter is ongoing.                                                                                                                                                                                                                             | 34,215             | Probable               |
| 225                                                                                                                                                                                                       | Certificate of Urgency in the matter Kwezi Cash and Carry CC (Reg No. 1994/029959/23 and The Msunduzi Municipality Case No. 13363/17P | Interdict: The matter involves a dispute over the placement and use of electricity meters on the property                                                                                                                                 | 2017           | Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, e-mail: mail@mfilaw.co.za,                                                                  | Costs cannot be quantified at this stage. The Plaintiff has requested a meeting to settle the matter. The Municipality has undertaken to provide certain documentation to the other side in order to facilitate settlement.                                                                                   | 0                  | Probable               |
| 226                                                                                                                                                                                                       | Ncamisile Madlala and Msunduzi Municipality                                                                                           | The plaintiff is suing the Municipality for damages arising because of the Defendant's alleged erroneous disconnection of a meter supplying electricity to the Plaintiff's premises.                                                      | 2017           | Internal                                                                                                                                                                                               | R1 495.23. The Defendant filed its Appearance to Defend in court and served it on the Plaintiff.                                                                                                                                                                                                              | 1,495              | Probable               |
| 227                                                                                                                                                                                                       | Thandeka Brightness Dubazana                                                                                                          | The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle.                                                    | 2017           | Internal                                                                                                                                                                                               | R34 214.88. The Defendant filed its Plea in court and served it on the Plaintiff.                                                                                                                                                                                                                             | 34,215             | Probable               |
|                                                                                                                                                                                                           |                                                                                                                                       |                                                                                                                                                                                                                                           |                |                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                               | <b>110,710,555</b> |                        |

## CHAPTER 5 – SAFE CITY (MUNICIPAL ENTITY)

**Safe City Msunduzi NPC**  
(Registration number 2010/024562/08)  
Annual Financial Statements for the year ended 30 June 2019

### General Information

|                                                    |                                                                                                      |
|----------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <b>Company registration number</b>                 | 2010/024562/08                                                                                       |
| <b>Country of incorporation and domicile</b>       | South Africa                                                                                         |
| <b>Nature of business and principal activities</b> | Provide camera surveillance under the jurisdiction of the Msunduzi Municipality                      |
| <b>Directors</b>                                   | D Sokhela<br>K Basson<br>V Biggs<br>G Moody<br>R Singh<br>S Ako-Nai                                  |
| <b>Registered office</b>                           | 1st Floor<br>Pietermaritzburg Fire Department<br>Pietermaritz Street<br>Pietermaritzburg<br>3201     |
| <b>Business address</b>                            | 1st Floor<br>Pietermaritzburg Fire Department<br>Pietermaritz Street<br>Pietermaritzburg<br>3201     |
| <b>Postal address</b>                              | P O Box 3110<br>Pietermaritzburg<br>3200                                                             |
| <b>Banker</b>                                      | First National Bank Limited                                                                          |
| <b>Tax reference number</b>                        | 9101/228/18/8                                                                                        |
| <b>VAT reference number</b>                        | 4550261145                                                                                           |
| <b>PAYE reference number</b>                       | 7490770601                                                                                           |
| <b>SDL reference number</b>                        | L490770601                                                                                           |
| <b>UIF reference number</b>                        | U490770601                                                                                           |
| <b>Preparer</b>                                    | The financial statements were independently compiled by:<br>M P Black<br>Chartered Accountant (S.A.) |
| <b>Level of assurance</b>                          | These financial statements have neither been audited nor independently reviewed.                     |

## INDEX

The reports and statements set out below comprise the annual financial statements presented to the council:

|                                          | <b>Page</b> |
|------------------------------------------|-------------|
| Directors' Responsibilities and Approval | 373         |
| Practitioner's Compilation Report        | 374         |
| Statement of Financial Position          | 375         |
| Statement of Financial Performance       | 375         |
| Statement of Changes in Net Assets       | 376         |
| Cash flow statement                      | 376         |
| Accounting Policies                      | 377 - 379   |
| Notes to the Financial Statements        | 380 - 385   |

The following supplementary information does not form part of the financial statements and is unaudited: Supplementary Information

386

## DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with Generally Recognised Accounting Practices with the requirements of the Municipal Finance Management Act 56 of 2003.

The financial statements are prepared in accordance with Generally Recognised Accounting Practices with the requirements of the Municipal Finance Management Act 56 of 2003. and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2020 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements set out on pages 374 to 385, which have been prepared on the going concern basis, and were approved by the directors on 15 November 2019 and were signed by:



**D Sokhela**



**L Holtzhausen**

## Colenbrander

Registered Auditors • Chartered Accountants (SA)  
 PO BOX 456, Hilton 3245  
 28 Hilton Avenue, Hilton 3245  
**Tel:** 033 343 0800  
**Fax:** 033 343 0811  
**Email:** info@colenbrander.co.za  
**Web:** www.colenbrander.co.za  
**Tax Practitioners No:** PR - 0007575  
 Practice No: 964107

## PRACTITIONER'S COMPILATION REPORT

### To the shareholders of Safe City Msunduzi NPC

We have compiled the financial statements of Safe City Msunduzi NPC, as set out on pages 374 to 385, based on the information you have provided. These financial statements comprise the statement of financial position of Safe City Msunduzi NPC as at 30 June 2019, the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with Generally Recognised Accounting Practices with the requirements of the Municipal Finance Management Act 56 of 2003. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with Generally Recognised Accounting Practices with the requirements of the Municipal Finance Management Act 56 of 2003.



Colenbrander Incorporated  
 Per: M P Black  
 Director  
 Chartered Accountants (S.A.)  
 Hilton

15/11/2019

Date: \_\_\_\_\_

**Proprietor: Colenbrander Incorporated I Reg 2000/002149/21**

Directors: Steve Colenbrander • Gary Banfield • Genevieve Chubb • Matthew Black Heather Gouweloos • Richard Lawrence • Ernest Pretorius



## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

|                                                        | Notes | 2019<br>R         | 2018<br>Restated<br>R |
|--------------------------------------------------------|-------|-------------------|-----------------------|
| <b>Assets</b>                                          |       |                   |                       |
| <b>Non-Current Assets</b>                              |       |                   |                       |
| Property, plant and equipment                          | 3     | 11 637 151        | 12 445 411            |
| <b>Current Assets</b>                                  |       |                   |                       |
| Trade and other receivables from exchange transactions | 4     | 2 500             | 47 515                |
| Current taxation receivable                            | 5     | -                 | 1 488                 |
| Cash and cash equivalents                              | 6     | 3 146 414         | 1 393 801             |
|                                                        |       | <u>3 148 914</u>  | <u>1 442 804</u>      |
| <b>Total Assets</b>                                    |       | <b>14 786 065</b> | <b>13 888 215</b>     |
| <b>Net assets and Liabilities</b>                      |       |                   |                       |
| <b>Net assets</b>                                      |       |                   |                       |
| Accumulated surplus                                    |       | 13 634 054        | 13 213 651            |
| <b>Liabilities</b>                                     |       |                   |                       |
| <b>Current Liabilities</b>                             |       |                   |                       |
| Trade and other payables from exchange transactions    | 7     | 420 037           | 38 574                |
| Provisions                                             | 8     | 731 974           | 635 990               |
|                                                        |       | <u>1 152 011</u>  | <u>674 564</u>        |
| <b>Total Net Assets and Liabilities</b>                |       | <b>14 786 065</b> | <b>13 888 215</b>     |

## STATEMENT OF FINANCIAL PERFORMANCE

|                                                              | Notes | 2019<br>R         | 2018<br>Restated<br>R |
|--------------------------------------------------------------|-------|-------------------|-----------------------|
| <b>Revenue from non-exchange transactions</b>                |       |                   |                       |
| Income from non-exchange transaction - Msunduzi Municipality | 9     | 10 271 084        | 7 807 954             |
| Service in-kind - rental income                              | 10    | 290 700           | 271 320               |
|                                                              |       | <u>10 561 784</u> | <u>8 079 274</u>      |
| <b>Revenue from exchange transactions</b>                    |       |                   |                       |
| Interest received - bank, call and investment account        |       | 128 648           | 83 762                |
| Operational revenue                                          |       | 87                | 444                   |
|                                                              |       | <u>128 735</u>    | <u>84 206</u>         |
| <b>Total revenue</b>                                         |       | <b>10 690 519</b> | <b>8 163 480</b>      |
| <b>Operating expenses</b>                                    |       |                   |                       |
| General expenses                                             | 11    | 282 810           | 289 577               |
| Deemed rental expense - services in-kind                     | 10    | 290 700           | 271 320               |
| Depreciation                                                 | 3     | 846 225           | 949 120               |
| Employee related costs                                       | 12    | 7 713 752         | 6 256 738             |
| Inventory consumed                                           | 13    | 43 215            | 40 161                |
| Operating leases                                             |       | 11 440            | 9 794                 |
| Operational costs                                            | 14    | 1 081 974         | 1 039 957             |
|                                                              |       | <u>10 270 116</u> | <u>8 856 667</u>      |
| <b>Operating surplus / (deficit)</b>                         |       | <b>420 403</b>    | <b>(693 187)</b>      |
| Loss on disposal of assets                                   |       | -                 | (61 415)              |
| <b>Surplus / (deficit) for the year</b>                      |       | <b>420 403</b>    | <b>(754 602)</b>      |

## STATEMENT OF CHANGES IN NET ASSETS

|                                         | Accumulated<br>surplus<br>R | Total net assets<br>R |
|-----------------------------------------|-----------------------------|-----------------------|
| Restated balance at 01 July 2017        | 13 966 765                  | 13 966 765            |
| Restated deficit for the year (Note 20) | (754 602)                   | (754 602)             |
| Prior year adjustment (Note 20)         | 1 488                       | 1 488                 |
| <b>Total changes</b>                    | <b>1 488</b>                | <b>1 488</b>          |
| Restated Balance at 01 July 2018        | 13 213 651                  | 13 213 651            |
| Surplus for the year                    | 420 403                     | 420 403               |
| Balance at 30 June 2019                 | 13 634 054                  | 13 634 054            |

## STATEMENT OF CASH FLOWS

|                                             |    | 2019<br>R         | 2018<br>Restated<br>R |
|---------------------------------------------|----|-------------------|-----------------------|
| <b>Cash flows from operating activities</b> |    |                   |                       |
| <b>Receipts</b>                             |    |                   |                       |
| Transfer from Msunduzi municipality         |    | 10 271 084        | 7 807 954             |
| Interest                                    |    | 128 648           | 83 762                |
| Operational revenue                         |    | 87                | 444                   |
|                                             |    | <b>10 399 819</b> | <b>7 892 160</b>      |
| <b>Payments</b>                             |    |                   |                       |
| Employee costs                              |    | 7 527 192         | 6 238 595             |
| Suppliers                                   |    | 1 083 542         | 1 575 721             |
|                                             |    | <b>8 610 734</b>  | <b>7 814 316</b>      |
| <b>Cash generated from operations</b>       | 16 | 1 789 090         | 77 844                |
| Tax received                                |    | 1 488             | 136 375               |
| <b>Net cash from operating activities</b>   |    | <b>1 790 578</b>  | <b>214 219</b>        |
| <b>Cash flows from investing activities</b> |    |                   |                       |
| Purchase of property, plant and equipment   | 3  | (37 965)          | (49 052)              |
| <b>Total cash movement for the year</b>     |    | <b>1 752 613</b>  | <b>165 167</b>        |
| Cash at the beginning of the year           |    | 1 393 801         | 1 228 634             |
| <b>Total cash at end of the year</b>        | 6  | <b>3 146 414</b>  | <b>1 393 801</b>      |

## ACCOUNTING POLICIES

### 1. Presentation of financial statements

The financial statements have been prepared on a going concern basis in accordance with Generally Recognised Accounting Practices with the requirements of the Municipal Finance Management Act 56 of 2003. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 1.1 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

| Item                     | Depreciation method | Useful life |
|--------------------------|---------------------|-------------|
| Furniture and fixtures   | Straight line       | 15 years    |
| Motor vehicles           | Straight line       | 10 years    |
| Office equipment         | Straight line       | 15 years    |
| Computer equipment       | Straight line       | 15 years    |
| Video and data equipment | Straight line       | 20 years    |

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

#### 1.2 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

#### 1.3 Financial instruments

##### Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

#### 1.4 Trade and other receivables

Trade and other receivables are stated at the nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying value of these receivables approximate fair value due to the short period to maturity of these instruments. Trade and other receivables from non-exchange transactions are disclosed separately from trade and other receivables from exchange transactions. Trade and other receivables in exchange for which the entity gives approximately equal to another entity are recognised as trade and other receivables from exchange transactions. Trade and other receivables received without directly giving approximately equal value in exchange are recognised as trade and other receivables from non-exchange transactions.

### 1.5 Taxes - Value Added Tax

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is incurred as part of receivables or payables in the Statement of Financial Position.

### 1.6 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

### 1.7 Trade and other payables

Trade and other payables are stated at their nominal value. The carrying amount of these payables approximates fair value due to the short period to maturity of these instruments.

### 1.8 Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

### 1.9 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

### 1.10 Revenue from non-exchange transactions

Refers to transactions where the entity received revenue from the Municipality without giving approximately equal value in exchange. Revenue from non exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

### 1.11 Expenditure

Expenditure is recognised using the accrual basis and are recorded in the period in which they are incurred. 1.12 Capital commitments  
A capital commitment is a binding agreement to undertake capital expenditure at some set time in the future which has not yet become an actual liability.

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

### 1.13 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

#### Defined contribution plans

Employees contribute to defined contribution retirement fund and benefits are provided to all eligible employees. Contributions are charged as an expense as they fall due and the fund is externally managed.

### 1.14 Tax

#### Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

### 1.15 Related parties

The entity operated in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a constitutional independence of the three spheres of government in South Africa, only entities within the national, provisional and local sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that member of management in their dealings with the entity.

Directors' contributions consist of items that meet the definition of equity, being any contract that evidences a residual interest in the net assets of the company.

The entity is directly controlled by the Msunduzi Municipality.

#### **1.16 Fruitless and wasteful expenditure**

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised. All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expenses, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

#### **1.17 Irregular expenditure**

Irregular expenditure is expenditure that in contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

#### **1.18 Comparative figures**

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason of the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

#### **1.19 Events after the reporting date**

Subsequent events that are both favourable and unfavourable which occurred between the reporting date and the date when the financial statements are authorised for issue, are included as a disclosure note to the financial statements.

#### **1.20 Prior period accounting errors**

Prior period errors are omissions from, and misstatements in, prior period annual financial statements resulting from the failure to use, or the misuse of, reliable information that was available, or could be reasonably expected to have been obtained, at the time of preparation of those annual financial statements. The applicable changes have been disclosed in note 20.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. New standards and interpretations

#### 2.1 Standards and interpretations issued, but not yet effective.

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 July 2019 or later periods:

| Standard/ Interpretation:                                                                                        | Effective date:<br>Years beginning<br>on or after | Expected impact:                         |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------------------------------------|
| • GRAP 34: Separate Financial Statements                                                                         | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 35: Consolidated Financial Statements                                                                     | 01 April 2019                                     | Unlikely there will be a material impact |
| • Guideline: Accounting for Arrangements Undertaken i.t.o the National Housing Programme                         | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 110: Living and Non-living Resources                                                                      | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 110 (as amended 2016) : Living and Non-living Resources                                                   | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 6 (as revised 2010): Consolidated and Separate Financial Statements                                       | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 18 (as amended 2016): Segment Reporting                                                                   | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 20: Related parties                                                                                       | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 108: Statutory Receivables                                                                                | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 109: Accounting by Principals and Agents                                                                  | 01 April 2019                                     | Unlikely there will be a material impact |
| • IGRAP 12: Jointly controlled entities - Non-monetary contributions by ventures                                 | 01 April 2019                                     | Unlikely there will be a material impact |
| • IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset | 01 April 2019                                     | Unlikely there will be a material impact |
| • IGRAP 18: Interpretation of the Standard of GRAP on Recognition and Derecognition of Land                      | 01 April 2019                                     | Unlikely there will be a material impact |
| • IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset | 01 April 2019                                     | Unlikely there will be a material impact |
| • IGRAP 18: Interpretation of the Standard of GRAP on Recognition and Derecognition of Land                      | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 37: Joint arrangements                                                                                    | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 38: Disclosure of interest sin other entities                                                             | 01 April 2019                                     | Unlikely there will be a material impact |
| • IGRAP 19: Liabilities to pay levies                                                                            | 01 April 2019                                     | Unlikely there will be a material impact |

#### 2.2 Standards

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 01 July 2019 or later periods but are not relevant to its operations:

| Standard/ Interpretation:                                                                      | Effective date:<br>Years beginning<br>on or after | Expected impact:                         |
|------------------------------------------------------------------------------------------------|---------------------------------------------------|------------------------------------------|
| • GRAP 32: Service Concession Arrangements: Grantor                                            | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 105: Transfers of functions between entities under common control                       | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 106 (as amended 2016): Transfers of functions between entities not under common control | 01 April 2019                                     | Unlikely there will be a material impact |
| • GRAP 107: Mergers                                                                            | 01 April 2019                                     | Unlikely there will be a material impact |
| • IGRAP 11: Consolidation - Special purpose entities                                           | 01 April 2019                                     | Unlikely there will be a material impact |

### 3. Property, plant and equipment

|                          | 2019              |                          |                   | 2018              |                          |                   |
|--------------------------|-------------------|--------------------------|-------------------|-------------------|--------------------------|-------------------|
|                          | Cost              | Accumulated depreciation | Carrying value    | Cost              | Accumulated depreciation | Carrying value    |
| Furniture and fixtures   | 101 948           | (66 437)                 | 35 511            | 101 948           | (63 839)                 | 38 109            |
| Motor vehicles           | 210 000           | (83 171)                 | 126 829           | 210 000           | (67 366)                 | 142 634           |
| Office equipment         | 16 430            | (6 920)                  | 9 510             | 16 430            | (6 068)                  | 10 362            |
| Computer software        | 93 728            | (30 495)                 | 63 233            | 85 706            | (25 575)                 | 60 131            |
| Video and data equipment | 20 285 112        | (8 883 044)              | 11 402 068        | 20 255 174        | (8 060 999)              | 12 194 175        |
| <b>Total</b>             | <b>20 707 218</b> | <b>(9 070 067)</b>       | <b>11 637 151</b> | <b>20 669 258</b> | <b>(8 223 847)</b>       | <b>12 445 411</b> |

**Reconciliation of property, plant and equipment - 2019**

|                          | Opening balance   | Additions     | Disposals | Depreciation     | Closing balance   |
|--------------------------|-------------------|---------------|-----------|------------------|-------------------|
| Furniture and fixtures   | 38 109            | -             | -         | (2 598)          | 35 511            |
| Motor vehicles           | 142 634           | -             | -         | (15 805)         | 126 829           |
| Office equipment         | 10 362            | -             | -         | (852)            | 9 510             |
| Computer software        | 60 131            | 8 023         | -         | (4 921)          | 63 233            |
| Video and data equipment | 12 194 175        | 29 942        | -         | (822 049)        | 11 402 068        |
|                          | <b>12 445 411</b> | <b>37 965</b> | -         | <b>(846 225)</b> | <b>11 637 151</b> |

**Reconciliation of property, plant and equipment – 2018**

|                          | Opening balance   | Additions     | Disposals       | Depreciation     | Closing balance   |
|--------------------------|-------------------|---------------|-----------------|------------------|-------------------|
| Furniture and fixtures   | 50 378            | -             | (4 704)         | (7 565)          | 38 109            |
| Motor vehicles           | 161 400           | -             | -               | (18 766)         | 142 634           |
| Office equipment         | 11 327            | -             | -               | (965)            | 10 362            |
| Computer software        | 71 746            | -             | (5 938)         | (5 677)          | 60 131            |
| Video and data equipment | 13 112 043        | 49 052        | (50 773)        | (916 147)        | 12 194 175        |
|                          | <b>13 406 894</b> | <b>49 052</b> | <b>(61 415)</b> | <b>(949 120)</b> | <b>12 445 411</b> |

|                                                                  | Notes | 2019<br>R        | 2018<br>Restated<br>R |
|------------------------------------------------------------------|-------|------------------|-----------------------|
| <b>4. Trade and other receivables from exchange transactions</b> |       |                  |                       |
| Trade receivables                                                |       | 2 500            | 2 500                 |
| South African Revenue Services - Value Added Tax                 |       | -                | 25 495                |
| Accrued income                                                   |       | -                | 19 520                |
|                                                                  |       | <b>2 500</b>     | <b>47 515</b>         |
| <b>5. Current taxation receivable</b>                            |       |                  |                       |
| 2012 year of assessment                                          |       | -                | 1 488                 |
| Prior year over provision                                        |       | -                | 1 488                 |
| <b>6. Cash and cash equivalents</b>                              |       |                  |                       |
| Cash and cash equivalents consist of:                            |       |                  |                       |
| First National Bank Limited - current account                    |       | 80 487           | 45 593                |
| Petty Cash                                                       |       | 7 736            | 3 717                 |
| First National Bank Limited - money market account               |       | 3 058 191        | 1 344 491             |
|                                                                  |       | <b>3 146 414</b> | <b>1 393 801</b>      |
| <b>7. Trade and other payables from exchange transactions</b>    |       |                  |                       |
| South African Revenue Services - Value Added Tax                 |       | 357 925          | -                     |
| Accrued expenses                                                 |       | 62 112           | 38 574                |
|                                                                  |       | <b>420 037</b>   | <b>38 574</b>         |
| <b>8. Provisions</b>                                             |       |                  |                       |
| Provision for leave pay                                          |       | 221 190          | 232 593               |
| Provision for performance bonus                                  |       | 72 413           | 38 108                |
| Provision for annual bonus (13th cheque)                         |       | 438 371          | 365 289               |
|                                                                  |       | <b>731 974</b>   | <b>635 990</b>        |

**Provision for leave pay**

- The leave pay provision is based on the maximum leave available for staff to use in the 2020 financial year.

**Provision for performance bonus**

- The performance bonus is based on assessments made by management of the staff performance for the current financial year under review.

**Provision for annual bonus (13th cheque)**

- The 13th cheque annual bonus is based on one month's cost to company for all employees in the company's payroll.

|                                                                                                                             | 2019              | 2018             |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|
| Notes                                                                                                                       | R                 | Restated<br>R    |
| <b>9. Revenue from non-exchange transactions</b>                                                                            |                   |                  |
| Income from non-exchange transactions - Msunduzi Municipality                                                               | 10 271 084        | 7 807 954        |
| Service in-kind - rental income                                                                                             | 290 700           | 271 320          |
|                                                                                                                             | <b>10 561 784</b> | <b>8 079 274</b> |
| The entity receives a grant from the Msunduzi Municipality for city surveillance services.                                  |                   |                  |
| The Msunduzi Municipality incurs rental costs on behalf of the company. These costs are therefore deemed a service in-kind. |                   |                  |
| <b>10. Services in-kind - rental income</b>                                                                                 |                   |                  |
| Deemed rental income                                                                                                        | 290 700           | 271 320          |
| Less: deemed rental expense                                                                                                 | (290 700)         | (271 320)        |
|                                                                                                                             | <b>-</b>          | <b>-</b>         |
| The Msunduzi Municipality incurs rental costs on behalf of the company. These costs are therefore deemed a service in-kind. |                   |                  |
| <b>11. General expenses</b>                                                                                                 |                   |                  |
| Accounting fees                                                                                                             | 79 640            | 71 680           |
| Employee wellness                                                                                                           | 35 319            | 28 016           |
| External repairs and maintenance                                                                                            | 103 720           | 156 811          |
| Human resources                                                                                                             | 39 733            | -                |
| Legal cost                                                                                                                  | -                 | 12 900           |
| Qualification verification                                                                                                  | 6 236             | -                |
| Quality control                                                                                                             | 18 162            | 20 170           |
|                                                                                                                             | <b>282 810</b>    | <b>289 577</b>   |
| <b>12. Employee related costs</b>                                                                                           |                   |                  |
| Basic                                                                                                                       | 4 903 329         | 4 155 301        |
| Board members (see note 17 for the breakdown)                                                                               | 140 639           | -                |
| Bonus                                                                                                                       | 503 081           | 446 714          |
| Cellular allowance                                                                                                          | 62 300            | 22 800           |
| Medical aid                                                                                                                 | 662 391           | 508 486          |
| Overtime                                                                                                                    | 841 470           | 723 233          |
| Pension fund                                                                                                                | 333 312           | 251 679          |
| SDL                                                                                                                         | 66 998            | 18 143           |
| Travel/Motor vehicle allowance                                                                                              | 116 000           | 90 000           |
| UIF                                                                                                                         | 59 463            | 17 368           |
| WCA                                                                                                                         | 24 769            | 23 014           |
|                                                                                                                             | <b>7 713 752</b>  | <b>6 256 738</b> |
| <b>13. Inventory consumed</b>                                                                                               |                   |                  |
| Consumables - Standard rated                                                                                                | 26 504            | 24 991           |
| Consumables - Zero rated                                                                                                    | 16 711            | 15 170           |
|                                                                                                                             | <b>43 215</b>     | <b>40 161</b>    |
| <b>14. Operational costs</b>                                                                                                |                   |                  |
| Advertising                                                                                                                 | 3 708             | 5 045            |
| Bank charges                                                                                                                | 23 216            | 19 871           |
| Communication                                                                                                               | 48 914            | 53 099           |
| Courier and delivery services                                                                                               | 1 577             | 7 206            |
| Electrical                                                                                                                  | 148 863           | 159 161          |
| External audit fees                                                                                                         | 501 719           | 467 927          |
| Insurance                                                                                                                   | 347 513           | 312 696          |
| Motor vehicle licence                                                                                                       | 1 092             | 702              |
| Parking fees                                                                                                                | 3 032             | 2 779            |
| Registration fees - seminars                                                                                                | -                 | 4 900            |
| Travel and subsistence - air transport                                                                                      | -                 | 3 959            |
| Travel and subsistence - car rental                                                                                         | -                 | 408              |
| Vehicle tracking                                                                                                            | 2 340             | 2 204            |
|                                                                                                                             | <b>1 081 974</b>  | <b>1 039 957</b> |



|                                                                                                                                                                                                         | Notes                 | 2019<br>R        | 2018<br>Restated<br>R |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------|-----------------------|
| <b>15. Taxation</b>                                                                                                                                                                                     |                       |                  |                       |
| The company has been approved as a public benefit organisation in terms of Section 30 of the Income Tax Act, and the recipients and accruals are exempt from income tax in terms of Section 10(1) (cN). |                       |                  |                       |
| <b>16. Cash generated from operations</b>                                                                                                                                                               |                       |                  |                       |
| Profit (loss) before taxation                                                                                                                                                                           |                       | 420 403          | (754 602)             |
| <b>Adjustments for:</b>                                                                                                                                                                                 |                       |                  |                       |
| Depreciation                                                                                                                                                                                            |                       | 846 225          | 949 120               |
| Loss on sale of assets                                                                                                                                                                                  |                       | -                | 61 415                |
| Movements in provisions                                                                                                                                                                                 |                       | 95 984           | 76 293                |
| <b>Changes in working capital:</b>                                                                                                                                                                      |                       |                  |                       |
| Trade and other receivables from exchange transactions                                                                                                                                                  |                       | 45 015           | (45 015)              |
| Trade and other payables from exchange transactions                                                                                                                                                     |                       | 381 463          | (209 367)             |
|                                                                                                                                                                                                         |                       | <b>1 789 090</b> | <b>77 844</b>         |
| <b>17. Related parties</b>                                                                                                                                                                              |                       |                  |                       |
| Relationships                                                                                                                                                                                           |                       |                  |                       |
| Shareholder                                                                                                                                                                                             | Msunduzi Municipality |                  |                       |
| Chairperson                                                                                                                                                                                             | D Sokhela             |                  |                       |
| Vice Chairperson                                                                                                                                                                                        | G Moody               |                  |                       |
| Director                                                                                                                                                                                                | V Biggs               |                  |                       |
| Director                                                                                                                                                                                                | K Basson              |                  |                       |
| Director                                                                                                                                                                                                | R Singh               |                  |                       |
| Director                                                                                                                                                                                                | S Ako-Nai             |                  |                       |
| General manager                                                                                                                                                                                         | L Holtzhausen         |                  |                       |
| Technical manager                                                                                                                                                                                       | R Holtzhausen         |                  |                       |
| Administrative assistant                                                                                                                                                                                | C Holtzhausen         |                  |                       |
| <b>Related party balances and transactions with other related parties</b>                                                                                                                               |                       |                  |                       |
| <b>Related party balances</b>                                                                                                                                                                           |                       |                  |                       |
| Contribution received - Msunduzi Municipality                                                                                                                                                           |                       | 10 271 084       | 7 790 981             |
| Accrued income - Msunduzi Municipality                                                                                                                                                                  |                       | -                | 19 520                |
| Electricity and water paid to Msunduzi Municipality                                                                                                                                                     |                       | 148 863          | 159 161               |
| <b>Remuneration of management</b>                                                                                                                                                                       |                       |                  |                       |
| Chairperson - D Sokhela                                                                                                                                                                                 |                       |                  |                       |
| Basic                                                                                                                                                                                                   |                       | 33 930           | -                     |
| Vice Chairperson - G Moody                                                                                                                                                                              |                       |                  |                       |
| Basic                                                                                                                                                                                                   |                       | 33 748           | -                     |
| Director - V Biggs                                                                                                                                                                                      |                       |                  |                       |
| Basic                                                                                                                                                                                                   |                       | 10 306           | -                     |
| Director - R Singh                                                                                                                                                                                      |                       |                  |                       |
| Basic                                                                                                                                                                                                   |                       | 20 749           | -                     |
| Director - S Ako-nai                                                                                                                                                                                    |                       |                  |                       |
| Basic                                                                                                                                                                                                   |                       | 18 242           | -                     |
| Director - K Basson                                                                                                                                                                                     |                       |                  |                       |
| Basic                                                                                                                                                                                                   |                       | 23 665           | -                     |
|                                                                                                                                                                                                         |                       | <b>140 640</b>   | <b>-</b>              |
| <b>General Manager - L Holtzhausen</b>                                                                                                                                                                  |                       |                  |                       |
| Basic                                                                                                                                                                                                   |                       | 513 691          | 453 600               |
| Bonus                                                                                                                                                                                                   |                       | 54 747           | 54 738                |
| Cellular allowance                                                                                                                                                                                      |                       | 7 200            | 3 600                 |
| Medical aid                                                                                                                                                                                             |                       | 23 808           | 21 624                |
| Travel/Motor vehicle allowance                                                                                                                                                                          |                       | 22 000           | 18 000                |
| UIF                                                                                                                                                                                                     |                       | 1 785            | 149                   |
|                                                                                                                                                                                                         |                       | <b>623 231</b>   | <b>551 711</b>        |

|                                                 | 2019           | 2018           |
|-------------------------------------------------|----------------|----------------|
|                                                 | R              | Restated<br>R  |
| Notes                                           |                |                |
| <b>Technical Manager - R Holtzhausen</b>        |                |                |
| Basic                                           | 288 144        | 252 000        |
| Bonus                                           | 27 600         | 23 000         |
| Cellular allowance                              | 6 000          | 3 600          |
| Medical aid                                     | 23 467         | 14 521         |
| Pension fund                                    | 21 611         | 18 900         |
| Travel/Motor vehicle allowance                  | 20 000         | 18 000         |
|                                                 | <b>386 822</b> | <b>330 021</b> |
| <b>Administrative assistant - C Holtzhausen</b> |                |                |
| Basic                                           | 145 500        | 130 620        |
| Bonus                                           | 13 986         | 11 655         |
| Cellular allowance                              | 4 800          | -              |
| Medical aid                                     | 15 806         | 14 521         |
| Pension fund                                    | 10 913         | 9 797          |
| Travel/Motor vehicle allowance                  | 18 000         | 18 000         |
|                                                 | <b>209 005</b> | <b>184 593</b> |

#### Service in-kind

The Board of Directors of the entity attended 8 Board meetings during the current year under review for which they were compensated and 6 Board meetings in the prior year for which they were not compensated. As the directors were not compensated for the prior year meetings, this was therefore deemed to be a service in-kind which was considered not significant to the entity.

The company's management attended 7 Municipal Audit Committee meetings in the current year under review and 4 Municipal Audit Committee meetings in the prior year.

Safe City Msunduzi NPC makes use of the Msunduzi Municipality's audit committee and internal audit services, these services in kind were also considered not significant.

Safe City Msunduzi NPC makes use of the Msunduzi Municipality's accounting system - SAP. This is therefore deemed a service-in-kind.

#### 18. Going concern

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

#### 19. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the financial statements.

#### 20. Prior period error

The of the prior period adjustment relates to funds received in the current year relating to monies outstanding from prior periods from the South African Revenue Services in relation to the company's change over period as a private company to a non profit company.

The prior period adjustment relates to an accrual for electricity for the 2018 period that had not been recorded in the prior period.

The correction of the error results in adjustments as follows:

#### Statement of Financial Position

|                                                             |   |          |
|-------------------------------------------------------------|---|----------|
| N1 - Current taxation receivable                            | - | 1 488    |
| N1 - Accumulated surplus                                    | - | (1 488)  |
| N2 - Trade and other payables from exchange transactions    | - | (12 961) |
| N2 - Trade and other receivables from exchange transactions | - | 1 691    |
| N2 - Accumulated surplus                                    | - | 11 270   |

#### Statement of Changes in Net Assets

|                                      |          |                   |
|--------------------------------------|----------|-------------------|
| Opening balance at 1 July 2017       | -        | 13 966 765        |
| Restated deficit for 2018            | -        | (754 602)         |
| N1 - Prior period error              | -        | 1 488             |
| <b>Corrected accumulated surplus</b> | <b>-</b> | <b>13 213 651</b> |

#### Reconciliation of 2018 restated deficit

|                                  |          |                  |
|----------------------------------|----------|------------------|
| Deficit for 2018                 | -        | (743 332)        |
| N2 - Prior period error          | -        | (11 270)         |
| <b>Restated deficit for 2018</b> | <b>-</b> | <b>(754 602)</b> |

|                                                                                                                                                                                                                                                                                                                                                                                               | 2019           | 2018           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Notes                                                                                                                                                                                                                                                                                                                                                                                         | R              | Restated<br>R  |
| <b>21. Fruitless and wasteful expenditure</b>                                                                                                                                                                                                                                                                                                                                                 |                |                |
| <b>Reconciliation of fruitless and wasteful expenditure</b>                                                                                                                                                                                                                                                                                                                                   |                |                |
| Opening balance                                                                                                                                                                                                                                                                                                                                                                               | 13 716         | 13 716         |
| There was no unauthorised expenditure during the year under review.                                                                                                                                                                                                                                                                                                                           |                |                |
| <b>22. Irregular expenses</b>                                                                                                                                                                                                                                                                                                                                                                 |                |                |
| Opening balance                                                                                                                                                                                                                                                                                                                                                                               | 703 314        | 521 694        |
| Add: irregular expenses                                                                                                                                                                                                                                                                                                                                                                       | 100 256        | 181 620        |
|                                                                                                                                                                                                                                                                                                                                                                                               | <b>803 570</b> | <b>703 314</b> |
| The above expenses did not adhere to the Supply Chain Management rules.                                                                                                                                                                                                                                                                                                                       |                |                |
| Irregular expenditure has not been written off or condoned.                                                                                                                                                                                                                                                                                                                                   |                |                |
| Section 32 (4) of the Municipal Finance Management Act requires that council can deal with these matters in the manner prescribed.                                                                                                                                                                                                                                                            |                |                |
| In the case of irregular and fruitless and wasteful expenditure, it is only after an investigation has been conducted that irregular expenditure can be certified as irrecoverable and written off by the directors. Hence there has been no write-off, as the investigations are still to be done and as soon as they are closed the directors will write off or condone these expenditures. |                |                |
| <b>Details of irregular expenditure</b>                                                                                                                                                                                                                                                                                                                                                       |                |                |
| Insufficient quotations received as required by the procurement process.                                                                                                                                                                                                                                                                                                                      | 100 256        | 181 620        |
| <b>23. Deviations from supply chain management regulations</b>                                                                                                                                                                                                                                                                                                                                |                |                |
| Regulation 36 deviations                                                                                                                                                                                                                                                                                                                                                                      |                |                |
| Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to “dispense with official procurement processes established by the policy and to procure any required goods and services through any convenient process”.                                                                                                                                              |                |                |
| This would typically include urgent and emergency cases, single source goods, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the Chief Executive Officer is required to report this to the next Board meeting for noting.                                                                                                         |                |                |
| Various suppliers                                                                                                                                                                                                                                                                                                                                                                             | 9 543          | 64 465         |

## Supplementary Information

### 1. Revenue

|                        | Actual 2019       | Approved Budget 2019 | Differences approved and actual | Actual 2018      |
|------------------------|-------------------|----------------------|---------------------------------|------------------|
| Municipality revenue   | 10 271 084        | 10 271 084           | -                               | 7 807 954        |
| Interest received (N1) | 128 648           | 90 000               | (38 648)                        | 83 762           |
| Operating income (N2)  | 87                | -                    | (87)                            | 443              |
| Service in-kind        | 290 700           | 290 700              | -                               | 271 320          |
|                        | <b>10 690 519</b> | <b>10 651 784</b>    | <b>(38 735)</b>                 | <b>8 163 479</b> |

#### Notes:

N1 - The variance in interest received is attributable to the company earning more interest than anticipated during the current year.  
N2 - The variance is due to sale of DVD's.

### 2. Expenses

|                               | Actual 2019       | Approved Budget 2019 | Differences approved and actual | Actual 2018      |
|-------------------------------|-------------------|----------------------|---------------------------------|------------------|
| Fixed asset additions (N1)    | 37 965            | 155 774              | 117 809                         | 49 052           |
| Employee costs (N2)           | 7 713 752         | 8 275 055            | 561 303                         | 6 256 738        |
| Other operating expenses (N3) | 2 518 399         | 1 840 254            | (678 145)                       | 2 550 877        |
|                               | <b>10 270 116</b> | <b>10 271 083</b>    | <b>967</b>                      | <b>8 856 667</b> |

#### Notes:

N1 - Fewer assets were purchased in the current year.  
N2 - The variance in employee costs is due to the fact that the budgeted amount was higher than what was actually paid.  
N3 - The variance in other operating expenses is attributable unforeseen expenditure occurring in the current year.  
N4 - The total expenses amounted to R10 270 116 which is less than the budgeted expenses of R10 271 083.

This statement does not form part of the financial statements and is unaudited

# CHAPTER 6 – REPORT ON THE MUNICIPAL INFRASTRUCTURE GRANT (MIG), SEVEN LARGEST CAPITAL PROJECTS PER WARD, TOP FOUR SERVICE DELIVERY PRIORITIES PER WARD 2018/2019 FINANCIAL YEAR

## INTRODUCTION TO MIG

The projects executed within the 2018/2019 financial year where service delivery projects ranging from upgrade of gravel roads to asphalt and concrete roads, construction of bus stop shelters, rehabilitation of sanitation infrastructure, upgrade of landfill site and installing of high mast lighting in Vulindlela other parts of Msunduzi.

The total MIG allocation inclusive of the MIG Capital Budget and the MIG Administrative costs is R193 316 000. A total MIG expenditure of R173 835 131 was spent, an amount of R 15 480 869 that represent 8% of allocation was unspent.

An amount of R6 990 933 for MIG administration/ Operating costs is included in the total MIG expenditure spent for 2018/2019 financial year.

| SERVICE BACKLOGS AS AT 30 JUNE 2019 |                                  |        |                                  |       |
|-------------------------------------|----------------------------------|--------|----------------------------------|-------|
|                                     | *Service level above minimum std |        | *Service level below minimum std |       |
|                                     | No. HHs                          | %HHs   | No. HHs                          | %HHs  |
| Water                               | 155155                           | 94.6 % | 8841                             | 5.4%  |
| Sanitation                          | 162243                           | 98.9%  | 2799                             | 1.71% |
| Electricity                         | 2000                             | 25 %   | 1500                             | 75 %  |
| Waste Management                    | 120000                           | 73%    | 43000                            | 27%   |
| Housing                             |                                  |        |                                  |       |

% HHs are the service above/below the minimum std as a proportion of total HHs  
Housing refers to \* formal and \*\* Informal

| MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2018/19 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                                               | 49 169 242         | 73 113 891         | 60 681 437         | 49 169 242         | 73 113 891         |                                                                 |
| Roads, Pavements & Bridges                                                    | 4 740 000          | 5 292 803          | 5 001 710          | 4 740 000          | 5 292 803          |                                                                 |
| Stormwater                                                                    | 1 500 000          | 1 634 783          | 1 469 647          | 1 500 000          | 1 634 783          |                                                                 |
| Infrastructure – Electricity                                                  |                    |                    |                    |                    |                    |                                                                 |
| Generation                                                                    |                    |                    |                    |                    |                    |                                                                 |
| Transmission & reticulation                                                   |                    |                    |                    |                    |                    |                                                                 |
| Street Lighting                                                               | 5 400 000          | 5 308 508          | 5 128 689          | 5 400 000          | 5 308 508          |                                                                 |
| Infrastructure – water                                                        |                    |                    |                    |                    |                    |                                                                 |
| Dams & Reservoirs                                                             | 6 213 408          | 3 012 864          | 3 332 207          | 6 213 408          | 3 012 864          |                                                                 |
| Water Purification                                                            |                    |                    |                    |                    |                    |                                                                 |
| Reticulation                                                                  | 15 653 625         | 16 557 220         | 14 903 598         | 15 653 625         | 16 557 220         |                                                                 |
| Infrastructure – Sanitation                                                   |                    |                    |                    |                    |                    |                                                                 |
| Reticulation                                                                  | 52 573 285         | 46 379 586         | 45 617 220         | 52 573 285         | 46 379 586         |                                                                 |
| Sewage purification                                                           |                    |                    |                    |                    |                    |                                                                 |
| Infrastructure – Other                                                        |                    |                    |                    |                    |                    |                                                                 |
| Waste Management                                                              |                    |                    |                    |                    |                    |                                                                 |
| Transportation                                                                | 3 200 000          | 4 224 069          | 3 987 688          | 3 200 000          | 4 224 069          |                                                                 |
| Gas                                                                           |                    |                    |                    |                    |                    |                                                                 |
| Other Specified                                                               |                    |                    |                    |                    |                    |                                                                 |
| Community Halls                                                               | 31 300 000         | 20 863 900         | 21 141 745         | 31 300 000         | 20 863 900         |                                                                 |
| Sports Facilities – Sports Centre                                             | 4 000 000          | 3 133 118          | 3 069 723          | 4 000 000          | 3 133 118          |                                                                 |
| Landfill Upgrade                                                              | 2 000 000          | 589 364            | 512 490            | 2 000 000          | 589 364            |                                                                 |
| Swimming Pool Refurbishment                                                   |                    |                    |                    |                    |                    |                                                                 |
| Housing – JIKA JOE                                                            | 9 665 800          | 5 805 253          | 5 548 046          | 9 665 800          | 5 805 253          |                                                                 |
| PMU Administration                                                            | 7 900 640          | 7 400 641          | 6 990 933          | 7 900 640          | 7 400 641          |                                                                 |
| <b>Total</b>                                                                  | <b>193 316 000</b> | <b>193 316 000</b> | <b>177 385 131</b> | <b>193 316 000</b> | <b>193 316 000</b> |                                                                 |

## COMMENT ON MIG:

The late appointment of a panel of consultants impacted negatively on meeting targets of appointing Consultants for Design and supervision of certain projects, it was mainly because of the appeal. The performance of the external service providers entrusted with completing the construction of the few mentioned projects was assessed thoroughly and deemed Poor, Fair or Good. The bulk of the MIG funding was used on water, sanitation and roads projects, however other projects such as high mast lighting, Landfill Site Upgrade, community facilities and bulk water for construction of housing unit were undertaken.

In terms of the way forward and avoiding the challenges experienced in the last financial year the following measures have been put in place.

A comprehensive Procurement Plan has been drafted to ensure projects proceeding according to planned timeframes in accordance with required SCM process. The panel of contractors has been appointed to ensure that there is flexibility in terms of implementing the work.

There has been an initiative to capacitate the Project Management Office of the municipality in order to champion the grants/capex expenditure and address any challenges timeously.

## SEVEN LARGEST CAPITAL PROJECTS PER WARD 2018/2019

| Seven Largest Capital Projects Per Ward 2018/2019 Financial Year |        |                                                                 |            |           |                                                                                                                                                                                  |                      |
|------------------------------------------------------------------|--------|-----------------------------------------------------------------|------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Ward Name (No)                                                   | Number | Project Name and Details                                        | Start Date | End Date  | Progress 2017/2018                                                                                                                                                               | R'000<br>Total Value |
| 1                                                                | 1      | MIG - REDUCTION OF NON REVENUE WATER                            | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                                                                  | 2      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS     | 1-Jul-18   | 30-Jun-19 | G5 base 1,9km, stormwater completed, 600m of kerb and channels.                                                                                                                  | 6,137                |
|                                                                  | 3      | CNL - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 1 ROADS     | 1-Jul-18   | 30-Jun-19 | G5 base 1,9km, stormwater completed, 600m of kerb and channels.                                                                                                                  | 4,058                |
|                                                                  | 4      | MIG - MASTER PLANNING WATER                                     | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                                                                  | 5      | MIG - HIGH MAST LIGHTS INSTALLATION                             | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 600                  |
|                                                                  | 6      | MIG - DESIGN OF MNGUNI ROAD - VULINDLELA - WARD 1               | 1-Jul-18   | 30-Jun-19 | Preliminary Design of mnguni road completed                                                                                                                                      | 424                  |
|                                                                  | 7      | MIG - BASIC SANITATION VIP TOILETS                              | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |
| 2                                                                | 1      | MIG - REDUCTION OF NON REVENUE WATER                            | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                                                                  | 2      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - D2069            | 1-Jul-18   | 30-Jun-19 | 1km road subgrade completed.                                                                                                                                                     | 7,329                |
|                                                                  | 3      | MWIG - BASIC WATER SUPPLY                                       | 1-Jul-18   | 30-Jun-19 | Ward 3 - 4,5km bulk and reticulation water pipe installed, Ward 2 - 1,2km reticulation water pipe installed, Ward 7 Construction of a 5 ML reservoir earthworks and foundations. | 4,200                |
|                                                                  | 4      | MIG - MASTER PLANNING WATER                                     | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                                                                  | 5      | MIG - HIGH MAST LIGHTS INSTALLATION                             | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 600                  |
|                                                                  | 6      | MIG - BASIC SANITATION VIP TOILETS                              | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |
|                                                                  | 7      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 2 ROADS     | 1-Jul-18   | 30-Jun-19 | Professional services for EIA consultants                                                                                                                                        | 37                   |
| 3                                                                | 1      | MIG - REDUCTION OF NON REVENUE WATER                            | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                                                                  | 2      | MWIG - BASIC WATER SUPPLY                                       | 1-Jul-18   | 30-Jun-19 | Ward 3 - 4,5km bulk and reticulation water pipe installed, Ward 2 - 1,2km reticulation water pipe installed, Ward 7 Construction of a 5 ML reservoir earthworks and foundations. | 11,000               |
|                                                                  | 3      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 3 ROADS     | 1-Jul-18   | 30-Jun-19 | Gabions, stormwater, 1,2 km subgrade.                                                                                                                                            | 4,145                |
|                                                                  | 4      | MIG - CONSTRUCTION OF SWEETWATERS DUAL PURPOSE COMMUNITY CENTRE | 1-Jul-18   | 30-Jun-19 | Flooring, plumbing guardhouse, floor tiles were completed                                                                                                                        | 3,003                |
|                                                                  | 5      | MIG - MASTER PLANNING WATER                                     | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                                                                  | 6      | MIG - HIGH MAST LIGHTS INSTALLATION                             | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 300                  |
|                                                                  | 7      | MIG - BASIC SANITATION VIP TOILETS                              | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |

## Seven Largest Capital Projects Per Ward 2018/2019 Financial Year

| Ward Name (No) | Number | Project Name and Details                                    | Start Date | End Date  | Progress 2017/2018                                                                                                                                                               | R'000<br>Total Value |
|----------------|--------|-------------------------------------------------------------|------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| 4              | 1      | MIG - REDUCTION OF NON REVENUE WATER                        | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 4 ROADS | 1-Jul-18   | 30-Jun-19 | 400m concrete road Completed                                                                                                                                                     | 2,000                |
|                | 3      | MIG - MASTER PLANNING WATER                                 | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                | 4      | MIG - HIGH MAST LIGHTS INSTALLATION                         | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 300                  |
|                | 5      | MIG - BASIC SANITATION VIP TOILETS                          | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |
| 5              | 1      | MIG - REDUCTION OF NON REVENUE WATER                        | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 5 ROADS | 1-Jul-18   | 30-Jun-19 | 1.4 km road subgrade and subbase completed.                                                                                                                                      | 4,513                |
|                | 3      | MIG - MASTER PLANNING WATER                                 | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                | 4      | MIG - HIGH MAST LIGHTS INSTALLATION                         | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 300                  |
|                | 5      | MIG - BUS STOP SHELTERS                                     | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                                                                                                                       | 120                  |
|                | 6      | MIG - BASIC SANITATION VIP TOILETS                          | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |
| 6              | 1      | MIG - REDUCTION OF NON REVENUE WATER                        | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 6 ROADS | 1-Jul-18   | 30-Jun-19 | 500m concrete road completed.                                                                                                                                                    | 2,232                |
|                | 3      | MIG - MASTER PLANNING WATER                                 | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                | 4      | MIG - HIGH MAST LIGHTS INSTALLATION                         | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 300                  |
|                | 5      | MIG - BUS STOP SHELTERS                                     | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                                                                                                                       | 120                  |
|                | 6      | MIG - BASIC SANITATION VIP TOILETS                          | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |
| 7              | 1      | MWIG - BASIC WATER SUPPLY                                   | 1-Jul-18   | 30-Jun-19 | Ward 3 - 4,5km bulk and reticulation water pipe installed, Ward 2 - 1,2km reticulation water pipe installed, Ward 7 Construction of a 5 ML reservoir earthworks and foundations. | 24,979               |
|                | 2      | MIG - REDUCTION OF NON REVENUE WATER                        | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                | 3      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 7 ROADS | 1-Jul-18   | 30-Jun-19 | 550m concrete road and stormwater completed.                                                                                                                                     | 2,270                |
|                | 4      | MIG - MASTER PLANNING WATER                                 | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                | 5      | MIG - HIGH MAST LIGHTS INSTALLATION                         | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 300                  |
|                | 6      | MIG - BUS STOP SHELTERS                                     | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                                                                                                                       | 120                  |
|                | 7      | MIG - BASIC SANITATION VIP TOILETS                          | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |
| 8              | 1      | MIG - REDUCTION OF NON REVENUE WATER                        | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 8 ROADS | 1-Jul-18   | 30-Jun-19 | 500m concrete road completed, 1m culvert                                                                                                                                         | 2,867                |
|                | 3      | MIG - MASTER PLANNING WATER                                 | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                | 4      | MIG - HIGH MAST LIGHTS INSTALLATION                         | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 300                  |
|                | 5      | MIG - BASIC SANITATION VIP TOILETS                          | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |
| 9              | 1      | MIG - REDUCTION OF NON REVENUE WATER                        | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                                                                                          | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA - WARD 9 ROADS | 1-Jul-18   | 30-Jun-19 | Storm Water, subgrade 1,1km completed.                                                                                                                                           | 3,505                |
|                | 3      | MIG - MASTER PLANNING WATER                                 | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                                                                                      | 1,031                |
|                | 4      | MIG - HIGH MAST LIGHTS INSTALLATION                         | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                                                                                                                     | 300                  |
|                | 5      | MIG - BASIC SANITATION VIP TOILETS                          | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                                                                                            | 61                   |

## Seven Largest Capital Projects Per Ward 2018/2019 Financial Year

| Ward Name (No) | Number | Project Name and Details                                               | Start Date | End Date  | Progress 2017/2018                                                                      | R'000<br>Total Value |
|----------------|--------|------------------------------------------------------------------------|------------|-----------|-----------------------------------------------------------------------------------------|----------------------|
| 10             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                   | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - SEWER PIPES AZALEA - PHASE 2                                     | 1-Jul-18   | 30-Jun-19 | Detail design for construction of outfall sewer                                         | 1,521                |
|                | 3      | MIG - MASTER PLANNING WATER                                            | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 4      | CNL - RESERVOIR FENCING                                                | 1-Jul-18   | 30-Jun-19 | 14 Reservoirs fenced.                                                                   | 337                  |
| 11             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                   | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD                | 1-Jul-18   | 30-Jun-19 | 250m asphalt road completed.                                                            | 9,788                |
|                | 3      | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - Snathing Rds -    | 1-Jul-18   | 30-Jun-19 | Project Completed.                                                                      | 2,870                |
|                | 4      | CNL - SINATHING PORTAL CULVERT AND BANK PROTECTION                     | 1-Jul-18   | 30-Jun-19 | Clearing stream, headwall and gabions completed                                         | 2,179                |
|                | 5      | CNL - RESURFACE NEWTON ROAD SINATHING                                  | 1-Jul-18   | 30-Jun-19 | 200m of resurfacing from asphalt to concrete was completed                              | 1,280                |
|                | 6      | MIG - MASTER PLANNING WATER                                            | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
| 12             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                   | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - STATION RD                | 1-Jul-18   | 30-Jun-19 | 250m asphalt road completed.                                                            | 9,788                |
|                | 3      | MIG - MASTER PLANNING WATER                                            | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 4      | MIG - BASIC SANITATION VIP TOILETS                                     | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                   | 614                  |
|                | 5      | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE WARD 12 MOSCOW              | 1-Jul-18   | 30-Jun-19 | Funds were re-allocated.                                                                | 50                   |
| 13             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                   | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - SHENSTONE AMBLETON SANITATION SYSTEM                             | 1-Jul-18   | 30-Jun-19 | Preliminary Design and 1.4km sewer bulk pipe installed                                  | 11,204               |
|                | 3      | MIG - MASTER PLANNING WATER                                            | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 4      | CNL - TRAFFIC CALMING MEASURES                                         | 1-Jul-18   | 30-Jun-19 | 13 Speed humps done.                                                                    | 30                   |
| 14             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                   | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - MASTER PLANNING WATER                                            | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 3      | MIG - BASIC SANITATION VIP TOILETS                                     | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                   | 61                   |
| 15             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                   | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - CONSTRUCTION OF COMMUNITY HALL WARD 15                           | 1-Jul-18   | 30-Jun-19 | Foundation, Brick work, roofing, offices, guard house, fencing was completed.           | 6,664                |
|                | 3      | MIG - SERVICE MIBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER) | 1-Jul-18   | 30-Jun-19 | Preliminary Design and Construction of 800m sewer bulk line.                            | 4,930                |
|                | 4      | MIG - MASTER PLANNING WATER                                            | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 5      | CNL - RESERVOIR FENCING                                                | 1-Jul-18   | 30-Jun-19 | 14 Reservoirs fenced.                                                                   | 337                  |
|                | 6      | MIG - UPGRADING OF GRAVEL ROADS - IMBALI UNIT 18                       | 1-Jul-18   | 30-Jun-19 | 250m sidewalks completed                                                                | 301                  |
|                | 7      | CNL - TELEMETRY EQUIPM & UPGRADE                                       | 1-Jul-18   | 30-Jun-19 | 5 Telemetry upgrade completed.                                                          | 97                   |
| 16             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                   | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - SEWER PIPES UNIT H                                               | 1-Jul-18   | 30-Jun-19 | Preliminary Design complete                                                             | 4,995                |
|                | 3      | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE WARD 16                     | 1-Jul-18   | 30-Jun-19 | 350m concrete road complete                                                             | 1,033                |
|                | 4      | MIG - MASTER PLANNING WATER                                            | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 5      | CNL - RESERVOIR FENCING                                                | 1-Jul-18   | 30-Jun-19 | 14 Reservoirs fenced.                                                                   | 337                  |
|                | 6      | CNL - TELEMETRY EQUIPM & UPGRADE                                       | 1-Jul-18   | 30-Jun-19 | 5 Telemetry upgrade completed.                                                          | 97                   |
|                | 7      | CNL - TRAFFIC CALMING MEASURES                                         | 1-Jul-18   | 30-Jun-19 | 13 Speed humps done.                                                                    | 30                   |



## Seven Largest Capital Projects Per Ward 2018/2019 Financial Year

| Ward Name (No) | Number | Project Name and Details                                                | Start Date | End Date  | Progress 2017/2018                                                                      | R'000<br>Total Value |
|----------------|--------|-------------------------------------------------------------------------|------------|-----------|-----------------------------------------------------------------------------------------|----------------------|
| 17             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - CONSTRUCTION OF COMMUNITY HALL UNIT BB                            | 1-Jul-18   | 30-Jun-19 | Foundation, Brick work, roofing, offices, guard house, fencing was completed            | 9,387                |
|                | 3      | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE                       | 1-Jul-18   | 30-Jun-19 | 11 Storm Water pipes crossing rivers were completed.                                    | 5,944                |
|                | 4      | MIG - MASTER PLANNING WATER                                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 5      | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - WARD 17                    | 1-Jul-18   | 30-Jun-19 | Project Completed.                                                                      | 856                  |
|                | 6      | CNL - RESERVOIR FENCING                                                 | 1-Jul-18   | 30-Jun-19 | 14 Reservoirs fenced.                                                                   | 337                  |
| 18             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - SHENSTONE AMBLETON SANITATION SYSTEM                              | 1-Jul-18   | 30-Jun-19 | Preliminary Design and 1.4km sewer bulk pipe installed                                  | 11,204               |
|                | 3      | MIG - CONSTRUCTION OF COMMUNITY HALL WARD 18                            | 1-Jul-18   | 30-Jun-19 | Foundation, Brick work, roofing, offices, guard house, fencing was completed            | 3,835                |
|                | 4      | MIG - MASTER PLANNING WATER                                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 5      | CNL - TELEMETRY EQUIPM & UPGRADE                                        | 1-Jul-18   | 30-Jun-19 | 5 Telemetry upgrade completed.                                                          | 97                   |
| 19             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER) | 1-Jul-18   | 30-Jun-19 | Preliminary Design Complete                                                             | 1,527                |
|                | 3      | MIG - MASTER PLANNING WATER                                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 4      | CNL - TRAFFIC CALMING MEASURES                                          | 1-Jul-18   | 30-Jun-19 | 13 Speed humps done.                                                                    | 30                   |
| 20             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - GREATER EDENDALE - HAREWOOD AREA      | 1-Jul-18   | 30-Jun-19 | 200m road completed                                                                     | 2,882                |
|                | 3      | MIG - MASTER PLANNING WATER                                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 4      | MIG - BASIC SANITATION VIP TOILETS                                      | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                   | 512                  |
|                | 5      | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - CALUZA ROAD                | 1-Jul-18   | 30-Jun-19 | Funds were re-allocated                                                                 | 105                  |
|                | 6      | CNL - INSTALLATION OF GUARD RAILS                                       | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                             | 8                    |
| 21             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - ELIMINATION OF CONSERVANCY TANKS - (SEWER)                        | 1-Jul-18   | 30-Jun-19 | 1.4 km sewer bulk pipe installed                                                        | 6,357                |
|                | 3      | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE - DAMBUZA S/W UPGRADE        | 1-Jul-18   | 30-Jun-19 | 400m concrete road completed                                                            | 1,492                |
|                | 4      | CNL - CONSTRUCTION OF CULVERTS IN DAMBUZA                               | 1-Jul-18   | 30-Jun-19 | Clearing stream, removal of spoil material and gabions completed.                       | 1,385                |
|                | 5      | MIG - MASTER PLANNING WATER                                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 6      | CNL - INSTALLATION OF GUARD RAILS                                       | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                             | 40                   |
|                | 7      | MIG - BUS STOP SHELTERS                                                 | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                              | 30                   |
| 22             | 1      | MIG - REDUCTION OF NON REVENUE WATER                                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE                       | 1-Jul-18   | 30-Jun-19 | 11 Storm Water pipes crossing rivers were completed.                                    | 5,944                |
|                | 3      | MIG - MASTER PLANNING WATER                                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 4      | MIG - HIGH MAST LIGHTS INSTALLATION                                     | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                            | 300                  |
|                | 5      | CNL - INSTALLATION OF GUARD RAILS                                       | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                             | 40                   |

## Seven Largest Capital Projects Per Ward 2018/2019 Financial Year

| Ward Name (No) | Number | Project Name and Details                                | Start Date | End Date  | Progress 2017/2018                                                                       | R'000<br>Total Value |
|----------------|--------|---------------------------------------------------------|------------|-----------|------------------------------------------------------------------------------------------|----------------------|
| 23             | 1      | MIG - REDUCTION OF NON REVENUE WATER                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.  | 13,881               |
|                | 2      | MIG - MASTER PLANNING WATER                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.              | 1,031                |
|                | 3      | MIG - UPGRADING OF ROADS IN ASHDOWN                     | 1-Jul-18   | 30-Jun-19 | 200m concrete road completed                                                             | 689                  |
|                | 4      | MIG - BASIC SANITATION VIP TOILETS                      | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                    | 512                  |
| 24             | 1      | MIG - REDUCTION OF NON REVENUE WATER                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.  | 13,881               |
|                | 2      | MIG - CONSTRUCTION OF WOODHOUSE ROAD PEDESTRIAN BRIDGE  | 1-Jul-18   | 30-Jun-19 | The steel frame structure for the bridge.                                                | 5,198                |
|                | 3      | MIG - MASTER PLANNING WATER                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.              | 1,031                |
|                | 4      | MIG - CONSTRUCTION OF COMMUNITY HALL WARD 24            | 1-Jul-18   | 30-Jun-19 | Preliminary Design for Community Hall Ward 24                                            | 300                  |
|                | 5      | CNL - TELEMENTRY EQUIPM & UPGRADE                       | 1-Jul-18   | 30-Jun-19 | 5 Telemetry upgrade completed.                                                           | 97                   |
|                | 6      | MIG - BUS STOP SHELTERS                                 | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                               | 30                   |
|                | 7      | CNL - TRAFFIC CALMING MEASURES                          | 1-Jul-18   | 30-Jun-19 | 13 Speed humps done.                                                                     | 22                   |
| 25             | 1      | MIG - REDUCTION OF NON REVENUE WATER                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.  | 13,881               |
|                | 2      | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE       | 1-Jul-18   | 30-Jun-19 | 11 Storm Water pipes crossing rivers were completed.                                     | 5,944                |
|                | 3      | MIG - CONSTRUCTION OF WOODHOUSE ROAD PEDESTRIAN BRIDGE  | 1-Jul-18   | 30-Jun-19 | The steel frame structure for the bridge.                                                | 5,198                |
|                | 4      | MIG - MASTER PLANNING WATER                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.              | 1,031                |
| 26             | 1      | MIG - REDUCTION OF NON REVENUE WATER                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.  | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - EDENDALE PEACEVALLEY  | 1-Jul-18   | 30-Jun-19 | Earthworks,2,3km subgrade and subbase completed                                          | 5,880                |
|                | 3      | MIG - MASTER PLANNING WATER                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.              | 1,031                |
|                | 4      | CNL - INSTALLATION OF GUARD RAILS                       | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                              | 40                   |
| 27             | 1      | MIG - REDUCTION OF NON REVENUE WATER                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.  | 13,881               |
|                | 2      | CNL - NEW MACHINERY AND EQUIPMENT                       | 1-Jul-18   | 30-Jun-19 | Payment of CPA for 2 mini sub-stations, 1000KVA and 500KVA                               | 2,035                |
|                | 3      | CNL - NEW TRANSPORT ASSETS - WATER                      | 1-Jul-18   | 30-Jun-19 | Purchase of 3 cars, 2 bakkies and a combie                                               | 1,187                |
|                | 4      | MIG - MASTER PLANNING WATER                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.              | 1,031                |
|                | 5      | CNL - NEW MACHINERY AND EQUIPMENT                       | 1-Jul-18   | 30-Jun-19 | Purchase of Computer equipment                                                           | 260                  |
|                | 6      | CNL - CONSTRUCTION OF CONCRETE CASTING YARD CHANGEROOMS | 1-Jul-18   | 30-Jun-19 | Construction of female change room, foundation brick work and roof completed             | 248                  |
|                | 7      | CNL - NEW MACHINERY AND EQUIPMENT - WATER               | 1-Jul-18   | 30-Jun-19 | Purchase of 2 Power generator, 3 Jack hammers, 4 Power saws, Chain saws, 2 grass-cutters | 157                  |
| 28             | 1      | MIG - REDUCTION OF NON REVENUE WATER                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.  | 13,881               |
|                | 2      | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE       | 1-Jul-18   | 30-Jun-19 | 11 Storm Water pipes crossing rivers were completed.                                     | 5,944                |
|                | 3      | MIG - MASTER PLANNING WATER                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.              | 1,031                |
| 29             | 1      | MIG - REDUCTION OF NON REVENUE WATER                    | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.  | 13,881               |
|                | 2      | MIG - CONSTRUCTION OF COPEVILLE RESERVOIR               | 1-Jul-18   | 30-Jun-19 | Preliminary Design Complete for Copesville Reservoir                                     | 3,013                |
|                | 3      | MIG - MASTER PLANNING WATER                             | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.              | 1,031                |
|                | 4      | CNL - INSTALLATION OF GUARD RAILS                       | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                              | 54                   |

## Seven Largest Capital Projects Per Ward 2018/2019 Financial Year

| Ward Name (No) | Number | Project Name and Details                                     | Start Date | End Date  | Progress 2017/2018                                                                                              | R'000<br>Total Value |
|----------------|--------|--------------------------------------------------------------|------------|-----------|-----------------------------------------------------------------------------------------------------------------|----------------------|
| 30             | 1      | MIG - REDUCTION OF NON REVENUE WATER                         | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                         | 13,881               |
|                | 2      | MIG - MASTER PLANNING WATER                                  | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                     | 1,031                |
|                | 3      | MIG - BASIC SANITATION VIP TOILETS                           | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                                           | 512                  |
| 31             | 1      | MIG - REDUCTION OF NON REVENUE WATER                         | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                         | 13,881               |
|                | 2      | MIG - MASTER PLANNING WATER                                  | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                     | 1,031                |
|                | 3      | CNL - TRAFFIC CALMING MEASURES                               | 1-Jul-18   | 30-Jun-19 | 13 Speed humps done.                                                                                            | 90                   |
| 32             | 1      | MIG - REDUCTION OF NON REVENUE WATER                         | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                         | 13,881               |
|                | 2      | MIG - MASTER PLANNING WATER                                  | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                     | 1,031                |
|                | 3      | CNL - TRAFFIC CALMING MEASURES                               | 1-Jul-18   | 30-Jun-19 | 13 Speed humps done.                                                                                            | 90                   |
|                | 4      | CNL - INSTALLATION OF GUARD RAILS                            | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                                                     | 15                   |
| 33             | 1      | MIG - REDUCTION OF NON REVENUE WATER                         | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                         | 13,881               |
|                | 2      | MIG - CONSTRUCTION OF JIKA JOE COMMUNITY RESIDENTIAL UNITS   | 1-Jul-18   | 30-Jun-19 | Construction of 0.5 ML reservoir completed, 0.5m storm reticulation pipe, 300m bulk and reticulation sewer pipe | 5,805                |
|                | 3      | MIG - MASTER PLANNING WATER                                  | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                     | 1,031                |
|                | 4      | MIG - BUS STOP SHELTERS                                      | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                                                      | 150                  |
| 34             | 1      | MIG - REDUCTION OF NON REVENUE WATER                         | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                         | 13,881               |
|                | 2      | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE            | 1-Jul-18   | 30-Jun-19 | 11 Storm Water pipes crossing rivers were completed.                                                            | 5,944                |
|                | 3      | MIG - CONSTRUCTION OF NON MOTORISED TRANSPORT INFRASTRUCTURE | 1-Jul-18   | 30-Jun-19 | 1.3km concrete pentrigde road and 650m concrete sidewalks eastwood completed.                                   | 2,654                |
|                | 4      | MIG - MASTER PLANNING WATER                                  | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                     | 1,031                |
|                | 5      | MIG - BUS STOP SHELTERS                                      | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                                                      | 300                  |
|                | 6      | CNL - INSTALLATION OF GUARD RAILS                            | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                                                     | 8                    |
| 35             | 1      | MIG - REDUCTION OF NON REVENUE WATER                         | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                         | 13,881               |
|                | 2      | MIG - MASTER PLANNING WATER                                  | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                     | 1,031                |
|                | 3      | MIG - LANDFILL SITE - INFRASTRUCTURE UPGRADE                 | 1-Jul-18   | 30-Jun-19 | Completion of storm water dam.                                                                                  | 589                  |
|                | 4      | CNL - INSTALLATION OF GUARD RAILS                            | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                                                     | 40                   |
| 36             | 1      | MIG - REDUCTION OF NON REVENUE WATER                         | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                         | 13,881               |
|                | 2      | MIG - MASTER PLANNING WATER                                  | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                     | 1,031                |
| 37             | 1      | MIG - REDUCTION OF NON REVENUE WATER                         | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project.                         | 13,881               |
|                | 2      | MIG - REHABILITATION OF SANITATION INFRASTRUCTURE            | 1-Jul-18   | 30-Jun-19 | 11 Storm Water pipes crossing rivers were completed.                                                            | 5,944                |
|                | 3      | CNL - CONSTRUCTION LESTER BROWN LINK ROAD                    | 1-Jul-18   | 30-Jun-19 | 1.4km asphalt road completed                                                                                    | 2,276                |
|                | 4      | MIG - MASTER PLANNING WATER                                  | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.                                     | 1,031                |
|                | 5      | CNL - TELEMETRY EQUIPM & UPGRADE                             | 1-Jul-18   | 30-Jun-19 | 5 Telemetry upgrade completed.                                                                                  | 97                   |
|                | 6      | CNL - INSTALLATION OF GUARD RAILS                            | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                                                     | 8                    |

## Seven Largest Capital Projects Per Ward 2018/2019 Financial Year

| Ward Name (No) | Number | Project Name and Details                             | Start Date | End Date  | Progress 2017/2018                                                                      | R'000<br>Total Value |
|----------------|--------|------------------------------------------------------|------------|-----------|-----------------------------------------------------------------------------------------|----------------------|
| 38             | 1      | MIG - REDUCTION OF NON REVENUE WATER                 | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | CNL - CONSTRUCTION OF TAMBOVILLE PEDESTRIAN BRIDGE   | 1-Jul-18   | 30-Jun-19 | Removal of spoil material, casting of bridge footings.                                  | 2,589                |
|                | 3      | MIG - MASTER PLANNING WATER                          | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 4      | MIG - BASIC SANITATION VIP TOILETS                   | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                   | 512                  |
|                | 5      | MIG - HIGH MAST LIGHTS INSTALLATION                  | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                            | 300                  |
|                | 6      | MIG - BUS STOP SHELTERS                              | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                              | 300                  |
|                | 7      | CNL - INSTALLATION OF GUARD RAILS                    | 1-Jul-18   | 30-Jun-19 | 300m guiderail installed for Ward 29,24,38,34,37,20 and 32.                             | 86                   |
| 39             | 1      | MIG - REDUCTION OF NON REVENUE WATER                 | 1-Jul-18   | 30-Jun-19 | Modelling of zones, construction administration for domestic meter replacement project. | 13,881               |
|                | 2      | MIG - UPGRADING OF GRAVEL ROADS - VULINDLELA WARD 39 | 1-Jul-18   | 30-Jun-19 | 300m concrete road completed.                                                           | 2,000                |
|                | 3      | MIG - HIGH MAST LIGHTS INSTALLATION                  | 1-Jul-18   | 30-Jun-19 | 18 High Mast Lighting Units erected and connected to supply.                            | 1,200                |
|                | 4      | MIG - MASTER PLANNING WATER                          | 1-Jul-18   | 30-Jun-19 | Master Plan for Water and Sanitation complete and approved by full Council.             | 1,031                |
|                | 5      | MIG - BASIC SANITATION VIP TOILETS                   | 1-Jul-18   | 30-Jun-19 | 1020 VIP'S completed.                                                                   | 1,024                |
|                | 6      | MIG - BUS STOP SHELTERS                              | 1-Jul-18   | 30-Jun-19 | 50 Bus Shelters completed.                                                              | 300                  |

## TOP FOUR SERVICE DELIVERY PRIORITIES PER WARD 2018/2019

### Top Four Service Delivery Priorities Per Ward 2018/2019 Financial Year (Highest Priority First)

| Ward Name (No) | Number | Priority Name and Details                         | Progress 2018/2019                                                                                                                        |
|----------------|--------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 1              | 1      | Tarring of roads                                  | UPGRADING OF GRAVEL ROADS-VUL-WARD 1                                                                                                      |
|                | 2      | Multi-purpose centre                              | NIL                                                                                                                                       |
|                | 3      | Installation of high mast lights                  | 20 X HIGH MASTS LIGHTS ERECTED AND COMMISSIONED by the 30th of June 2019 between wards 1, 2, 3, 4, 5, 6, 7, 8, 9, 38 & 39                 |
|                | 4      | Rehabilitation of halls                           | NIL                                                                                                                                       |
| 2              | 1      | Rehabilitation of halls                           | NIL                                                                                                                                       |
|                | 2      | Tarring of roads                                  | MIG:Z1:UPGADING GRAVEL ROAD-VULINDLELA-D2069 PH3, UPGRADING GRAVEL RD-VULINDLELA WARD 2.                                                  |
|                | 3      | Installation of streetlights and high mast lights | 20 X HIGH MASTS LIGHTS ERECTED AND COMMISSIONED by the 30th of June 2019 between wards 1, 2, 3, 4, 5, 6, 7, 8, 9, 38 & 39                 |
|                | 4      | Bus shelters                                      | MIG:ZA:BUS STOP SHELTERS                                                                                                                  |
| 3              | 1      | Upgrading of access roads                         | MIG:Z1:UPGRADING GRAVEL ROADS-VULINDLELA-WARD 3                                                                                           |
|                | 2      | Bus shelters                                      | MIG:ZA:BUS STOP SHELTERS                                                                                                                  |
|                | 3      | Construction of Clinics                           | NIL                                                                                                                                       |
|                | 4      | Water                                             | 100% completion of Reinforcement for the first lift not completed by 30 June 2019. Soil rehabilitation complete and preparation underway. |
| 4              | 1      | Henly Dam Bridge                                  | NIL                                                                                                                                       |
|                | 2      | Mgodini Hall                                      | NIL                                                                                                                                       |
|                | 3      | D 1138 Road for Upgrade                           | MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 4                                                                                                   |
|                | 4      | TVET College Construction                         | NIL                                                                                                                                       |
| 5              | 1      | Upgrading of access roads                         | MIG:Z1:UPGR GRV ROADS-VUL-WARD 5                                                                                                          |
|                | 2      | Rehabilitation of halls                           | NIL                                                                                                                                       |
|                | 3      | Installation of streetlights and high mast lights | 20 X HIGH MASTS LIGHTS ERECTED AND COMMISSIONED by the 30th of June 2019 between wards 1, 2, 3, 4, 5, 6, 7, 8, 9, 38 & 39                 |
|                | 4      | VIP toilets/Sanitation                            | 1020 x VIPs constructed between ward 1 to Ward 9 by the 30th of June 2019.                                                                |
| 6              | 1      | Upgrading of access roads                         | UPGR GRV ROADS-VULINDLELA-WARD 6                                                                                                          |
|                | 2      | Installation of electricity                       | NIL                                                                                                                                       |
|                | 3      | Construction of Creche                            | NIL                                                                                                                                       |
|                | 4      | Sports Facilities                                 | NIL                                                                                                                                       |
| 7              | 1      | Upgrading of access roads                         | UPGR GRV ROADS-VULINDLELA-WARD 7                                                                                                          |
|                | 2      | Rehabilitation of halls                           | NIL                                                                                                                                       |
|                | 3      | New community halls                               | NIL                                                                                                                                       |
|                | 4      | Youth and community skills development            | NIL                                                                                                                                       |

## Top Four Service Delivery Priorities Per Ward 2018/2019 Financial Year (Highest Priority First)

| Ward Name (No) | Number | Priority Name and Details                    | Progress 2018/2019                                                                                                                           |
|----------------|--------|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| 8              | 1      | Upgrading of access roads                    | UPGR GRV RD-VULINDLELA-WARD8                                                                                                                 |
|                | 2      | Rehabilitation of halls                      | NIL                                                                                                                                          |
|                | 3      | Bus shelters                                 | NIL                                                                                                                                          |
|                | 4      | Electricity                                  | NIL                                                                                                                                          |
| 9              | 1      | Rehabilitation of halls                      | NIL                                                                                                                                          |
|                | 2      | Bus shelters                                 | MIG:ZA:BUS STOP SHELTERS                                                                                                                     |
|                | 3      | Installation of high master lights           | 20 X HIGH MASTS LIGHTS ERECTED AND COMMISSIONED by the 30th of June 2019 between wards 1, 2, 3, 4, 5, 6, 7, 8, 9, 38 & 39                    |
|                | 4      | Electricity                                  |                                                                                                                                              |
| 10             | 1      | Human Settlements                            | Kwa30 Human settlements project Basic Assessment Report submitted to various commenting Departments for comment                              |
|                | 2      | Establishment of a High School               | NIL                                                                                                                                          |
|                | 3      | Rehabilitation of halls                      | NIL                                                                                                                                          |
|                | 4      | Upgrading of access roads                    | MIG:Z3:WARD10 RDS-REHAB RDS & STRMW UPGR                                                                                                     |
| 11             | 1      | Water installations                          | 0.7 km of water pipe replaced. 3 water pump stations have been refurbished by 30th June 2019.                                                |
|                | 2      | Electricity installations                    | Nil                                                                                                                                          |
|                | 3      | Human Settlements                            | Snatching Phase 1 Pre-feasibility studies were undertaken and completed                                                                      |
|                | 4      | Upgrading of access roads                    |                                                                                                                                              |
| 12             | 1      | Human Settlements                            | The Basic Assessment Report for Khalanyoni was submitted to various commenting Departments for comments.                                     |
|                | 2      | Upgrading of access roads                    | MIG:Z2:UPGR GRV RD-EDN-WARD12-MOSCOW RDS                                                                                                     |
|                | 3      | Repairing of water infrastructure            | 0.7 km of water pipe replaced. 3 water pump stations have been refurbished by 30th June 2019.                                                |
|                | 4      | Repairing of Street lights                   | NIL                                                                                                                                          |
| 13             | 1      | Sanitation infrastructure                    | Construction: 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Spec Approval for phase 2.                                  |
|                | 2      | Community Hall                               | WARD 13 COMMUNITY HALL                                                                                                                       |
|                | 3      | Human Settlements                            |                                                                                                                                              |
|                | 4      | Construction of Clinic                       | NIL                                                                                                                                          |
| 14             | 1      | Sports Facilities                            | NIL                                                                                                                                          |
|                | 2      | Rehabilitation of roads                      | NIL                                                                                                                                          |
|                | 3      | Speed Humps                                  | NIL                                                                                                                                          |
|                | 4      | Construction of Youth Centre                 | NIL                                                                                                                                          |
| 15             | 1      | Construction of Ndlulamaithi Hall            | NIL                                                                                                                                          |
|                | 2      | Upgrading of access roads(fedsem & Maqaleni) | MIG:Z1:REHAB OF ROADS IN IMBALI UNIT 18                                                                                                      |
|                | 3      | Installation of water meters in unit 2       | NIL                                                                                                                                          |
|                | 4      | House roofing in unit 18                     | NIL                                                                                                                                          |
| 16             | 1      | Multi-purpose centre                         | NIL                                                                                                                                          |
|                | 2      | Unit H Primary School                        | NIL                                                                                                                                          |
|                | 3      | Extension of unit H sewer project            | MIG - SEWER PIPES UNIT H                                                                                                                     |
|                | 4      | Fencing of Madlelengileni cemetery           | NIL                                                                                                                                          |
| 17             | 1      | Construction of Community Hall               | NIL                                                                                                                                          |
|                | 2      | Rehabilitation of roads                      | NIL                                                                                                                                          |
|                | 3      | Tarring of roads                             | NIL                                                                                                                                          |
|                | 4      | Sanitation infrastructure                    | 0.7 km of water pipe replaced. 3 water pump stations have been refurbished by 30th June 2019 affecting wards 12, 17, 18, 22, 20, 28, 3 & 11. |
| 18             | 1      | Sanitation infrastructure                    | 0.7 km of water pipe replaced. 3 water pump stations have been refurbished by 30th June 2019 affecting wards 12, 17, 18, 22, 20, 28, 3 & 11. |
|                | 2      | Construction of Community Hall               | MIG:Z4:WARD 18-COMMUNITY HALL                                                                                                                |
|                | 3      | Human Settlements                            |                                                                                                                                              |
|                | 4      | Sports Facilities                            |                                                                                                                                              |
| 19             | 1      | Construction of Library                      | NIL                                                                                                                                          |
|                | 2      | Sports Facilities                            | NIL                                                                                                                                          |
|                | 3      | Rehabilitation of halls                      | MANAYI HALL UPGRADE                                                                                                                          |
|                | 4      | Tarring of roads                             |                                                                                                                                              |
| 20             | 1      | Rehabilitation of roads                      | Z2:UPGR GRV RD-GREATER EDN-HAREWOOD<br>MIG:Z2:UPGR GRV RD-GREATER EDN-CALUZA                                                                 |
|                | 2      | Construction of Smero & Harewood Halls       | NIL                                                                                                                                          |
|                | 3      | Upgrading of Caluza Sports Field             | NIL                                                                                                                                          |
|                | 4      | Extension of mazambane roads                 | NIL                                                                                                                                          |

## Top Four Service Delivery Priorities Per Ward 2018/2019 Financial Year (Highest Priority First)

| Ward Name (No) | Number | Priority Name and Details                         | Progress 2018/2019                                                                                                                                                               |
|----------------|--------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 21             | 1      | Land acquisition                                  | NIL                                                                                                                                                                              |
|                | 2      | Human Settlements                                 | Edendale 5 Priority Housing detailed feasibility study phase                                                                                                                     |
|                | 3      | Water installations                               | 0.3 km of new water pipeline installed by 30 September 2018                                                                                                                      |
|                | 4      | Sanitation infrastructure                         |                                                                                                                                                                                  |
| 22             | 1      | Construction of Community Hall(unit 3 & CC)       | NIL                                                                                                                                                                              |
|                | 2      | Construction of library in unit 3                 | NIL                                                                                                                                                                              |
|                | 3      | Human Settlements                                 | Edendale 5 Priority Housing detailed feasibility study phase                                                                                                                     |
|                | 4      | Installation of high master lights                | NIL                                                                                                                                                                              |
| 23             | 1      | Installation of high master lights                | NIL                                                                                                                                                                              |
|                | 2      | Human Settlements (harewood)                      | Peace valley 2 Detailed Feasibility                                                                                                                                              |
|                | 3      | Clearing of Illegal dumping                       | Ongoing                                                                                                                                                                          |
|                | 4      | Herschsohn road upgrading                         | NIL                                                                                                                                                                              |
| 24             | 1      | Rehabilitation of roads & Stormwater drains       | NIL                                                                                                                                                                              |
|                | 2      | Rehabilitation of halls                           | WARD 24 COMMUNITY HALL                                                                                                                                                           |
|                | 3      | Sports Facilities                                 | NIL                                                                                                                                                                              |
|                | 4      | High school                                       | NIL                                                                                                                                                                              |
| 25             | 1      | Rehabilitation of roads & Stormwater drains       | NIL                                                                                                                                                                              |
|                | 2      | Maintenance of Parks & Open spaces                | Ongoing                                                                                                                                                                          |
|                | 3      | Streetlight Maintenance                           | Ongoing                                                                                                                                                                          |
|                | 4      | Waste collection and clearing of illegal dumping  | Ongoing                                                                                                                                                                          |
| 26             | 1      | Maintenance of Parks & Open spaces                | Ongoing                                                                                                                                                                          |
|                | 2      | Waste collection and clearing of illegal dumping  | Waste collection done on a weekly bases                                                                                                                                          |
|                | 3      | Streetlight Maintenance                           | Street lights repaired                                                                                                                                                           |
|                | 4      | Rehabilitation of roads & Stormwater drains       | NIL                                                                                                                                                                              |
| 27             | 1      | Multi-purpose centre                              | NIL                                                                                                                                                                              |
|                | 2      | Multi-purpose sports complex                      | NIL                                                                                                                                                                              |
|                | 3      | Pedestrian bridge Alexandra park                  |                                                                                                                                                                                  |
|                | 4      | Rehabilitation of Pavements                       | NIL                                                                                                                                                                              |
| 28             | 1      | Rehabilitation of community Halls                 | NIL                                                                                                                                                                              |
|                | 2      | Rehabilitation of roads & Stormwater drains       | NIL                                                                                                                                                                              |
|                | 3      | Maintenance of Parks & Open spaces                | Ongoing                                                                                                                                                                          |
|                | 4      | Streetlight Maintenance                           | Ongoing                                                                                                                                                                          |
| 29             | 1      | Human Settlements                                 | Draft General Plan for Copesville submitted to the Municipality for assessment by the 30th of June 2019. Pegging on site has been concluded, and the Draft SG has been completed |
|                | 2      | Upgrading of Gravel Roads                         | NIL                                                                                                                                                                              |
|                | 3      | Rehabilitation of roads & Stormwater drains       | NIL                                                                                                                                                                              |
|                | 4      | Clinic                                            | NIL                                                                                                                                                                              |
| 30             | 1      | Speed Humps installations                         | NIL                                                                                                                                                                              |
|                | 2      | Rehabilitation of roads & Stormwater drains       | NIL                                                                                                                                                                              |
|                | 3      | Maintenance of Parks & Open spaces                | Ongoing                                                                                                                                                                          |
|                | 4      | Waste collection and clearing of illegal dumping  | Ongoing                                                                                                                                                                          |
| 31             | 1      | Human Settlements                                 | Nhlalakahle Pre-feasibility Studies                                                                                                                                              |
|                | 2      | Installation of water taps                        | NIL                                                                                                                                                                              |
|                | 3      | Waste collection and clearing of illegal dumping  | Ongoing                                                                                                                                                                          |
|                | 4      | Sanitation infrastructure                         | 100% of 10 stream crossings completed by 30 June 2019. 0.414 km of sewer pipe installed by the 30 June 2019.                                                                     |
| 32             | 1      | Industrial park rehabilitation                    | NIL                                                                                                                                                                              |
|                | 2      | Maintenance of Parks & Open spaces                | Ongoing                                                                                                                                                                          |
|                | 3      | Human Settlements                                 | 0 X New Houses for Site 11 Housing project completed. Site clearance has been done on the sites with no complications. NHBRC Enrolment has been approved.                        |
|                | 4      | Rehabilitation of roads & Stormwater drains       | NIL                                                                                                                                                                              |
| 33             | 1      | Jika-Joe waste collection & Clear illegal Dumping | Ongoing                                                                                                                                                                          |
|                | 2      | Sanitation infrastructure (Masukwane)             | 100% of 10 stream crossings completed by 30 June 2019. 0.414 km of sewer pipe installed by the 30 June 2019.                                                                     |
|                | 3      | Installation of high mast lights                  | NIL                                                                                                                                                                              |
|                | 4      | Sports Facilities (Old Jika Joe)                  | NII                                                                                                                                                                              |
| 34             | 1      | Upgrading of foxglove road                        | NIL                                                                                                                                                                              |
|                | 2      | Soccer ground                                     | NIL                                                                                                                                                                              |
|                | 3      | Cycling & Volley ball ground                      | NIL                                                                                                                                                                              |
|                | 4      | Rehabilitation of dumping sites & Servitudes      | NIL                                                                                                                                                                              |
| 35             | 1      | New Development                                   | NIL                                                                                                                                                                              |
|                | 2      | Construction of a computer hub                    | NIL                                                                                                                                                                              |
|                | 3      | Construction of a heroes park                     | NIL                                                                                                                                                                              |
|                | 4      | Human Settlements project                         | NIL                                                                                                                                                                              |

## Top Four Service Delivery Priorities Per Ward 2018/2019 Financial Year (Highest Priority First)

| Ward Name (No) | Number | Priority Name and Details             | Progress 2018/2019                                                                  |
|----------------|--------|---------------------------------------|-------------------------------------------------------------------------------------|
| 36             | 1      | Rehabilitation of road infrastructure |                                                                                     |
|                | 2      | Traffic calming measures              |                                                                                     |
|                | 3      | Maintenance of Parks & Open spaces    | Ongoing                                                                             |
|                | 4      | Taxi holding area                     | Nil                                                                                 |
| 37             | 1      | Rehabilitation of road infrastructure | NIL                                                                                 |
|                | 2      | Traffic calming measures              | NIL                                                                                 |
|                | 3      | Human settlements (SACCA project)     | Ethembeni IRDP & Mkhondeni Human settlement projects at Detailed feasibility stages |
|                | 4      | Water and sanitation infrastructure   | Nil                                                                                 |
| 38             | 1      | Human Settlements                     | Glenwood Q-Section Housing project contractor appointed                             |
|                | 2      | Pedestrian bridge                     | NIL                                                                                 |
|                | 3      | Traffic calming measures              | NIL                                                                                 |
|                | 4      | Rehabilitation of Community Halls     | NIL                                                                                 |
| 39             | 1      | Upgrading of access roads             | UPGR GRV ROADS-VUL-WARD 1                                                           |
|                | 2      | Maintenance of community hall         | NIL                                                                                 |
|                | 3      | Skills development centre             | NIL                                                                                 |
|                | 4      | Pedestrian Bridge                     | NIL                                                                                 |

Note: As per the above table in respect of the Four Service Delivery Priorities per Ward: the following table contains the summary of the needs as requested by Communities, Ward Committees, Councillors and Amakhosi. For each Need an explanation has been provided under the heading – Nature of Requests.

| NO. | NEED                              | NATURE OF REQUESTS                                                                                                                                                                                                                                                                                                                                                                                              |
|-----|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | <b>Good Governance</b>            | Requests under good governance included the following - communities wanted to be informed about the IDP process, to be involved in the budget process, for ward committees to be established, for the municipality to strengthen relationships between communities and their councillor, for nepotism to be eradicated, many ward requests cited that Councillors must not be involved in the hiring of people. |
| 2   | <b>Repairs &amp; Maintenance</b>  | Repairs & Maintenance included requests for the upgrades of roads, rehabilitation of community facilities like halls and parks, fixing of potholes, building of speed humps, attending to sewage blockages, repairing of burst water pipes, repairs to RDP houses where roofs are leaking,                                                                                                                      |
| 3   | <b>Roads</b>                      | Requests for roads predominantly centred around the building of new roads, link roads, access roads and tarred roads where there have never been roads constructed before.                                                                                                                                                                                                                                      |
| 4   | <b>Economic Development</b>       | It also included the issue of youth development, job creation, training and skills development, small business establishment & other aspects in order to strengthen the economy,                                                                                                                                                                                                                                |
| 5   | <b>Halls / Community Centre's</b> | Request for halls and community Centre's hinged around the construction of new halls and community Centre's which are multi-purpose in nature in order to enhance community development by social cohesion (building to be used by all community members irrespective of colour)                                                                                                                                |
| 6   | <b>Housing</b>                    | Housing requests include the request for RDP houses and houses in general.                                                                                                                                                                                                                                                                                                                                      |
| 7   | <b>Sanitation</b>                 | Toilets & Sanitation requests include requests for the building of new toilet & sanitation systems especially where they have houses but no toilet facilities.                                                                                                                                                                                                                                                  |
| 8   | <b>Sports fields</b>              | Communities want sports fields in their respective areas, sports fields they can use as per their needs in order to strengthen community unity and social engagement.                                                                                                                                                                                                                                           |
| 9   | <b>Street Lighting</b>            | Street lighting includes street lights & high mast lights in order to make areas safe from criminal activities as there are large areas with no street lights                                                                                                                                                                                                                                                   |
| 10  | <b>Electricity</b>                | Electricity needs included new installations of electricity in households which do not have electricity all together, and also the installation of pre-paid meters.                                                                                                                                                                                                                                             |
| 11  | <b>Water</b>                      | Water needs included new installations of piped water to households and the ability to use water within the household through taps in order to do their necessary washing and cleaning.                                                                                                                                                                                                                         |
| 12  | <b>Clinics</b>                    | Communities want to see the municipality ensuring there are clinics in close vicinity of their wards either permanently established or by way of mobile clinics as it is costly to travel to access the health care facility as many are unemployed.                                                                                                                                                            |
| 13  | <b>Crèches</b>                    | Communities want the municipality to build crèches or early childhood development Centre's where parents can leave their children during the day whilst they are at work.                                                                                                                                                                                                                                       |
| 14  | <b>Refuse Collection</b>          | Communities complained that the municipality is failing to keep their communities clean as the pickup of refuse is not constant and is leading to environmental risks for the elderly and young kids as the refuse is not collected for lengthy periods of time and then starts to decompose and smell.                                                                                                         |
| 15  | <b>Bridges</b>                    | Communities have requested the construction of bridges and foot bridges.                                                                                                                                                                                                                                                                                                                                        |
| 16  | <b>Taxi Ranks</b>                 | Communities are tired of standing in the rain in long queues waiting for public transport; they want the municipality to provide either taxi ranks or taxi shelters.                                                                                                                                                                                                                                            |

## CHAPTER 7 – REPORT OF THE AUDITOR GENERAL 2018/2019

### REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND COUNCIL ON MSUNDUZI MUNICIPALITY

#### Report on the audit of the consolidated and separate financial statements

##### Qualified opinion

1. I have audited the consolidated and separate financial statements of the Msunduzi Municipality set out on pages 240 to 331, which comprise the consolidated and separate statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of this report, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Msunduzi Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP), the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No. 1 of 2018) (Dora).

##### Basis for qualified opinion

##### Property, plant and equipment

3. The municipality did not appropriately account for property, plant and equipment in accordance with SA Standard of GRAP 17, Property, plant and equipment. Items of property, plant and equipment acquired in the prior year were incorrectly recognised as operational costs. Additionally, items of land were recorded at incorrect amounts. I was unable to determine the full extent of the misstatement as it is impractical to do so. Consequently, property, plant and equipment stated at R7 billion (2018: R6,97 billion) included in note 15 to the consolidated and separate financial statements was misstated by an undeterminable amount. This also has an impact on the accumulated surplus.

##### Consumer debtors

4. I was unable to obtain sufficient appropriate audit evidence that consumer debtors had been properly accounted for as the municipality did not have adequate internal controls to maintain records of consumer debtors. Additionally, material mathematical inaccuracies were identified in the calculation of allowance for impairment. I was unable to confirm the consumer debtors by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to consumer debtors stated at R454,84 million (2018: R424,77 million) included in note 8 to the consolidated and separate financial statements. This also has an impact on the debt impairment and the related allowance for impairment.

##### Revenue from exchange transactions – interest from consumer debtors and receivables

5. The municipality did not account for interest from consumer debtors and receivables in accordance with SA Standard of GRAP 9, Revenue from exchange transactions. The municipality did not correctly calculate interest charged to consumers and receivables. I was unable to determine the full extent of the misstatement as it was impractical to do so. Consequently, interest from consumer debtors and receivables stated at R218,93 million (2018: R201,96 million) included in note 29 to the consolidated and separate financial statements was misstated by an undeterminable amount.

##### Revenue from exchange transactions – service charges

6. I was unable to obtain sufficient appropriate audit evidence that revenue from service charges had been properly accounted for as the municipality did not have adequate internal controls to maintain records for service charges. I was unable to confirm the revenue from service charges by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to revenue from service charges stated at R2,94 billion in the consolidated and separate financial statements. This also has an impact on material electricity and water losses included in note 71 to the financial statements.

##### Revenue from non-exchange transactions – property rates

7. I was unable to obtain sufficient appropriate audit evidence that revenue from property rates had been properly accounted for as the municipality did not have adequate internal controls to maintain records for property rates. I was unable to confirm the revenue from property rates by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to revenue from property rates stated at R930,98 million in the consolidated and separate financial statements.

##### Context for the opinion

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



9. I am independent of the municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and parts 1 and 3 of the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
10. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

**Material uncertainty relating to going concern**

11. I draw attention to the matter below. My opinion is not modified in respect of this matter.
12. As disclosed in note 74 to the consolidated and separate financial statements, a deficit was incurred in the current year and past two years as well as adverse financial ratios. As stated in note 74, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

**Emphasis of matters**

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

**Restatement of corresponding figures**

14. As disclosed in note 65 to the consolidated and separate financial statements, the corresponding figures for 30 June 2018 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2019.

**Material losses – electricity**

15. As disclosed in note 71 to the consolidated and separate financial statements, material electricity losses of 248,60 kilowatt hours amounting to R248,22 million (2017-2018: 272,73 kilowatts hours amounting to R256,90 million) were incurred, which represents 14% (2017-2018: 15%) of total electricity purchased. Losses were incurred as a result of illegal connections, infrastructure vandalism, ageing infrastructure, overloading and poor standard of equipment installed.

**Material losses – water**

16. As disclosed in note 71 to the consolidated and separate financial statements, material water losses of 20,12 kilolitres amounting to R157,21 million (2017-2018: 20,07 kilolitres amounting to R138,72 million) were incurred, which represents 28% (2017-2018: 29%) of total water purchased. Losses were incurred as a result of illegal connections and ageing infrastructure.

**Other matters**

17. I draw attention to the matters below.

**Unaudited disclosure note**

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

**Unaudited supplementary schedules**

19. The supplementary information set out on pages 332 to 371 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**

20. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
21. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the Msunduzi Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

**Auditor-general's responsibilities for the audit of the consolidated and separate financial statements**

22. My 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.
23. A further description of my 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

24. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected development priority presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
25. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did 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, my findings do not extend to these matters.
26. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the development priority B – basic service delivery presented in the annual performance report of the municipality for the year ended 30 June 2019.
27. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
28. The material findings in respect of the usefulness and reliability of the selected development priority are as follows:

### Development priority B – basic service delivery

#### Various indicators

29. The systems and processes that enable reliable reporting of achievement against the indicator were not adequately designed so that data will be collected consistently by implementing adequate controls measures for tracking how achievements can be collected and reported in a manner that is verifiable.

| No. | Performance measure                                                          | Performance Target                                                            | Actual achievement reported |
|-----|------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------|
| 1   | Number of zones refuse collected                                             | Refuse collection in all 5 zones of the Msunduzi Municipality by 30 June 2019 | Nil                         |
| 2   | Number of skip bins repaired (various sizes) and/or replaced by 30 June 2019 | 24 skip bins repaired (various sizes) and or replaced by 30 June 2019         | Nil                         |

#### Other matters

30. I draw attention to the matters below.

#### Achievement of planned targets

31. The annual performance report on pages 18 to 239; 447 to 586 includes information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 29 of this report.

#### Adjustment of material misstatements

32. I 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.

## Report on the audit of compliance with legislation

### Introduction and scope

33. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
34. The material findings on compliance with specific matters in key legislation are as follows:

### Financial statements

35. 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, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided, but the uncorrected material misstatements resulted in the financial statements receiving a qualified opinion.

#### Expenditure management

40. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
41. Reasonable steps were not taken to prevent irregular expenditure amounting to R93,05 million as disclosed in note 67 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 Municipal Supply Chain Management Regulations GNR 868 OF 30 May 2005 (MSCMR).
42. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R3,54 million, as disclosed in note 69 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 salaries paid to suspended employees with cases that were not finalised on time.
43. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R170 million, as disclosed in note 70 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.

#### Revenue management

44. An adequate management, accounting and information system which accounts for revenue, debtors and receipts of revenue was not in place, as required by section 64(2)(e) of the MFMA.
45. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.
46. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.

#### Asset management

47. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

#### Consequence management

48. Unauthorised expenditure incurred by the municipality was not investigated to determine whether any person was liable for the expenditure, as required by section 32(2)(a) of the MFMA.
49. Some of the irregular and fruitless and wasteful expenditure incurred by the municipality were not investigated to determine whether any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.
50. Some of the allegations of financial misconduct against senior managers were not always investigated, as required by the disciplinary regulations for senior managers 5(3) and section 171(4) of the MFMA.
51. Some of the allegations of financial misconduct made against officials of the municipality were not investigated by the disciplinary board, relevant treasury or an independent investigator or team of investigators appointed by council, as required by municipal regulations on financial misconduct procedures and criminal proceedings 5(4).
52. Disciplinary proceedings were not instituted by the council when the report of independent investigators confirmed the financial misconduct by a senior manager, as required by disciplinary regulations for senior managers 5(6) and municipal regulations on financial misconduct procedures and criminal proceedings 6(8).
53. Cases of financial misconduct which constitute a crime committed by senior managers and officials were not always reported to the South African Police Service, as required by municipal disciplinary regulations for senior managers 8(4) and municipal regulations on financial misconduct procedures and criminal proceedings 10(1).
54. Allegations of fraud and uttering a forged document which exceeded R100 000 were not always reported to the South African Police Service, as required by section 34(1) of the Prevention and Combating of Corrupt Activities Act (Act No. 12 of 2004).

#### Strategic and performance management

55. Annual performance objectives and indicators were not included in the municipal entity's multi-year business plan, as required by section 93B(a) of the Municipal Systems Act (Act No. 32 of 2000) (MSA).

#### Human resource management

56. A senior manager did not sign a performance agreement within the prescribed period, as required by section 57(2)(a) of the MSA.

#### Other information

60. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected development priority presented in the annual performance report that have been specifically reported on in this auditor's report.
61. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
62. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priority presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

63. The other information I obtained prior to the date of this auditor's report is in the governance section, municipal entity's section and report on grants. The mayor's foreword, overview by the city manager and the audit committee report are expected to be made available to us after 31 January 2020.
64. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
65. When I do receive and read the audit committee report and I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

#### Internal control deficiencies

66. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
67. Leadership did not implement effective controls to ensure accurate financial reporting nor did they exercise adequate oversight of compliance with applicable legislation, which resulted in a qualification on the financial statements as well as non-compliance with key legislation.
68. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting. In this regard, management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.

#### Other reports

69. I draw attention to the following engagements conducted that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
70. At the request of the accounting officer and senior management, the internal audit unit performed numerous investigations into allegations made on the whistle-blower hotline. These investigations related to allegations of fraud, corruption, theft, recruitment, mismanagement and supply chain management irregularities. During the 2018-19 financial year, 61 investigations were conducted. Of the 61 investigations conducted, 18 were concluded and reported to council. Forty-three cases relating to recruitment, corruption, misconduct and theft were still in progress at the date of this report.

*Auditor-General*

Pietermaritzburg  
31 January 2020



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality’s compliance with respect to the selected subject matters.

### Financial statements

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

### Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

## CHAPTER 8 – RESPONSE TO THE REPORT OF THE AUDITOR GENERAL

### RESPONSE TO THE REPORT OF THE AUDITOR-GENERAL ON CONSOLIDATED FINANCIAL STATEMENTS OF THE MSUNDUZI MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2019

#### BACKGROUND AND PURPOSE OF THE REPORT

The report of the Auditor-General dated 31 January 2020 on the Audit of the Accounts of the Council for the financial year ended 30 June 2019, 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

##### Qualified opinion

1. The office of the Auditor General was engaged to audit the consolidated and separate financial statements of Msunduzi Municipality and its municipal entity, which comprises of the consolidated and separate statement of financial position, statement of financial performance, statement of changes in net assets and the cash flow statement as at 30 June 2019.

It also comprised of the consolidated and separate statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

The Auditor-General expressed a qualified opinion with the following basis for qualified opinion:

##### Property, plant and equipment

2. The municipality did not appropriately account for property, plant and equipment in accordance with SA Standard of GRAP 17, Property, plant and equipment. Items of property, plant and equipment acquired in the prior year were incorrectly recognised as operational costs. Additionally, items of land were recorded at incorrect amounts. The Auditor General was unable to determine the full extent of the misstatement as it was impractical to do so. Consequently, property, plant and equipment stated at R7 billion (2018: R6, 97 billion) included in note 15 to the consolidated and separate financial statements was misstated by an undeterminable amount. This also has an impact on the accumulated surplus.

##### Management Response

###### ERF 1820

- Management will engage an Independent Expert in the field of Property Valuation to provide fair valuation of ERF 1820.
- Management will engage with the Town Planning department, the Surveyor General's office, Human settlements department and other relevant stakeholders to ensure adequate subdivisions of ERF 1820.
- Management will then engage the Auditor General early to understand the level of comfort with the approach that will be presented by management in an attempt to resolve the finding.
- Management will then process the necessary adjustments in the interim financial statements to ensure fair presentation of PPE.

###### IDT Assets

- Management will meet with IDT Management to obtain (MOU) Memorandum of Understanding, Project details and Bill of Quantities to substantiate the amounts recorded in the Asset Register.
- Information obtained from IDT will be linked to the assets recorded on the FAR, if new information is obtained it will be verified (Physical inspection) assessed and recorded on the FAR.
- Assets that were leased from IDT will be valued and recognised on the Asset Register.

- Management will reconcile the cost of capital projects in the asset register to the IDT schedule to confirm that the amounts disclosed in the asset register are valid, accurate and complete.
- Management will engage the Auditor General to present a documented approach followed and the additional supporting documents obtained from the process. Any information not obtained from IDT will be discussed with AG for guidance on alternative procedures to confirm Validity, Accuracy and Completeness of IDT Assets.

#### Consumer debtors

3. The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that consumer debtors had been properly accounted for as the municipality did not have adequate internal controls to maintain records of consumer debtors. Additionally, material mathematical inaccuracies were identified in the calculation of allowance for impairment. The Auditor General was unable to confirm the consumer debtors by alternative means. Consequently, he was unable to determine whether any adjustment were necessary to consumer debtors stated at R454, 84 million (2018: R424, 77 million) included in note 8 to the consolidated and separate financial statements. This also has an impact on the debt impairment and the related allowance for impairment.

#### Management Response

- The impairment calculation will be performed on a monthly basis and reviewed to ensure the accuracy of formula and data used.
- The suspense accounts will be regularly reviewed and cleared.
- Management will reconfigure the system to ensure the ageing bucket on the statement to reflect that of the age analysis.
- The schedule of debtors with negative balances will be reviewed on a monthly basis and management will implement the process of allocating these balances against active accounts.
- The suspense accounts will be regularly reviewed and cleared.

#### Revenue from exchange transaction – interest from consumer debtors and receivables

4. The municipality did not account for interest from consumer debtors and receivables in accordance with SA Standard of GRAP 9, Revenue from exchange transactions. The municipality did not correctly calculate interest charged to consumers and receivables. The Auditor General was unable to determine the full extent of the misstatement as it was impractical to do so. Consequently, interest from consumer debtors and receivables stated at R218, 93 million (2018: R201, 96 million) included in note 29 to the consolidated and separate financial statements was misstated by an undeterminable amount.

#### Management Response

- The debt control and credit control policy will be amended to be aligned with GRAP standards and the tariff register.
- The monthly reconciliations between the interest GL account and sub-ledger will be performed and reviewed by management.
- The SAP system will be re-configured to calculate the interest in accordance with the tariff register and updated policy.
- The entire population of interest charged for the current year and prior years will be reviewed and the system adjusted accordingly.

#### Revenue from exchange transactions – service charges

5. The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that revenue from service charges had been properly accounted for as the municipality did not have adequate internal controls to maintain records for service charges. He was unable to confirm the revenue from service charges by alternative means. Consequently, he was unable to determine whether any adjustment was necessary to revenue from service charges stated at R2, 94 billion in the consolidated and separate financial statements. This also has an impact on material electricity and water losses included in note 71 to the financial statements.

#### Management Response

- The supporting documents for adjustments to the customer accounts will be uploaded and saved onto SAP system.
- The tariff register will be updated to address the gap identified on the approved tariffs. Additional details will be included on the tariff policy explaining that the charge is based on daily tariffs.
- The configuration of the SAP system will be changed to allow the correction accounts to be made without the reversal of the previous billing documents.
- The revenue standard operating procedures will be developed and these will include a detailed billing process.
- The database of all the reversal documents and matching invoices for the current and prior year will be extracted and be available for audit

#### Revenue from non-exchange transactions – property rates

6. The office of the Auditor General was unable to obtain sufficient appropriate audit evidence that revenue from property rates had been properly accounted for as the municipality did not have adequate internal controls to maintain records for property rates. He was unable to confirm the revenue from property rates by alternative means. Consequently, he was unable to determine whether any adjustment was necessary to revenue from property rates stated at R930, 98 million in the consolidated and separate financial statements.

#### Management Response

- An exception report reflecting all accounts with no billing orders will be generated from the 15th of each month and regular intervals thereafter. The report will be reviewed by the manager and any unbilled account rectified.
- A transaction code be created to extract the report on the comparison of the number of properties billed for each month.
- The configuration of the SAP system will be changed to allow the correction accounts to be made without the reversal of the previous billing documents.
- A dedicated team will be appointed at revenue section to deal with all the revenue related requests and findings raised.

#### EMPHASIS OF MATTERS AND OTHER MATTERS:

The following matters were raised by the Auditor-General

## Restatement of corresponding figures

7. As disclosed in note 65 to the consolidated and separate financial statements, the corresponding figures for 30 June 2018 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2019.

### Management Response

Management agrees with finding. The financial statement will be adjusted accordingly.

### Material losses - electricity

8. As disclosed in note 71 to the consolidated and separate financial statements, material electricity losses of 248,60 kilowatt hours amounting to R248,22 million (2017-2018: 272,73 kilowatts hours amounting to R256,90 million) were incurred, which represents 14% (2017-2018: 15%) of total electricity purchased. Losses were incurred as a result of illegal connections, infrastructure vandalism, ageing infrastructure, overloading and poor standard of equipment installed.

### Management Response

The material losses are noted and will be part of the action plan developed by infrastructure to address water and electricity losses.

### Material losses - water

9. As disclosed in note 71 to the consolidated and separate financial statements, material water losses of 20, 12 kilolitres amounting to R157, 21 million (2017-2018: 20, 07 kilolitres amounting to R138, 72 million) were incurred, which represents 28% (2017-2018: 29%) of total water purchased. Losses were incurred as a result of illegal connections and ageing infrastructure.

### Management Response

The material losses are noted and will be part of the action plan developed by infrastructure to address water and electricity losses.

### Other matters

I draw attention to the matters below:

### Material uncertainty relating to going concern

10. As disclosed in note 74 to the consolidated and separate financial statements, a deficit was incurred in the current year and past two years as well as adverse financial ratios. As stated in note 74, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

### Unaudited disclosure note

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

### Unaudited supplementary schedules

12. The supplementary information set out on pages 332 to 371 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

13. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the Msunduzi Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

### Auditor General's responsibilities for the audit of the consolidated and separate financial statements

15. The Auditors General 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 their 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.
16. A further description of the Auditors General responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to the auditor's report.



## Report on the audit of the annual performance report

### Introduction and scope

17. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PM) and the general notice issued in terms thereof the office of the Auditor General have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected objectives presented in the annual performance report. They performed procedures to identify findings but not to gather evidence to express assurance.
18. Their procedures addressed the reported performance information, which was based on the approved performance planning documents of the municipality. They did not evaluate the completeness and appropriateness of the performance measures included in the planning documents. Their procedures also did 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, there findings do not extend to these matters.
19. The Auditors General 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 following selected objectives presented in the annual performance report of the municipality and its municipal entity for the year ended 30 June 2019:
20. The Auditor General performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. He 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.
21. The material findings in respect of the usefulness and reliability of the selected objectives are as follows:

### Development priority B - Basic service delivery

#### Various indicators

22. The systems and processes that enable reliable reporting of achievement against the following (2) indicators were not adequately designed so that data will be collected consistently by implementing adequate controls measures for tracking how achievements can be collected and reported in a manner that is verifiable:

| No. | Performance measure                                                          | Performance Target                                                            | Actual achievement reported |
|-----|------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------|
| 1   | Number of zones refuse collected                                             | Refuse collection in all 5 zones of the Msunduzi Municipality by 30 June 2019 | Nil                         |
| 2   | Number of skip bins repaired (various sizes) and/or replaced by 30 June 2019 | 24 skip bins repaired (various sizes) and or replaced by 30 June 2019         | Nil                         |

#### Management response

- The indicators and targets will be amended during 2020/21 planning period to ensure that the SMART principle is met.
- The daily trip sheets will be implemented and completed for all the refuse collection vehicles.

23. I draw attention to the matters below.

#### Other matters

#### Achievement of planned targets

24. The annual performance report on pages 18 to 239; 447 to 586 includes information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 29 of this report.

#### Adjustment of material misstatements

25. The Auditor General 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, the Auditor General raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

## Report on the audit of compliance with legislation

### Introduction and scope

26. In accordance with the PAA and the general notice issued in terms thereof the Auditor General has a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. The Auditor General performed procedures to identify findings but not to gather evidence to express assurance.
27. The material findings on compliance with specific matters in key legislation are as follows:

### Annual financial statements

28. The consolidated and separate financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of disclosure items identified by the auditors in the submitted consolidated and separate financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in a disclaimed audit opinion.

## Management Response

- The September 2019 financial statements were prepared to try and improve the quality of the financial statements.
- The interim financial statements will be prepared for the period ended 31st January 2020 and thereafter monthly financial statements will be prepared.
- The sections that do not comply with monthly deadlines and the AFS implementation plan will be reported to SMC.
- More resources will be added to the financial statements preparation team to ensure that the supporting schedules are adequately reviewed prior to finalising the year-end financial statements.
- The AFS team will attend the GRAP update training during the year

## Expenditure management

29. Money owed by the municipality was not always paid within 30 days, as required by section 65(2) (e) of the MFMA.
30. Reasonable steps were not taken to prevent irregular expenditure amounting to R93, 05 million as disclosed in note 67 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 Municipal Supply Chain Management Regulations GNR 868 OF 30 May 2005 (MSCMR).
31. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R3, 54 million, as disclosed in note 69 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 salaries paid to suspended employees with cases that were not finalised on time.
32. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R170 million, as disclosed in note 70 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.

## Management Response

- Creditors section will ensure that all invoices received are paid within 30 days as required.
- The implementation of revenue enhancement strategy and other initiations that the municipality has embarked on is expected to result in an improvement in the debtor's collection.
- The SCM compliance checklist will be reviewed to ensure compliance with all SCM laws and regulations.
- The compliance checklist will be implemented to ensure that fruitless and wasteful expenditure is not incurred.
- The municipality will implement the Collective Code of Conduct issued on February 2018 and regulations of disciplinary for senior managers which prescribes the process to be followed in the case of suspended employees.

## Revenue management

33. An adequate management, accounting and information system which accounts for revenue, debtors and receipts of revenue was not in place, as required by section 64(2)(e) of the MFMA.
34. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2) (f) of the MFMA.
35. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2) (b) of the MFMA.

## Management Response

- Management will implement the necessary controls and implement the action plan to address the prior year findings to ensure that the revenue recorded is valid, accurate and complete.

## Asset management

36. An effective system of internal control for assets was not in place, as required by section 63(2c) of the MFMA.

## Management Response

- Management will implement the controls and implement the action plan to address the prior year findings in order to ensure that all assets are accounted for correctly

## Consequence management

37. Unauthorised expenditure incurred by the municipality was not investigated to determine whether any person was liable for the expenditure, as required by section 32(2)(a) of the MFMA.
38. Some of the irregular and fruitless and wasteful expenditure incurred by the municipality were not investigated to determine whether any person was liable for the expenditure, as required by section 32(2) (b) of the MFMA.
39. Some of the allegations of financial misconduct against senior managers were not always investigated, as required by the disciplinary regulations for senior managers 5(3) and section 171(4) of the MFMA.
40. Some of the allegations of financial misconduct made against officials of the municipality were not investigated by the disciplinary board, relevant treasury or an independent investigator or team of investigators appointed by council, as required by municipal regulations on financial misconduct procedures and criminal proceedings 5(4).
41. Disciplinary proceedings were not instituted by the council when the report of independent investigators confirmed the financial misconduct by a senior manager, as required by disciplinary regulations for senior managers 5(6) and municipal regulations on financial misconduct procedures and criminal proceedings 6(8).

42. Cases of financial misconduct which constitute a crime committed by senior managers and officials were not always reported to the South African Police Service, as required by municipal disciplinary regulations for senior managers 8(4) and municipal regulations on financial misconduct procedures and criminal proceedings 10(1).
43. Allegations of fraud and uttering a forged document which exceeded R100 000 were not always reported to the South African Police Service, as required by section 34(1) of the Prevention and Combating of Corrupt Activities Act (Act No. 12 of 2004).

#### **Management Response**

- Reports will be periodically submitted to internal audit to report the unauthorised expenditure incurred and request for an investigation.
- Investigate all cases/ incidents identified that were not investigated and take appropriate actions as necessary/ required as per the outcomes.

#### **Strategic and performance management**

44. Annual performance objectives and indicators were not included in the municipal entity's multi-year business plan, as required by section 93B (a) of the Municipal Systems Act (Act No. 32 of 2000) (MSA).

#### **Management Response**

- The entity's business plan will be amended during 2019/20 year to include the performance indicators.

#### **Human resource management**

45. A senior manager did not sign a performance agreement within the prescribed period, as required by section 57(2) (a) of the MSA.

#### **Management Response**

- The Individual Performance Management Policy (IPMS) will be reviewed to include a clause that will allow the dispute resolution committee to address issues where the employees are not in agreement with some of the conditions included on the performance contract.

#### **Other information**

46. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the mayor's foreword, executive summary, governance information, organisational performance, audit committee's report and other appendices. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in the auditor's report.
47. The Auditor General's 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 I do not express an audit opinion or any form of assurance conclusion thereon.
48. In connection with the audit, the Auditor General'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 objective presented in the annual performance report, or knowledge obtained in the audit, or otherwise appears to be materially misstated.
49. The other information obtained by the Auditor General, prior to the date of this auditor's report is in the governance section, municipal entity's section and report on grants. The mayor's foreword, overview by the city manager and the audit committee report are expected to be made available to the Auditor General after 31 January 2020.
50. If, based on the work performed by the Auditor General, on the other information obtained prior to the date of this auditor's report, the Auditor General concludes that there is a material misstatement of this other information, he is required to report that fact.
51. When the Auditor General does receive and read the audit committee report and he concludes that there is a material misstatement therein, he 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, he may have to retract the auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

#### **Internal control deficiencies**

52. The Auditor General considered internal control relevant to the audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, he's objective was not to express any form of assurance thereon.
53. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for disclaimer of opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

#### **Leadership**

54. Leadership did not implement effective controls to ensure accurate financial reporting nor did they exercise adequate oversight of compliance with applicable legislation, which resulted in a qualification on the financial statements as well as non-compliance with key legislation.
55. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting. In this regard, management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.

**Other reports**

56. The Auditor General draw's attention to the following engagements conducted that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part the Auditor General's opinion on the financial statements or his findings on the reported performance information or compliance with legislation.
57. At the request of the accounting officer and senior management, the internal audit unit performed numerous investigations into allegations made on the whistle-blower hotline. These investigations related to allegations of fraud, corruption, theft, recruitment, mismanagement and supply chain management irregularities. During the 2018-19 financial year, 61 investigations were conducted. Of the 61 investigations conducted, 18 were concluded and reported to council. Forty-three cases relating to recruitment, corruption, misconduct and theft were still in progress at the date of this report.

**CONCLUSION:**

An action plan has been developed in consultation with the relevant officials to resolve all reported matters within specific deadlines.

## CHAPTER 9 – REPORT OF THE AUDIT COMMITTEE & RECOMMENDATIONS OF THE AUDIT COMMITTEE 2018/2019

### REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2019

#### AUDIT COMMITTEE REPORT

The Audit Committee has pleasure in submitting its annual report for the financial year, 01 July 2018 to 30 June 2019, 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.

The Committee held seven (8) meetings during the year and the Audit Committee Chairperson availed himself to present the Audit Committee oversight reports to the Executive Committee Meetings and Council. Council made certain changes on the composition of the committee during the course of the year under review due to resignation.

Members of the Audit Committee also met with the Municipal Accounting Officer, the Chief Audit Executive, the Chief Financial Officer and the Auditor-General.

| Date of Meeting  | Mr M M Madliwa | Dr T I Nzimakwe | Ms T F Jimana | Ms B Kemp |
|------------------|----------------|-----------------|---------------|-----------|
| 13 July 2018     | ✓              | ×               | ✓             | ●         |
| 30 August 2018   | ✓              | ✓               | ✓             | ●         |
| 01 November 2018 | ✓              | ✓               | ✓             | ✓         |
| 18 December 2018 | ✓              | ✓               | ✓             | ✓         |
| 03 January 2019  | ✓              | ✓               | ✓             | ✓         |
| 05 March 2019    | ✓              | ✓               | ✓             | ✓         |
| 21 May 2019      | ✓              | ✓               | ×             | ✓         |
| 11 June 2019     | ✓              | ✓               | ✓             | ✓         |
| <b>TOTAL</b>     | <b>8</b>       | <b>7</b>        | <b>7</b>      | <b>6</b>  |

|                     |
|---------------------|
| ✓ Attended          |
| × Not attended      |
| ■ Resigned          |
| ● Not yet appointed |

#### AUDIT COMMITTEE RESPONSIBILITIES AND TERMS OF REFERENCE

The Audit Committee has complied with its responsibilities arising from section 166 of the MFMA and clause 14(2)(a) of the Municipal Planning and Performance Management Regulations of 2001. The Audit Committee’s work was guided and regulated by the Audit Committee Charter as approved by Council and the Audit Committee has discharged its responsibility as contained therein during the year ended 30 June 2019.

#### 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 current structure of Internal Audit was developed in 2012/13 and implemented on 1 June 2016. It should be noted that Msunduzi Municipality has grown over the years (between 2012/2013 and 2016 when the structure was implemented), and a review of the current structure is required. A process of structural review has been implemented by the municipality in order to ensure that the current structure is geared towards the future growth of the municipality.

A desk top study which seeks to do a comparison with other non-delegated high capacity municipalities and Metropolitan Municipalities has been conducted and it will inform the size and shape of the internal audit structure. The structure and levels of management, supervision and review of audit work should ensure that there is due professional care as provided for in the International Standards for the Professional Practice of Internal Audit. The Internal Audit Unit is heavily reliant on consultants as a result of a thin structure and high vacancy rate in the unit, and this comes at a high cost to the municipality. The unit is always allocated a limited budget because of competing service delivery needs of the communities under the Municipality’s jurisdiction.

The CAE, having returned from suspension on 10 August 2018, had direct access to the Audit Committee primarily through the Chairperson. During the year, both the external auditors and internal audit were also afforded opportunities to access the Audit Committee without management being present in order to assess if there were any issues that were impacting on the audit work.

## INTERNAL AUDIT PERFORMANCE.

The Annual Audit coverage plan was submitted to the Audit Committee for approval on 13 July 2018. During the year under review there was a revision of the approved Internal Audit Plan due to a conclusion that the control environment within the municipality had further weakened and providing assurance in such circumstances may have been fruitless and wasteful.

To this end, a number of assurance audits were removed in order to concentrate and handle the significant exposure to risk in areas where management believes that the controls in place are strong in terms of design and the objective therefore was to test whether such controls were working as intended and thus make a positive impact. In those areas where the control environment was considered to be weak, Internal Audit conducted consulting activities and thus the revised plan was striking a balance between the anticipated assurance activities and the consulting activities prevalent.

Internal Audit completed sixteen (16) audit assignments and audit reports, with management comments, were presented to the Audit Committee meetings. Issues raised were deliberated and recommendations made to Council. However, the committee remains concerned about the impact of the unit's budget and capacity constraints and reliance on co-sourcing on the effectiveness of the work of internal audit. In addition, concerns remain about the length of time taken by management to respond to internal audit findings to implement their recommendations and the quality of management's responses to internal audit findings.

In terms of Section 166(2) (d) of the Municipal Finance Management Act, 56 of 2003 the Audit Committee has powers to carry out investigations into the affairs of the municipality. Of the total of forty three (43) allegations that were reported through the whistle blowing hotline and through other means, ten (10) cases were completed during the year under review and submitted to the Audit Committee and thirty five (35) were in progress and eight (8) were closed at a preliminary stage either due to lack of information or insufficient evidence of wrong doing.

## SYSTEM OF INTERNAL CONTROL

A significant number of the internal audit reports submitted during the year under review indicated that the design and operation of the system of internal control are respectively inadequate and ineffective. This is attributable to the slow progress in the implementation of management action plans on both internal audit and Auditor-General recommendations.

## RISK MANAGEMENT

Risk management within the municipality is progressing very slowly, chiefly due to the delay in the appointment of the Chief Risk Officer whose absence has now become catastrophic. In general, there are a number of key management positions that are vacant posing a high risk in the functioning of the municipality. Furthermore, the Chief Financial Officer is the acting City Manager due to this position being vacant since 01 August 2018. The Committee advised the municipality to put resolute effort in order to realize effective risk management.

## FINANCIAL REPORTING

The municipality is faced with challenges in financial administration and management amongst which are difficulties in the compilation of annual financial statements, serious audit queries, inconsistent month end discipline, inadequate monthly reporting internally to the audit committee, to Council, to Treasury, a declining revenue base as well as increasing delinquency by its debtors resulting in declining financial health and decrease in cash resources.

To address these issues and in particular month end discipline, which is viewed as crucial in overcoming these challenges when it is institutionalized and embedded in the municipality's processes, a service provider was appointed to implement strict month end discipline.

Council's attention was also drawn to the unacceptably high debtors' book (more than R3 billion) which is continually increasing thus posing a threat to cash flow, financial viability and future sustainability of the municipality. Council was advised to prioritize debt management and control and take measures to reduce debt to acceptable levels.

## ANNUAL FINANCIAL STATEMENTS

Challenges with producing Annual Financial Statements in a timely manner such that they be thoroughly audited by the Internal Audit before submission to the Auditor-General, still exist. Whilst these were submitted to both internal audit and to the audit committee for review, inadequate time was afforded to both for a quality review and for management to adequately respond to findings before submission of the financial statements for audit. The municipality still has a challenge of producing quality Interim Financial Statements and Annual Financial Statements and this is evident from material misstatements in the previous years and in the year under review.

## PERFORMANCE MANAGEMENT

A performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed.

Evidence provided for Key Performance Indicators (KPI) was inadequate to support the target achieved and there was lack of evidence to ensure that certain Portfolio of Evidence files were signed as evidence of review, at the appropriate level, for accuracy and validity.

Non submission of information by Business Units is prevalent resulting in certain KPI's not being tracked and to address this, a section on consequence management was included in the Performance Management Policy. The review of the SDBIP for 2018/19 as approved by the Mayor in June 2018 also highlighted significant findings. Management has been engaged on this matter and they have committed themselves to improve in this area.

## INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

The Audit Committee requested that a comprehensive report on ICT Governance be submitted quarterly but this has not been forthcoming. The report was to include progress made on Systems Applications and Products (SAP) implementation and how it impacted on compliance with the Municipal Standard Chart of Accounts (mSCOA) regulations as well as disaster recovery and continuity plans. The goal of the SAP implementation is to provide, configure and implement an Enterprise Resource Planning (ERP) system that automates and integrates business processes including its functionality requirements.

The review of SAP (ISU and Payroll) configuration indicated a number of significant configuration flaws on the system and resulted in a number of business process limitations for the municipality. Predominantly, the system was not adequately configured to cater for the business requirements of the municipality as a number of functionalities have either not been configured or incorrectly configured when implemented.

The system deficiencies identified were noted and discussed with relevant managers with a view to their resolution.

The implementation of SAP outside ICT has contributed in the configuration and implementation failures of the system. The implementation of an ERP system is required to be performed and championed by competent and experienced individuals in ICT which was the opposite for the municipality. It has been recommended that the responsibility for SAP implementation be moved from Financial Services, where it currently resides, to ICT.

## GOVERNANCE

The on-going challenges relating to stability in leadership and management within the municipal structures and the impact on the governance and leadership environment of on-going disciplinary and human resources processes has had a direct impact on the ability of the governance and leadership structures to create a culture of stable and ethical leadership within the municipality. This is evidenced by continued findings on non-compliance with laws and regulations relating to procurement and supply chain management, internal controls and human resource management, and on the achievement of service delivery targets and reporting thereon. The impact of this on the effectiveness of the work of the internal audit and audit committee resulted in inadequate preparation for and attendance at audit committee meetings by senior management.

## 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 continue to be deficiencies in compliance which has resulted in irregular, fruitless and wasteful expenditure as disclosed in the Annual Financial Statements, particularly in Supply Chain Management and Human Resource Management. The Audit committee will continue to play its oversight role to the system for monitoring compliance with laws and regulations and reporting thereon to council.

## EXTERNAL AUDIT BY AUDITOR-GENERAL OF SOUTH AFRICA (AGSA)

For the year under review, the municipality's audit outcomes were a qualification with findings. This is an improvement from the disclaimer of 2017 and the adverse of 2018. Although these outcomes are far from being ideal, the Committee commends Council and Management for the improved results. The Committee is aware that a huge effort was made by all, particularly the Finance Division to ensure improved audit results.

Whilst these efforts are commendable, the Audit Committee cautions that there still is a lot of work ahead given the qualification and the high number of audit findings and the desire of the municipality to obtain an unqualified without other matters result. The Committee is committed to supporting the municipality in developing a clear action plan to deal with the issues raised with a view to improved audit outcomes in the following year.

## CONCLUSION

The Committee appreciates the intervention made by the Provincial Government in appointing a Ministerial Representative to assist in preparing a comprehensive recovery plan for the municipality. 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 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, Senior Management, MPAC, Portfolio Committees, Executive Committee, Council and staff for their co-operation and support

**Chairperson: Audit Committee**  
**Mr M M Madliwa CA (SA)**

## RECOMMENDATIONS OF THE AUDIT COMMITTEE 2018/2019

| DATE           | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 30 Aug<br>2018 | <p><b><u>PRESENTATION ON THE ANNUAL FINANCIAL STATEMENTS 2017/2018</u></b></p> <p><b><u>7.1. ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018</u></b></p> <p><b>RESOLVED</b></p> <p>That the presentation dated 30 August 2018 on the Annual Financial Statements for the Year Ended 30 June 2018 be NOTED.</p> <p><b><u>7.2. INTERNAL AUDIT REPORT ON THE REVIEW OF THE ANNUAL FINANCIAL STATEMENTS FOR THE 2017/2018 FINANCIAL YEAR: MSUNDUZI MUNICIPALITY AND SAFE CITY [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the report dated 30 August 2018 by the Chief Audit Executive (Acting) in respect of the Internal Audit Report On The Review Of The Annual Financial Statements For The 2017/2018 Financial Year : Msunduzi Municipality And Safe City, be NOTED; it being noted that relevant amendments stipulated in the report in question were incorporated , for the Annual Financial Statements For The 2017/2018 Financial Year : Msunduzi Municipality And Safe City was submitted to the Auditor General on 31 August 2018.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                | <p><b><u>PRESENTATION ON THE ANNUAL PERFORMANCE REPORT – 2017/2018</u></b></p> <p>That the Presentation on the Annual Performance Report 2017/2018 by Mr B Halimana (Performance Management Unit), be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                | <p><b><u>MATTERS ARISING</u></b></p> <p><b><u>9.1. PROGRESS ON SAP</u></b></p> <p>(Items Outstanding matters report dated 4 July 2018)</p> <p><b>RESOLVED</b></p> <p>That this item on Progress on SAP remain on the outstanding matters report as it was not dealt with.</p> <p><b><u>9.2. FINAL INTERNAL AUDIT REPORT ON THE ART GALLERY MANAGEMENT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item on Final Internal Audit Report on the Art Gallery Management remain on the outstanding matters report as it was not dealt with.</p> <p><b><u>9.3. REPORT ON THE LAND AUDIT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item on Report on the Land Audit remain on the outstanding matters report as it was not dealt with.</p> <p><b><u>9.4. REPORT ON THE LEASE AUDIT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item on Report on the Lease Audit remain on the outstanding matters report as it was not dealt with; it being noted that the Senior Manager : Assets submits a report to the next meeting of the Audit Committee on the follow up of the leases.</p> <p><b><u>9.5. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES OCCURRING AT FINANCE SECTION – GIYAN ENGINEERING [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That this item on Forensic Investigation Into Alleged Irregularities Occurring At Finance Section – Giyan Engineering remain on the outstanding matters report as it was not dealt with by the Chief Financial Officer and required a follow up.</p> <p><b><u>9.6. FINAL INTERNAL AUDIT REPORT OF WRITE-OFFS AND ADJUSTMENTS ON CONSUMER BILLING ACCOUNTS ON THE PROMIS INCOME SYSTEM [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That this item on Final Internal Audit Report Of Write-Offs And Adjustments On Consumer Billing Accounts On The Promis Income System was completed, however a report be submitted by the Senior Manager : Income (Acting) to the next meeting of the Audit Committee in order for the matter to be closed.</p> <p><b><u>9.7. MSUNDUZI RAISED AS A DEBTOR [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>(a) It was reported that the Infrastructure Unit was not restricting the water supply as they were not aware of which properties' meters to restrict.</p> <p>(b) That Infrastructure Unit be given a latest list of properties falling under Msunduzi.</p> <p>(c) That the Senior Manager : Income (Acting) and the General Manager: Sustainable Enterprises (Acting) meets with Councillors in the wards affected, to inform them that the owners are only to be contacted and not the tenants</p> |



| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                           |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | <p><b><u>9.8. SECTION 71/SECTION 52 (D) REPORT OF THE MFMA NO 56 OF 2003 – JUNE 2017 [3.7.P]</u></b></p>                                                                                                                                                                                                                                             |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>That the item on Section 71/Section 52 (D) report of the MFMA No 56 Of 2003 – June 2017 remains outstanding; it being noted that a report be submitted to the next meeting of the Audit Committee.</p>                                                                                                                                            |
|      | <p><b><u>9.9. PRESENTATION OF PREPAID WATER METERING</u></b></p>                                                                                                                                                                                                                                                                                     |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>That the item on Presentation Of Prepaid Water Metering remains on the outstanding matters report, pending a report to be submitted by the General Manager : Infrastructure Services [Acting], it being noted that Finance Business Unit comments were awaited in respect of the report.</p>                                                      |
|      | <p><b><u>9.10. REVISION OF THE ANNUAL AUDIT PLAN [3.10.1.1]</u></b></p>                                                                                                                                                                                                                                                                              |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>That the item on Revision Of The Annual Audit Plan remains on the outstanding matters report, pending a report to be submitted by the Chief Audit Executive [Acting].</p>                                                                                                                                                                         |
|      | <p><b><u>9.11. FINAL INTERNAL AUDIT REPORT ON DEBTORS MANAGEMENT [3.10.1.1]</u></b></p>                                                                                                                                                                                                                                                              |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>That the item on Final Internal Audit Report On Debtors Management remains on the outstanding matters report, pending a report to be submitted by the Senior Manager : Human Resources, since the supervisor post was not filled yet.</p>                                                                                                         |
|      | <p><b><u>9.12. MFMA SECTION 71 AND SECTION 72 (D) MONTHLY, MID YEAR AND QUARTERLY REPORTS [3.7.1 (2017/2018)]</u></b></p>                                                                                                                                                                                                                            |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>That the item on remains on MFMA Section 71 And Section 72 (D) Monthly, Mid-Year and Quarterly Reports remains on the outstanding matters report, pending a report to be submitted by the Senior Manager : Expenditure [Acting]</p>                                                                                                               |
|      | <p><b><u>9.13. QUARTER 2 (OCTOBER – DECEMBER 2017) ON THE 2017/2018 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) AND OPERATIONAL PLAN (OP) [10.4.1]</u></b></p>                                                                                                                                                                           |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>That the item on Quarter 2 (October – December 2017) On The 2017/2018 Service Delivery And Budget Implementation Plan (SDBIP) And Operational Plan (OP) remains on the outstanding matters report, pending a report to be submitted by the Manager : Knowledge Management [Acting].</p>                                                           |
|      | <p><b><u>9.14. CONSOLIDATED AUDIT FINDINGS REGISTER STATUS AT MSUNDUZI : PROGRESS REPORT ON 2015/2016 AND 2016/2017 INTERNAL AUDIT FINDINGS</u></b></p>                                                                                                                                                                                              |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>That the item on Consolidated Audit Findings Register Status At Msunduzi : Progress Report On 2015/2016 And 2016/2017 Internal Audit Findings remains on the outstanding matters report, pending a report/presentation to be submitted by the Audit Readiness Consultant to the next meeting of the Audit Committee.</p>                          |
|      | <p><b><u>9.15. PRESENTATION OF HIGH LEVEL FINDINGS BY KPMG</u></b></p>                                                                                                                                                                                                                                                                               |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>That the work study officers who were employed on contract were due to start on 3 September 2018; it being noted that a report in respect of progress be submitted to the next meeting of the Audit Committee.</p>                                                                                                                                |
|      | <p><b><u>9.16. INTERNAL AUDIT 2017/2018 ANNUAL AUDIT PLAN STATUS UPDATE [3.10.1.1]</u></b></p>                                                                                                                                                                                                                                                       |
|      | <p><b>RESOLVED</b></p>                                                                                                                                                                                                                                                                                                                               |
|      | <p>(a) That a Forensic report in respect of the VAT irregularity be submitted by the Chief Audit Executive to the next meeting of the Audit Committee.</p>                                                                                                                                                                                           |
|      | <p>(b) The Finance Business Unit was still busy with the VAT analysis pertaining to a report on Organisational VAT Compliance. There are some errors that they identified and are trying to rectify them. Internal Audit cannot provide any assurance whilst Business Units have acknowledged errors in the processes and are trying to resolve.</p> |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      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|      | <p><b>10. INTERNAL AUDIT (ASSURANCE)</b></p> <p><b>10.1. INTERNAL AUDIT 2017/2018 ANNUAL AUDIT PLAN STATUS UPDATE [3.10.1.1]</b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>That the report dated 30 July 2018 by the Chief Audit Executive (Acting) on the status of the implementation of the Annual Audit Plan 2017/2018 be NOTED.</p> <p><b>10.2. FINAL INTERNAL AUDIT REPORT ON THE FINANCIAL ANALYSIS REVIEW [3.10.1.1]</b></p> <p>Report dated 19 July 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the audit results as contained in the Final Internal Audit Report on Financial Analysis Review be NOTED.</p> <p>That Management should make continuous effort to identify opportunities, prioritise identified opportunities and implement action plan in order to improve or maintain the financial position of the Municipality.</p> <p><b>10.3. FINAL INTERNAL AUDIT REPORT ON SECTION 71 OF THE MFMA (INCLUDING SECTION 52 AND SECTION 66) FOR QUARTER 3 OF 2017/2018 FINANCIAL YEAR [3.10.1.1]</b></p> <p>Report dated 19 July 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the report dated 24 April 2018 by the Chief Audit Executive [Acting] on the Project Charter Follow up on the 2017/2018 External Audit Action Plan be NOTED.</p> <p><b>10.4. FINAL INTERNAL AUDIT REPORT ON SAP AND MSCOA IMPLEMENTATION COST VS BENEFIT REVIEW [3.10.1.1]</b></p> <p>Report dated 2 August 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That after careful review of the SAP and MSCOA implementation project and considering the nature and extent of the issues identified, it is noted that the implementation of the project is ineffective.</p> <p>(b) That the invoices should be supported with progress reports detailing work performed.</p> <p>(c) That the progress reports should be reviewed and approved by the SAP Project Manager against the invoice before authorising payment.</p> <p>(d) That Contracts / SLA (agreements) terms of reference must be entered into for all significant undertaking outlining specific deliverable.</p> <p>(e) That a central repository for storage of original contracts must be created and managed by the Supply Chain Management Department of the Msunduzi Municipality.</p> <p>(f) That copies of contracts (not originals) are to be handed over to the user departments to monitor and review service delivery.</p> <p>(g) That a control register should be implemented by management to monitor the movement of contracts in/out of the central repository.</p> <p>(h) That Management should ensure that all contracts between the municipality and supplier :</p> <ol style="list-style-type: none"> <li>i. Are formalised and vetted by the legal department;</li> <li>ii. The general conditions of the contract are agreed by both parties; and</li> <li>iii. The contract is signed and dated by the municipality and the supplier.</li> </ol> <p>(i) That Terms of Reference outlining scope of work should be detailed and included in the contract.</p> <p>(j) That a process should be in place to ensure that all suppliers are regularly evaluated relating to the following as a minimum :</p> <ol style="list-style-type: none"> <li>i. Goods/Services received are as per the stipulations of the contract;</li> <li>ii. Performance of suppliers (progress reports on work performed);</li> <li>iii. Time charged are supported by approved timesheets.</li> </ol> <p>(k) That adequate mechanisms to monitor and enable control compliance to the above process by management should be designed and implemented.</p> <p>(l) That the municipality should ensure that formalised contracts are in place with the supplier.</p> <p>(m) That the contract should be reviewed by both parties before signing to ensure that the terms of reference outlining scope of work/services to be provided as well as all related costs are correctly stated.</p> <p>(n) That no variations in cost should be allowed unless agreed to in writing by both parties.</p> <p>(o) That invoices should be supported by a progress/close out report from the supplier as well as the attendance registers completed for training.</p> <p>(p) That the invoice should be compared to the approved progress report and the attendance register by the MSCOA Project Manager before authorising the invoice for payment.</p> <p>(q) That the municipality should ensure that all contracts have a total fee stipulated in order for costs incurred to be monitored against.</p> <p>(r) That tenders should go through a competitive bidding process.</p> <p>(s) That deviations should only be used in the event of an emergency or a single supplier source.</p> <p>(t) That a capability assessment should be performed to determine if the supplier can meet the deliverables.</p> <p>(u) That invoices should be supported with approved timesheets confirming hours charged and progress reports detailing work performed.</p> <p>(v) That the timesheets and progress reports should be reviewed and approved by the SAP Project Manager against the invoice before authorising payment.</p> <p>(w) That a reconciliation between the hours submitted per supplier timesheet to hours charged per supplier invoice should be performed to ensure that only valid and accurate payments are made.</p> <p>(x) That the reconciliation should thereafter be reviewed by the SAP Project Manager.</p> |

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|      | <p><b><u>10.5. FINAL INTERNAL AUDIT REPORT ON CONSUMER REFUNDS [3.10.1.1]</u></b></p> <p>Report dated 2 August 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are Inadequate and operation of the system of internal controls is Partially effective around The Final Internal Audit Report on Consumer Refunds, be NOTED .</p> <p>(b) That the Refunds Supervisor should review all applications and supporting documentation accompanying the applications thoroughly to ensure accuracy and completeness of information received. No applications should be approved and processed for payment where incomplete applications are received.</p> <p>(c) That Management should formally communicate user requirements to the SAP consultant to rectify. The refined end product should be tested for effectiveness prior to being implemented.</p> <p>(d) That Management should implement a logical filing system to ensure efficient retrieval of documentation.</p> <p>(e) That Management should further consider implementing an electronic filing system to ensure safeguarding of information and reduce the risk of documents being misplaced.</p> <p>(f) That Expenditure management should provide bank confirmation to Revenue management of all payments processed, including those approved and those rejected in order to effect reconciliation processes.</p> <p>(g) That Management should ensure that the completed Refunds Checklist form part of the mandatory submission documentation accompanying the refund application forms.</p> <p>(h) That the Deposits Refunds Procedure Manual should be updated to include the turnaround times for the processing of refund applications received. Turnaround times should be monitored by management to identify, investigate and resolve bottlenecks to ensure an efficient consumer refunds process.</p> <p><b><u>10.6. FINAL INTERNAL AUDIT REPORT ON PAYROLL MANAGEMENT [3.10.1.1]</u></b></p> <p>Report dated 11 July 2018 by the Chief Audit Executive.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls is ineffective around the Final Internal Audit Report on Payroll Management, be NOTED.</p> <p>(b) That the payroll policy and procedure manual should be developed to include all critical components. It should be reviewed for completeness and accuracy by management, approved by council and thereafter rolled out by management.</p> <p>(c) That the payroll policy and procedure manual should be published on the Msunduzi Municipality's website and intranet and updated on an annual basis.</p> <p>(d) That a segregation of duties matrix related to the performance of critical functions within the payroll management process should be developed, approved and rolled out by management.</p> <p>(e) That ongoing monitoring and review to ensure compliance to the control.</p> <p>(f) That on a bi-annual basis, management should review user access profiles to ensure that only valid authorised employees are granted access to the payroll system.</p> <p>(g) That inappropriate access granted per the table above should be immediately removed.</p> <p>(h) That logical access to the system should be aligned to the roles and responsibilities of the users and should be reviewed on a bi-annual basis by management.</p> <p>(i) That all employees whose salaries deviates from the salary grade as per TASK should be adequately approved by senior management and kept in the employee file.</p> <p>(j) That all employee allowances, deductions and benefits should be adequately approved and the supporting documents should be kept in the employee file.</p> <p>(k) That for all new pension fund amendments, management should perform a review of the data loaded on the payroll master-file to the approved membership election forms to identify inaccuracies.</p> <p>(l) That approval of the salary and payroll statutory payments should be performed timeously and prior to the actual payment.</p> <p>(m) That the approval of payment documents should be completed in full and the approver should stipulate their recommendation prior to the payment being made.</p> <p>(n) That for all payments made on behalf of the specific approvers, there should be an approved delegation of approval authorising the individual thereto.</p> <p>(o) That supporting documents should be prepared and approved to support all amendments to the SAP payroll master-file.</p> <p>(p) That personnel forms for contract workers should be signed by the employee has acceptance of the placement and approved by management.</p> <p>(q) That for all changes to the SAP master-file, a master-file amendment form should be prepared which are sequentially numbered.</p> <p>(r) That Masterfile amendment forms should be signed as evidence of approval in accordance with approved delegation of authorities prior to loading onto the SAP master-file.</p> <p>(s) That on a periodic basis, the payroll master-file should be generated, reviewed and signed by management as evidence of validity and accuracy.</p> <p>(t) That on a monthly basis, a payroll master-file exception report should be generated, reviewed and signed by management as evidence of review.</p> <p>(u) That amendments reflected on the monthly payroll master-file exception report should be agreed to approved supporting documentation.</p> <p>(v) That on commencement of employment, all new employees should be required to complete and sign a pension fund membership election form.</p> <p>(w) That for existing employees with no membership election forms in place; a form should be completed, approved and kept in the respective employee files.</p> <p>(x) That monthly reconciliations should be performed and reviewed to identify all permanent employees who are members of the pension fund but for which no deduction and contributions are made.</p> <p>(y) That on an annual basis, management should perform a physical verification of employees to ensure the existence of all valid employees within the municipality.</p> <p>(z) That a reconciliation should be performed between the physical verification of employees and the number of employees as per the SAP payroll system.</p> <p>(aa) That SAP payroll system should be configured to generate variance reports on a monthly basis which should be reviewed for anomalies and approved by management thereto.</p> <p>(bb) That the comprehensive reconciliation should be timeously reviewed and approved by management on a monthly basis and signed and dated as evidence thereof.</p> |

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|      | <p><b><u>10.7. FINAL INTERNAL AUDIT REPORT ON THE DRAFT BUDGET [3.10.1.1]</u></b></p> <p>Report dated 18 July 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are partially adequate and operation of the system of internal controls is partially effective around The Draft Budget Report.</p> <p>(a) That the Senior Manager : Budget Implementation and Monitoring and the Chief Financial Officer should adequately review amounts recorded in the Draft Budget to ensure that the amounts contained in the budget are complete, valid and accurate. The budget must be corrected prior to being submitted for approval to Council.</p> <p><b><u>10.8. FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF PERFORMANCE INFORMATION (Alignment and Usefulness Testing) [3.10.1.1]</u></b></p> <p>Report dated 18 July 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are Inadequate and operation of the system of internal controls is Ineffective around The Final Internal Audit Report on The Audit of Performance Information (Alignment and Usefulness Testing), be NOTED.</p> <p>(b) That Management should ensure and promote adherence to the implementation requirements of the SOPs and policies and procedures.</p> <p>(c) That Management in all departments should hold their teams accountable for non-compliance with the implantation requirements of the SOPs and policies and procedures, poor and non- submission of the performance information.</p> <p>(d) That Management should document performance information systems that will include technical indicator descriptions for each indicator relevant to the development priority / objective to clearly identify and distinguish between inputs, process and outputs / reporting.</p> <p>(e) That Management should ensure that planned organisational performance indicators in the IDP are set with performance targets in line with the principles of the Municipal Systems Act and FMPPI.</p> <p>(f) That Management should review the Integrated Development Plan (IDP) to ensure that planned information reported in the document is valid, accurate and complete.</p> <p>(g) That Management should maintain a summative Service Delivery and Budget Implementation Plan (SDBIP) per year in line with the 5-year period of the IDP that will indicate performance targets that have been achieved over the period as this is year 5 of the IDP.</p> <p>(h) That Management should review SDBIP to ensure that planned information reported in the document is valid, accurate and complete.</p> <p>(i) That Management should review IDP and SDBIP for proper alignment of goals, objectives and strategies between these documents.</p> <p>(j) That Management should consider reviewing budgetary processes to ensure that budget as required by Treasury and SDBIP are aligned.</p> <p>(k) That Management should ensure that planned organisational performance indicators in the SDBIP updated to be applicable for the relevant year under review.</p> <p><b><u>10.9. FINAL INTERNAL AUDIT REPORT ON AUDIT OF PERFORMANCE INFORMATION QUARTER 2 – MID – TERM OF 2017/2018 [3.10.1.1]</u></b></p> <p>Report dated 2 August 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED</b></p> <p>That the report dated 2 August 2018 incorporating the recommendations of the Strategic Management Committee on the Final Internal Audit Report On Audit Of Performance Information Quarter 2 – Mid – Term Of 2017/2018 be STOOD DOWN.</p> <p><b><u>10.10. FINAL INTERNAL AUDIT REPORT ON AUDIT OF PERFORMANCE INFORMATION QUARTER 3 – OF 2017/2018[3.10.1.1]</u></b></p> <p>Report dated 2 August 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p>(The report was not placed on the agenda).</p> <p><b>RESOLVED</b></p> <p>That the report dated 2 August 2018 incorporating the recommendations of the Strategic Management Committee on the Final Internal Audit Report On Audit Of Performance Information Quarter 3 – Of 2017/2018 be STOOD DOWN.</p> |
|      | <p><b><u>11. RISK MANAGEMENT</u></b></p> <p><b><u>11.1. REPORT ON THE RISK MANAGEMENT FUNCTION FOR THE MONTH OF MARCH 2018 [3.10.1.1]</u></b></p> <p>Report dated 14 May 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the report dated 14 May 2018 incorporating the recommendations of the Strategic Management Committee on the Report On The Risk Management Function For The Month Of March 2018 be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

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|      | <p><b>12. CONSOLIDATED AUDIT FINDINGS REGISTER STATUS AT MSUNDUZI</b></p> <p>12.1. (i) <b><u>PROGRESS REPORT OF MSUNDUZI MUNICIPALITY ON AUDITOR GENERAL FINDINGS TRACKER 2016/2017 FINANCIAL YEAR AND INTERNAL AUDIT FINDINGS TRACKER 2017/2018 FINANCIAL YEAR [3.10.1.1]</u></b></p> <p>(ii) <b><u>PROGRESS REPORT OF MSUNDUZI MUNICIPALITY ON AG FINDINGS TRACKER 2017/2018 FINANCIAL YEAR</u></b></p> <p>It was reported that the reports were overtaken by events. The Department of Cooperative Governance and Traditional Affairs and National Treasury were already updated on the recent reports completed.</p> <p><b>RESOLVED</b></p> <p>That the Audit Readiness Consultant liaises with the Finance Business Unit in order to ensure that the reports in (i) and (ii) above are updated accordingly as the months on June and August were omitted in the reports.</p> <p><b>12.2. ANNEXURE B – AUDITOR GENERAL FINDINGS TRACKING TOOL MSUNDUZI MUNICIPALITY 2016/2017 FINANCIAL YEAR [3.10.1.1]</b></p> <p>This report was not discussed as it was reported that it was overtaken by events and required to be updated.</p> <p>NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|      | <p><b>13. PERFORMANCE ASSESSMENT SCHEDULE FOR THE 2018/2019 FINANCIAL YEAR [10.4.1]</b></p> <p>Report dated 8 June 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the report dated 8 June 2018 in respect of the Performance Assessment Schedule for the 2018/2019 Financial Year be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|      | <p><b>14. IT GOVERNANCE REPORT</b></p> <p><b>RESOLVED</b></p> <p>That the report on IT Governance be STOOD DOWN; it being noted that a progress report should be submitted quarterly to Audit Committee meetings.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|      | <p><b>15.1. SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 – MARCH 2018 [3.7.1(2017/2018)]</b></p> <p>Report dated 15 May 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p>It was reported that in terms of the grants, the Municipality was still applying for rollovers. It was further reported that the capital funding in the current financial year was severely more underspent than the previous financial year.</p> <p><b>RESOLVED</b></p> <p>That the report on Section 71 of the Municipal Finance Management Act No 56 of 2003 – March 2018 be NOTED.</p> <p><b>15.2. SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : EXPENDITURE ON STAFF BENEFITS MONTHLY REPORT : MARCH 2018 : [3.7.1 (2017/2018)]</b></p> <p>Report dated 15 May 2018 incorporating the recommendations of the Strategic Management.</p> <p>It was reported that the overtime for emergency workers was centralized at the Office of the City Manager.</p> <p>It was further reported that all other overtime workers had to seek the pre-approval for before receiving the overtime approval for payment to be made.</p> <p><b>RESOLVED</b></p> <p>That the Section 66 report for March 2018 be NOTED.</p> <p><b>15.3. METER READING STATISTICS: MARCH 2018 [3.3.1.2.1]</b></p> <p>Report dated 15 June 2018 incorporating the recommendations of the Strategic Management</p> <p><b>RESOLVED</b></p> <p>That the report dated 15 June 2018 incorporating the recommendations of the Strategic Management be STOOD DOWN, as it was outdated and had been overtaken by events.</p> <p><b>15.4. METER READING STATISTICS: MAY 2018 [3.3.1.2.1]</b></p> <p>Report dated 10 July 2018 incorporating the recommendations of the Strategic Management</p> <p><b>RESOLVED</b></p> <p>That the report dated 10 July 2018 incorporating the recommendations of the Strategic Management be STOOD DOWN, as it was outdated and had been overtaken by events.</p> |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|      | <p><b><u>16. IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE</u></b></p> <p><b><u>16.1. IRREGULAR EXPENDITURE REPORT</u></b></p> <p>Report by the Chief Financial Officer.</p> <p><b>RESOLVED</b></p> <p>That the item on Irregular Expenditure be STOOD DOWN until the next meeting of the Audit Committee.</p> <p><b><u>16.2. FRUITLESS AND WASTE EXPENDITURE REPORT</u></b></p> <p>Report by the Chief Financial Officer.</p> <p><b>RESOLVED</b></p> <p>That the item on Fruitless and Waste Expenditure be STOOD DOWN until the next meeting of the Audit Committee.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|      | <p><b><u>17. REPORTS ON MUNICIPAL ENTITIES</u></b></p> <p><b><u>17.1 REPORT FROM SAFE CITY ON THE QUARTERLY FINANCIAL PERFORMANCE [3.10.1.1]</u></b></p> <p>Report by Manager : Safe City.</p> <p><b>RESOLVED</b></p> <p>That the report on Safe City Quarterly Financial Performance be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|      | <p><b><u>LEGAL REPORT</u></b></p> <p><b><u>18.1. REPORT ON SIGNIFICANT LEGAL MATTERS</u></b></p> <p>Report by the Legal Advisor.</p> <p><b>NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES</b></p> <p>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>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|      | <p><b><u>VARIOUS REPORTS</u></b></p> <p><b><u>19.1. DEFICIENCIES IN THE APPOINTMENT AND MONITORING OF SERVICE PROVIDERS FOR THE GREATER EDENDALE AND VULUNDLELA DEVELOPMENT INITIATIVE AND SCHEDULE OF FINDINGS [4.4.4.5]</u></b></p> <p>Report dated 22 January 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED</b></p> <p>That the Audit Finding 4 on the GEVDI Internal Audit Report viz, "Deficiencies in the Appointment and Monitoring of Service Providers for the Greater Edendale and Vulundlela Development Initiative and Schedule of Findings" be removed as the Supply Chain Process has commenced.</p> <p><b><u>19.2. INTERNAL AUDIT FINDINGS PROGRESS REPORT ON FUEL [13.4.2.5]</u></b></p> <p>Report dated 17 May 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED</b></p> <p>That the report dated 17 May 2018 incorporating the recommendations of the Strategic Management Committee on the Internal Audit Findings Progress Report On Fuel be NOTED.</p> <p><b><u>19.3. AUDITOR GENERAL OF SOUTH AFRICA FINDINGS PROGRESS REPORT [3.10.1.1]</u></b></p> <p>Report dated 17 May 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED</b></p> <p>That the report dated 17 May 2018 incorporating the recommendations of the Strategic Management Committee on the Auditor General of South Africa Findings Progress Report be NOTED.</p> <p><b><u>19.4. REQUEST TO REMOVE AUDIT FINDINGS IN TERMS OF THE ANNUAL AUDIT PLAN FOR THE 2014/2015 FINANCIAL YEAR FOR BUILDING INSPECTORATE AND URBAN SERVICES UNIT (BUILDING CONTROL AND SIGNAGE [3.10.1.1])</u></b></p> <p>Report dated 30 April 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED</b></p> <p>That the report dated 30 April 2018 incorporating the recommendations of the Strategic Management Committee on the Request To Remove Audit Findings In Terms Of The Annual Audit Plan For The 2014/2015 Financial Year For Building Inspectorate And Urban Services Unit (Building Control And Signage be, NOTED.</p> |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|      | <p><b><u>20.1. REPORT ON THE TURNAROUND PLAN FOR AN UNQUALIFIED 2017/2018 AUDIT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item be REMOVED from the agenda, in view of the project with KPMG being completed.</p> <p><b><u>20.2. UPDATE ON SAP POST IMPLEMENTATION AND MSCOA UPDATE AND ALIGNMENT TO APPROVED BUSINESS PROCESSES (Matters arising July 2017 – Challenges of the current LIVE phases of SAP and how these are being dealt with and how it is affecting the financial business processes)</u></b></p> <p>Presentation by the Chief Financial Officer.</p> <p><b>RESOLVED</b></p> <p>That the item on Update On SAP Post Implementation and mSCOA Update and Alignment to Approved Business Processes be STOOD DOWN and a presentation be conducted at the next meeting of the Audit Committee.</p> <p><b><u>20. UPDATE BY THE AUDITOR GENERAL – AUDIT STRATEGY</u></b></p> <p>(Item 20.1. of the agenda).</p> <p>Presentation by B Thabethe (AGSA).</p> <p>(Raised Verbally).</p> <p>The Senior Manager: AGSA briefed committee on the Audit Strategy.</p> <p>The Chairperson indicated that if all role players worked efficiently and worked on a voluntarily basis during the audit at Msunduzi by the Auditor General team, an understanding will be developed and sustained. He raised a concern that it seemed that Msunduzi was paying a higher fee to the Auditor General.</p> <p><b>RESOLVED</b></p> <p>That the Audit Strategy by the Auditor General of South Africa, which was tabled at the current meeting of the Audit Committee, be NOTED.</p> |
|      | <p><b><u>CONFIDENTIAL: NOT FOR PUBLICATION</u></b></p> <p><b><u>21. CONFIRMATION OF CONFIDENTIAL MINUTES [3.10.1.1]</u></b></p> <p>(a) Minutes of the meeting held on 6 April 2018.<br/>(b) Minutes of the meeting held on 8 June 2018.</p> <p><b>NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES</b></p> <p>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>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|      | <p><b><u>CONFIDENTIAL: NOT FOR PUBLICATION</u></b></p> <p><b><u>23. QUARTERLY REPORT ON THE WHISTLE BLOWING HOTLINE : 1 APRIL 2018 TO 30 JUNE 2018 [3.10.1.1]</u></b></p> <p><b><u>24. ALLEGATIONS OF ILLEGAL ELECTRICITY CONNECTIONS AND MUNICIPAL VEHICLE ABUSE RECEIVED THROUGH THE WHISTLE BLOWING HOTLINE FOR THE MONTH OF APRIL 2018 [3.10.1.1]</u></b></p> <p><b><u>25. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES RELATING TO ACCOUNT NUMBER 02749123 [3.10.1.1]</u></b></p> <p><b><u>26. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES RELATING TO ACCOUNT NUMBER 0358851[3.10.1.1]</u></b></p> <p><b><u>27. REPORT ON THE STATUS OF FORENSIC INVESTIGATIONS AT MSUNDUZI</u></b></p> <p><b><u>28. UPDATE ON REGISTER OF DISCIPLINARY MATTERS [3.10.1.1]</u></b></p> <p><b>NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES</b></p> <p>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>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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| 01 Nov<br>2018 | <p><b>8. MATTERS ARISING</b></p> <p><b>8.1. PROGRESS ON SAP</b></p> <p>(Items of the Outstanding matters report dated 25 September 2018)</p> <p><b>RESOLVED</b></p> <p>That this item on Progress on SAP be removed as it was dealt with.</p> <p><b>8.2. FINAL INTERNAL AUDIT REPORT ON THE ART GALLERY MANAGEMENT [3.10.1.1]</b></p> <p><b>RESOLVED</b></p> <p>That this item on Final Internal Audit Report on the Art Gallery Management remain on the outstanding matters report as it was not dealt with.</p> <p><b>8.3. REPORT ON THE LAND AUDIT</b></p> <p><b>RESOLVED</b></p> <p>(a) It was NOTED that report titled “ Progress report : Review of the Msunduzi Municipal Land Audit and Preparation of the Land Audit in GIS/ICT format” was discussed at the Audit Committee meeting on 1 November 2018 as item 17.3 of the agenda dated 1 November 2018.</p> <p>(b) That further progress report will be required to be submitted by the General Manager : Sustainable Development and City Enterprises at the next meeting of the Audit Committee.</p> <p><b>8.4. REPORT ON THE LEASE AUDIT</b></p> <p><b>RESOLVED</b></p> <p>That this item on Report on the Lease Audit remain on the outstanding matters report as it was not dealt with; it being noted that the Senior Manager : Assets submits a report to the next meeting of the Audit Committee on the follow up of the leases.</p> <p><b>8.5. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES OCCURRING AT FINANCE SECTION – GIYAN ENGINEERING [3.10.1.1]</b></p> <p><b>RESOLVED</b></p> <p>That this item on Forensic Investigation Into Alleged Irregularities Occurring At Finance Section – Giyan Engineering be REMOVED from the Outstanding Matters as the matter was dealt with.</p> <p><b>8.6. FINAL INTERNAL AUDIT REPORT OF WRITE-OFFS AND ADJUSTMENTS ON CONSUMER BILLING ACCOUNTS ON THE PROMIS INCOME SYSTEM [3.10.1.1]</b></p> <p><b>RESOLVED</b></p> <p>That this item on Final Internal Audit Report Of Write-Offs And Adjustments On Consumer Billing Accounts On The PROMIS Income System was completed, however a report be submitted by the Senior Manager : Income (Acting) to the next meeting of the Audit Committee in order for the matter to be closed.</p> <p><b>8.7. MSUNDUZI RAISED AS A DEBTOR [3.10.1.1]</b></p> <p><b>RESOLVED</b></p> <p>(d) It was reported that the Infrastructure Unit was not restricting the water supply as they were not aware of which properties’ meters to restrict.</p> <p>(e) That Infrastructure Unit be given a latest list of properties falling under Msunduzi.</p> <p>(f) That the Senior Manager : Income (Acting) and the General Manager : Sustainable Enterprises (Acting) meet with Councillors in the wards affected, to inform them that the owners are only to be contacted and not the tenants</p> <p><b>8.8. SECTION 71/SECTION 52 (D) REPORT OF THE MFMA NO 56 OF 2003 – JUNE 2017 [3.7.P]</b></p> <p><b>RESOLVED</b></p> <p>That the item on Section 71/Section 52 (D) report of the MFMA No 56 Of 2003 – June 2017 remains outstanding; it being noted that a report be submitted to the next meeting of the Audit Committee.</p> <p><b>8.9. PRESENTATION OF PREPAID WATER METERING</b></p> <p><b>RESOLVED</b></p> <p>That the item on Presentation Of Prepaid Water Metering remains on the outstanding matters report, pending a report to be submitted by the General Manager : Infrastructure Services [Acting], it being noted that Finance Business Unit comments were awaited in respect of the report, further noting that the task team to carry out an investigation.</p> <p><b>8.10. REVISION OF THE ANNUAL AUDIT PLAN [3.10.1.1]</b></p> <p><b>RESOLVED</b></p> <p>That the item on Revision Of The Annual Audit Plan be removed from the outstanding matters report as it has been dealt with.</p> |





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|      | <p><b><u>8.11. FINAL INTERNAL AUDIT REPORT ON DEBTORS MANAGEMENT [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the item on Final Internal Audit Report On Debtors Management remains on the outstanding matters report, pending a report to be submitted by the Senior Manager : Human Resources, since the supervisor post was not filled yet.</p>                                                                                                                                                           |
|      | <p><b><u>8.12. MFMA SECTION 71 AND SECTION 72 (D) MONTHLY, MID YEAR AND QUARTERLY REPORTS [3.7.1 (2017/2018)]</u></b></p> <p><b>RESOLVED</b></p> <p>That the item on remains on MFMA Section 71 And Section 72 (D) Monthly, Mid-Year and Quarterly Reports remains on the outstanding matters report, pending a report to be submitted by the Senior Manager : Expenditure [Acting]</p>                                                                                                                               |
|      | <p><b><u>8.13. QUARTER 2 (OCTOBER – DECEMBER 2017) ON THE 2017/2018 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) AND OPERATIONAL PLAN (OP) [10.4.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the item on Quarter 2 (October – December 2017) On The 2017/2018 Service Delivery And Budget Implementation Plan (SDBIP) And Operational Plan (OP) be removed from the Outstanding matters report as the matter was dealt with.</p>                                                                         |
|      | <p><b><u>8.14. CONSOLIDATED AUDIT FINDINGS REGISTER STATUS AT MSUNDUZI : PROGRESS REPORT ON 2015/2016 AND 2016/2017 INTERNAL AUDIT FINDINGS [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the item on Consolidated Audit Findings Register Status At Msunduzi : Progress Report On 2015/2016 And 2016/2017 Internal Audit Findings remains on the outstanding matters report, pending a report/presentation to be submitted by the Audit Readiness Consultant to the next meeting of the Audit Committee.</p> |
|      | <p><b><u>8.15. PRESENTATION OF HIGH LEVEL FINDINGS BY KPMG</u></b></p> <p><b>RESOLVED</b></p> <p>That the work study officers who were employed on contract started on 3 September 2018; it being noted that a report in respect of progress be submitted to future Audit Committee meetings for noting.</p>                                                                                                                                                                                                          |
|      | <p><b><u>8.16. INTERNAL AUDIT 2017/2018 ANNUAL AUDIT PLAN STATUS UPDATE [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>This item was reported as part of Item 22 on the agenda dated 1 November 2018, therefore the item be removed as it was dealt with.</p>                                                                                                                                                                                                                                                       |

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|      | <p><b>INTERNAL AUDIT (ASSURANCE)</b></p> <p><b>10.1. FINAL INTERNAL AUDIT REPORT ON SAP POST IMPLEMENTATION REVIEW (Phase 2 – Application Controls Including Data Migration Review).</b></p> <p>Report dated 14 August 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls is ineffective around the outcome of the Final Internal Audit Report On Sap Post Implementation Review (Phase 2 – (a) Application Controls Including Data Migration Review), be NOTED.</p> <p>(b) That management should ensure that inappropriate access be remediated. Periodic reviews of user accounts together with the corresponding transaction codes assigned should be performed by independent senior officials. Furthermore, evidence of these reviews should be retained.</p> <p>(c) That periodic user access reviews should be conducted to identify users with excessive access and segregation of duties concerns. Access for the accounts that were used during the implementation of SAP should be revoked. Furthermore, the activities performed on production environment should be monitored on a regular basis.</p> <p>(d) That management should ensure that a refresh training course for the SAP ISU super-users is conducted by EOH, so that for first line IT support can be provided by the internal Msunduzi staff, i.e. SAP super-users. This will thereby reduce the dependency on EOH and upskill current internal staff.</p> <p>(e) That management should ensure that the formalised clearing rules are located. In addition, a centralised document retention repository should be established.</p> <p>(f) That management should investigate all ISU Masterfile information creation or changes effected without approval documentation and ensure that adequate record keeping activities are performed and source documentation can be made available upon request.</p> <p>(g) That management should ensure that there is an automated posting between the SAP HCM and SAP ISU modules.</p> <p>(h) That management should contact the service providers to ensure that the information received from them are encrypted. If this is not feasible, an automated interface should be created to upload the information. In addition, SAP should be configured to prevent duplicate files from being uploaded.</p> <p>(i) That management should ensure that the information uploaded to ISU, which is obtained from MetVal, is updated by the MetVal Program A/valuation automated interface that already exists on SAP through execution of the Valuation interface Program, i.e. ZMETVAL.</p> <p>(j) That management should enable the meter reading functionality within SAP. If this is not currently feasible, the transfer of information between NeoMeter and SAP should be automated.</p> <p>(k) That management should ensure that the system is configured to prevent duplicate business partners from being created.</p> <p>(l) That management should ensure that inappropriate access is remediated in a timely manner.</p> <p>(m) That periodic reviews of user accounts together with the corresponding transaction codes assigned to user accounts should be performed by independent senior officials. Furthermore, evidence of these reviews should be retained.</p> <p>(n) That management should ensure that all activities of the SAP super users are logged, logs are reviewed on a regular basis either electronically or manually by an independent senior official for appropriateness and that evidence of the reviews are maintained.</p> <p>(o) That management should ensure that all assets are captured on the system before it is released to the users for use.</p> <p>(p) That in addition, regular spots checks should be performed at the municipality premises to verify that all assets found on the municipality premises has been appropriately captured in the asset register.</p> <p>(q) That management should ensure that there is an adequate succession plan in place and that existing staff members are upskilled to assume the responsibilities of staff that are away for extended periods of time to ensure continuity of operations.</p> <p>(r) That management should ensure that inappropriate access as identified in the finding is remediated in a timely manner.</p> <p>(s) That management should ensure that staff are adequately trained on how to use the system and that the service provider provides adequate support. This will enable staff to generate and provide the requested information in a timely manner for review.</p> <p>(t) That management should ensure that Landfill invoice upload is done through an interface with the Landfill system as per the approved blueprint document for the SAP SD module.</p> <p>(u) That management should ensure that the super user accounts are appropriately secured and disabled in the production environment when not required for use.</p> <p>(v) That management should consider implementing an SOD monitoring tool to monitor and track SOD conflicts. Where SOD conflicts identified the management should be notified to address the issue immediately.</p> <p>(w) That management should ensure that the SAP PS module is configured as per the requirements of the SAP training manual documents.</p> <p>(x) That management should ensure that approved copies of training manuals exist and can be provided for review upon request.</p> <p>(y) That the SAP RE module should be configured to automatically interface with METVAL.</p> <p>(z) That management should ensure that SAP modules are implemented in their entirety, including all sub-modules and relevant functionality as the per the signed blueprint documents.</p> <p>(aa) That management should ensure that the SAP RE module is configured as per the requirements of the SAP blueprint/training manual documents.</p> <p><b>10.2. FINAL INTERNAL AUDIT REPORT ON AUDIT OF PERFORMANCE INFORMATION QUARTER 2 OF 2017/2018</b></p> <p>Report dated 2 October 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are adequate and operation of the system of internal controls is ineffective around the Final Internal Audit Report on Audit of Performance Information Quarter 2 of 2017/18, be NOTED.</p> <p>(b) That the responsible person for the Business Unit should ensure that the Portfolio of Evidence Files are submitted for the review to ensure compliance with the Regulation.</p> <p>(c) That a Review should be performed on the Portfolio of Evidence Files to ensure compliance with the Act and the regulations.</p> <p>(d) That the Portfolio of Evidence files should be updated as and when a particular target is achieved and this information should inform the information reported on the monthly and quarterly SDBIP and not at the end of the quarter upon Internal Audit's request.</p> <p>(e) The Portfolio of Evidence file should be reviewed/spot checked by the General Manager evidenced by spot review marks and a signature.</p> <p>(f) That the Portfolio of Evidence Files should be provided for auditing 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.</p> <p>(g) That the City Manager should take action against the General Managers of the business units that fail to comply with the above.</p> <p>(h) That Senior Managers should ensure that all performance reported is accompanied by supporting documentation that is valid, verifiable and relevant.</p> <p>(i) That Senior Managers should ensure that all performance reported is supported by the Service Delivery Budget Implementation Plan reporting template and that the template is signed by the preparer and reviewer within the business unit.</p> <p>(j) That Senior Managers should ensure that all performance reported is supported by documentation that is valid, verifiable and relevant.</p> <p>(k) That General Managers should conduct a thorough review of the quarterly progress reports and ensure that all performance reported is verified against supporting documentation to confirm the validity and accuracy of the reported performance.</p> |

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|      | <p><b>10.3. FINAL INTERNAL AUDIT REPORT ON AUDIT OF PERFORMANCE INFORMATION QUARTER 3 OF 2017/2018</b></p> <p>Report dated 2 October 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are adequate and operation of the system of internal controls is ineffective around the Final Internal Audit Report on Audit of Performance Information Quarter 3 of 2017/18 be NOTED.</p> <p>(b) That the responsible person for the Business Unit should ensure that the Portfolio of Evidence Files are submitted for the review to ensure compliance with the Regulation.</p> <p>(c) That a Review should be performed on the Portfolio of Evidence Files to ensure compliance with the Act and the regulations.</p> <p>(d) That the Portfolio of Evidence file should be updated as and when a particular target is achieved and this information should inform the information reported on the monthly and quarterly Service Delivery and Budget Implementation Plan and not at the end of the quarter upon Internal Audit's request.</p> <p>(e) That the Portfolio of Evidence file should be reviewed/spot checked by the General Manager evidenced by spot review marks and a signature.</p> <p>(f) That Portfolio of Evidence files should be provided for auditing 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.</p> <p>(g) That the City Manager should take action against the General Managers of the business units that fail to comply with the above.</p> <p>(h) That Senior Managers should ensure that all performance reported is accompanied by supporting documentation that is valid, verifiable and relevant.</p> <p>(i) That Senior Managers should ensure that all performance reported is supported by the SDBIP reporting template and that the template is signed by the preparer and reviewer within the business unit.</p> <p>(j) That the actual achievement that was recorded should have read a rating of 3 (100% - 129%).</p> <p>(k) That General Managers should conduct a thorough review of the quarterly progress reports and ensure that all performance reported is verified against supporting documentation to confirm the validity and accuracy of the reported performance.</p> <p>(l) That the actual achievement that was recorded should have read "None" and not 69% and below as there was no progress made towards the achievement of the target.</p>                                                                                                                                                                                                                                       |
|      | <p><b>10.4. FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF MSUNDUZI MUNICIPALITY'S ANNUAL FINANCIAL STATEMENTS [3.10.1.1]</b></p> <p>Report dated 18 October 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls is ineffective around the Final Internal Audit Report on the Review of the Annual Financial Statements, be NOTED.</p> <p>(a) That Management should perform the following:</p> <ul style="list-style-type: none"> <li>• Ensure early action for correction of prior year figures and ensure that these are addressed before the year end.</li> <li>• Ensure early that the corrections done are audited by the AGSA as early as possible or during the planning phase.</li> <li>• Ensure comparative figures in the face of the Annual Financial Statements are cross-referenced to their adjustments in the prior period error note.</li> <li>• Review Annual Financial Statements for accuracy before submission for audit.</li> <li>• Assess and disclose the impact of the GRAP standards issued but not effective as require by GRAP 3, paragraph 32 and paragraph 33(e)(i) and(ii).</li> <li>• Design systems of internal control to ensure smooth adoption of the new accounting standards to enable collation of comparative information throughout the affected period.</li> <li>• Review Annual Financial Statements for compliance with GRAP standards before submission for audit.</li> <li>• Develop GRAP compliance checklist as review mechanisms to ensure complete and full compliance of the Annual Financial Statements with GRAP.</li> <li>• Disclose the future minimum finance lease payment as require by GRAP 13, paragraph 38(b).</li> <li>• Disclose the future minimum operating lease payment as require by GRAP 13, paragraph 42(a).</li> <li>• Disclose the physical quantities of each group of agricultural assets including their output at the point of harvest as required by GRAP 27, paragraph 42 and paragraph 43.</li> <li>• Identify pledges and recorded them at the point when they are realized and if no pledges this should be indicated as such in Annual Financial Statements.</li> <li>• Disclose the carrying amount of inventory pledged as a security for liabilities as required by GRAP 12, paragraph 47(h).</li> <li>• Ensure that all financial line items in the annual financial statements are supported by sufficient appropriate supporting evidence.</li> <li>• Adjust and correct the variances noted.</li> <li>• Follow up on the actual status of the audit action plan implementation and adjust the annual financial statements.</li> <li>• Disclose the items that have not been successfully implemented for urgent actioning and follow up.</li> </ul> |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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|      | <p><b><u>10.5. FINAL INTERNAL AUDIT REPORT ON SAFE CITY (PTY) ANNUAL FINANCIAL STATEMENTS [3.10.1.1]</u></b></p> <p>Report dated 18 October 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls is ineffective around the Review of the Safe City (PTY) Ltd Annual Financial Statements, be NOTED.</p> <p>(b) That Management should Disclose the GRAP standards issued but not effective as require by GRAP 3, paragraph 32. (In the Accounting standard board website these are the standards not yet effective: GRAP 20, 32, 34, 35, 36, 37, 38, 108, 109 and 110. Interpretation GRAP 17, 18 and 19.</p> <p>(c) That Management should review Annual Financial Statements for compliance with GRAP standards before submission for audit.</p> <p>(d) That Management should Disclose the GRAP standards issued but not effective as require by GRAP 3, paragraph 32.</p> <p>(e) That In the Accounting standard board website these are the standards not yet effective:</p> <p>i. GRAP 20, 32, 34, 35, 36, 37, 38, 108, 109 and 110.</p> <p>ii. Interpretation GRAP 17, 18 and 19.</p> <p>(f) That Management should review Annual Financial Statements for compliance with GRAP standards before submission for audit.</p> <p>(g) That Management should ensure that line items in the face of the Annual Financial Statements are cross-referenced to their corresponding disclosure notes.</p> <p>(h) That Management should review Annual Financial Statements for accuracy before submission for audit.</p> <p>(i) That Management should ensure that Accounting Policy relating to Revenue from Non-Exchange Transactions is developed, adopted and included in the financial statements.</p> <p>(j) That Management should ensure that particulars relating to the salaries, allowances and benefits for board of directors, chief executive officer and other senior managers of the entity are included in the note of the Employee Costs.</p> <p>(k) That Management should reclassify Interest Income as Finance Income in the Statement of Financial Performance and in the Disclosure Note.</p> <p>(l) That Management should ensure the Income Tax refund received is adjusted from the trade and other payables and be recorded in the Statement of Financial Performance as Other Income.</p> <p>(m) That the Statement of Changes in Net Assets and Cash Flows should be also adjusted to reflect the correction.</p> <p>(n) That Management should ensure that VAT refund not received from SARS is adjusted from the Trade and Other and be recorded as Trade and Other Receivables.</p> <p>(o) That Management should seek the necessary guidance/training with regards to reconfigure the Case-ware software to report Cash Flow from Operating Activities in accordance with the direct method as prescribed by GRAP 2, paragraph 19.</p> <p>(p) That Management should perform the following:</p> <p>i. Adjust the value amount of R78 289.00 as reflected in the supplementary budgetary statement to reflect the correct amount of R53 099.00.</p> <p>ii. Other expenses reflected in the supplementary budgetary statement be adjusted by the difference that is noted between R78 289.00 and R53 099.00.</p> <p>(q) That Management should re-visit the entire population of transactions and verify for the purpose of determining whether there are no other items that are affected by the similar incidents as noted above.</p> <p>(r) That Management should review Supply Chain Management policies and procedures to ensure that it is consistent with the parent municipality and Municipal Supply Chain Management Regulations.</p> <p><b><u>10.6. FINAL INTERNAL AUDIT REPORT ON THE HIGH LEVEL REVIEW OF THE 2016/2017 ANNUAL REPORT[3.10.1.1]</u></b></p> <p>Report dated 7 May 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the findings on the Final Internal Audit Report on the High Level Review of the 2016/2017 Annual Report be noted and that assurance be obtained from the Performance Management Section that all anomalies identified during the audit have been rectified prior to printing the final gloss copy of the Annual Report.</p> |
|      | <p><b><u>PERFORMANCE MANAGEMENT</u></b></p> <p><b><u>11.1. OUTSTANDING MATTER ITEM - QUARTER 2 (OCTOBER TO DECEMBER 2017) ON THE 2017/2018 SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN (SDBIP) AND OPERATIONAL PLAN (OP) [10.4.1]</u></b></p> <p>Report dated 8 October 2018 by the Manager : Organisational Compliance, Performance and Knowledge Management [Acting].</p> <p><b>RESOLVED</b></p> <p>(a) That the report on the Quarter 2 (October to December 2017) on the 2017/2018 Service Delivery Budget And Implementation Plan (SDBIP) And Operational Plan (OP) be NOTED, and removed from the Outstanding matters list of the Audit Committee.</p> <p>(b) That the Actions taken by the City Manager in respect of the poor performance report be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|      | <p><b><u>12. IT GOVERNANCE REPORT</u></b></p> <p>Concern was raised that monitoring and functioning of the structures of IT was not being done. Furthermore, it was pointed out that there was no action plan in place.</p> <p>The City Manager [Acting] pointed out that a per statutory requirements, the ICT Steering Committee was being revived as this was a critical problem raised by the Auditor General during the audit.</p> <p>The Chief Audit Executive also stated that a review on the entire governance of IT in the municipality was currently being undertaken in order to test whether the IT environment in the municipality was still intact.</p> <p><b>RESOLVED</b></p> <p>That the General Manager: Corporate Services ensures that a quarterly report on IT Governance which elaborates on governance and strategies, including high level summaries or a dashboard report, be submitted to the next meeting of the Audit Committee</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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|      | <p><b><u>13. QUARTERLY REPORT SECTION 52/71/66</u></b></p> <p><b><u>13.1. SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 – JULY 2018 [3.7.1(2017/2018)]</u></b></p> <p>Report dated 12 October 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p>Concern was raised that there was a 10% variance and whether it was reasonable. It was further suggested that a framework as guideline be developed in terms of variances. It was also pointed out that this matter on variances, was also raised as a query by the Auditor General.</p> <p><b>RESOLVED</b></p> <p>(a) That the report dated 12 October 2018 incorporating the recommendations of the Strategic Management Committee on the Section 71 of the Municipal Finance Management Act No 56 of 2003(as amended) – July 2018 be NOTED.</p> <p>(b) That in future the latest Section 71 reports be submitted to the Audit Committee meetings.</p> <p><b><u>13.2. SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : EXPENDITURE ON STAFF BENEFITS MONTHLY REPORT : AUGUST 2018 : [3.7.1 (2017/2018)]</u></b></p> <p>Report dated 8 October 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED</b></p> <p>(a) That the Section 66 report for August 2018 be NOTED.</p> <p>(b) That in future the latest Section 66 reports be submitted to the Audit Committee meetings.</p> <p><b><u>13.3. PROGRESS REPORT ON THE RECOMMENDATIONS MADE BY THE INTERNAL AUDIT UNIT AND REQUEST THE COMMITTEE TO APPROVE THE FINAL DRAFT OF THE PROCEDURE MANUAL FOR THE VALUATION UNIT [3.10.1.1]</u></b></p> <p>Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee.</p> <p><b>RESOLVED</b></p> <p>(a) That the Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee on the update of the implementations of the recommendations made by the Internal Audit Unit pertaining to operational processes within the Valuations Unit be NOTED.</p> <p>(b) That the procedure manual or the Valuations Unit that was developed in terms of the recommendations by the Internal Audit Unit be APPROVED.</p> <p>(c) That the recommendations made in relation to software system will be adopted on the appointment of the new service provider for the valuation software be NOTED.</p> <p><b><u>13.4. REPORT ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS [3.10.1.1]</u></b></p> <p>Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee.</p> <p><b>RESOLVED</b></p> <p>That the report dated 14 September 2018 incorporating the recommendations of the Strategic Management on the status of the implementation of Internal Audit Findings and recommendations as contained in the report dated 18 July 2018 be NOTED.</p> <p><b><u>13.5. PROGRESS ON THE IMPLEMENTATION OF FINANCIAL MANAGEMENT SYSTEM [SAP] FOR THE PERIOD 1 JANUARY 2018 TO 31 MARCH 2018 [2.2.3.2.4]</u></b></p> <p>Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee.</p> <p>It was reported that at the next Audit Committee as close out report on MSCOA and its implementation on the SAP would be presented by the consultants.</p> <p><b>RESOLVED</b></p> <p>That the progress on the implementation of the Financial Management System (SAP) for the period 1 January 2018 to 31 March 2018, be NOTED.</p> <p><b><u>13.6. REVIEW OF THE LONG TERM FINANCIAL PLAN [3.7.R]</u></b></p> <p>Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee.</p> <p><b>RESOLVED</b></p> <p>That the Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee on the Review Of The Long Term Financial Plan be STOOD DOWN, in view of a new Financial recovery plan being developed; it being noted that the new Long Term Financial Plan be submitted to the next meeting of the Audit Committee and the plan also be e-mailed to the Audit Committee members for perusal.</p> <p><b><u>13.7. KEY FINANCIAL INDICATORS/CASH FLOW REPORT FOR THE PERIOD JULY 2017 TO JUNE 2018 [YEAR TO DATED : APRIL 2018] [3.7.1 (2017/2018)]</u></b></p> <p>Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee.</p> <p><b>RESOLVED</b></p> <p>That the Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee on Key Financial Indicators/ Cash Flow Report for the Period July 2017 to June 2018 [year to date : April 2018] be STOOD DOWN, in view of an updated report required to be submitted to the next meeting of the Audit Committee as the current report was out dated.</p> |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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|      | <p><b><u>13.8. UNSPENT BALANCES OF CONDITIONAL GRANTS AS AT JUNE 2018 [3.4.5]</u></b></p> <p>Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee.</p> <p><b>RESOLVED</b></p> <p>That the Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee on Unspent Balances of Conditional Grants as at June 2018 be STOOD DOWN, in view of an updated report required to be submitted to the next meeting of the Audit Committee as the current report was out dated.</p> <p><b><u>13.9. WEEKLY CASHFLOW REPORT AND INVESTMENT REGISTER FOR THE MONTH ENDING 26 MAY 2018 [3.7.1 (2017/2018)]</u></b></p> <p>Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee.</p> <p><b>RESOLVED</b></p> <p>That the Report dated 14 September 2018 incorporating the recommendations of the Financial Services Portfolio Committee on Weekly Cash flow Report and Investment Register for the Month Ending 26 May 2018 be STOOD DOWN, in view of an updated report required to be submitted to the next meeting of the Audit Committee as the current report was out dated.</p> |
|      | <p><b><u>14. IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE</u></b></p> <p><b><u>14.1. IRREGULAR EXPENDITURE REPORT</u></b></p> <p>Report by the Chief Financial Officer.</p> <p>It was reported that this matter in respect of Irregular Expenditure was part of an investigation which was not complete and was the reason why the report was not submitted.</p> <p><b>RESOLVED</b></p> <p>That the item on Irregular Expenditure be STOOD DOWN until the next meeting of the Audit Committee.</p> <p><b><u>14.2. FRUITLESS AND WASTEFUL EXPENDITURE REPORT</u></b></p> <p>It was reported that Fruitless and Wasteful Expenditure was disclosed in the Annual Financial Statements. The critical issue pertained to the suspension of officials for an extended period of time who were paid and amounted to R11million.</p> <p><b>RESOLVED</b></p> <p>That the item on Fruitless and Waste Expenditure be STOOD DOWN until the next meeting of the Audit Committee.</p>                                                                                                                                                                                                                                                              |
|      | <p><b><u>REPORTS ON MUNICIPAL ENTITIES</u></b></p> <p><b><u>15.1 REPORT FROM SAFE CITY ON THE QUARTERLY FINANCIAL PERFORMANCE [3.10.1.1]</u></b></p> <p>Report by Manager : Safe City.</p> <p><b>RESOLVED</b></p> <p>That the report on Safe City Quarterly Financial Performance be STOOD DOWN, it being noted that the report was submitted late, subsequent to the agenda being printed.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|      | <p><b><u>CONFIDENTIAL: NOT FOR PUBLICATION</u></b></p> <p><b><u>16. LEGAL REPORT</u></b></p> <p><b><u>16.1. REPORT ON SIGNIFICANT LEGAL MATTERS</u></b></p> <p>Report by the Legal Advisor.</p> <p>(Tabled at the meeting).</p> <p><b>NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES</b></p> <p>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>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|      | <p><b><u>VARIOUS REPORTS</u></b></p> <p><b><u>17.1. UPDATE ON THE CREATION OF WORK STUDY UNIT THAT WILL FACILITATE STRUCTURAL REVIEW</u></b></p> <p>Report dated 15 August 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the progress to date on the creation of the unit as well as the recruitment progress be NOTED; noting that further reports must be submitted to the Strategic Management Committee and Audit Committee on a regular basis.</p> <p><b><u>17.2 REPORT ON THE TRANSPORTATION PLANNING MANAGEMENT POLICIES AND PROCEDURES[17.1.P]</u></b></p> <p>Report dated 16 August 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the report dated 16 August 2018 incorporating the recommendations of the Strategic Management Committee in respect of The Transportation Planning Management Policies And Procedures, be NOTED.</p> <p>(b) That the resolutions of the Strategic Management Committee meeting held on 7 August 2018, be NOTED.</p> <p><b><u>17.3. PROGRESS REPORT: REVIEW OF THE MSUNDUZI MUNICIPAL LAND AUDIT AND THE PREPARATION OF THE LAND AUDIT IN GIS/ICT FORMAT</u></b></p> <p>Report dated 18 October 2018 incorporating the recommendations of the Strategic Management Committee.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the progress pertaining to the Land Audit/GIS project, as detailed in the report dated 31 August 2018 by the General Manager : Sustainable Development and City Enterprises, be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|      | <p><b><u>AUDITOR GENERAL MATTERS</u></b></p> <p><b><u>18.1 UPDATE BY THE AUDITOR GENERAL</u></b></p> <p>It was indicated that the Auditor General was not present to report on their issues.</p> <p><b><u>18.2. REPORT BY THE ACTING CITY MANAGER AND THE ACTING CHIEF FINANCIAL OFFICER ON PROGRESS OF THE AUDIT FOR THE 2017/2018 FINANCIAL YEAR BY THE AUDITOR GENERAL</u></b></p> <p>(Raised Verbally).</p> <p>The Senior Manager: Financial Services [Acting] briefed Committee on behalf of the Acting City Manager and the Chief Financial Officer [Acting].</p> <p>The following key issues were highlighted in terms of the challenges experienced for submission to the AG :</p> <p>(i) <u>Auditing of Performance Operations (APO)</u> : This item was delayed in terms of submission as it took time to raise the finding, however the outstanding issues on the query raised by the AG were submitted.</p> <p>(ii) <u>Expanded Public Works Programme (EPWP)</u> : The EPWP lists of beneficiaries had to be compared to the Department of Home Affairs lists. The information was delayed on submission to the AG but it was submitted.</p> <p>(iii) <u>Revenue</u> : The Auditor General submitted the information they required and this item was discussed as part of the Audit Committee pre-meeting. More information was still to be submitted to the AG.</p> <p>(iv) <u>IDT</u> : Original documentation was requested by the AG and the municipality does not have these documents. Therefore they have to be obtained from the IDT itself.</p> <p>(v) <u>Consumer document requests</u> : It was pointed that the AG was still pushing for more requests and still auditing more information. More information was also being request for depreciation. The AG was still busy with their findings and the outcome of the audit. Documentation for revenue was to be submitted to the AG on time.</p> <p>(vi) <u>Communication</u> : A summary of the communication received during the audit was prepared and the municipality has responded. Most were Annual Financial Statement queries. Some ICT findings were also received.</p> <p>(vii) <u>Assets and Land Invasion</u> : Communication was received in terms of confirming land being recognized belonged to the municipalities or not.</p> <p>(viii) <u>Cash Flow statement</u> : Item can be resolved and forward to the AG.</p> <p>It was further suggested by the Chief Audit Executive that the contact details of Ms B Kemp be given to the Chief Financial Officer [Acting] in order to discuss the issues and requests raised by the AG.</p> <p>In addition it was pointed out that a Special Audit Committee meeting should be convened in order for the Audit Committee members to peruse the AG report to management and advise thereof.</p> <p>NOTED.</p> |

| DATE          | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|               | <p><b><u>FOLLOW UP ON 2016/2017 EXTERNAL AUDIT ACTION PLAN-REVENUE MANAGEMENT, CONTINGENT ASSETS, PROPERTY, PLANT AND EQUIPMENT (PPE)AND SUPPLY CHAIN MANAGEMENT (SCM) AND PROCUREMENT [3.10.1.1]</u></b></p> <p>Report dated 4 October 2018 by the Chief Audit Executive.</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings raised in Follow up on 2016/2017 External Audit Action Plan -Revenue Management, Contingent Assets, Property, Plant and Equipment (PPE) and Supply Chain Management (SCM) And Procurement, be NOTED.</p> <p>(b) That Management should ensure that the 2016/2017 Auditor-General findings are adequately addressed and resolved.</p> <p>(c) That Management should ensure that asset verification is performed systematically and that asset movements should be completed including location and reconciled to the Asset Register.</p> <p>(d) That Management should ensure that in instances where it is not possible to follow the Supply Chain Management processes, the related expenditure incurred be classified as irregular expenditure.</p> <p><b>CONFIDENTIAL: NOT FOR PUBLICATION</b></p> <p><b><u>20. CONFIRMATION OF CONFIDENTIAL MINUTES</u></b></p> <p><b><u>21. FINAL INTERNAL AUDIT REPORT ON FACTUAL FINDINGS – AGREED UPON PROCEDURES RELATING TO AN EMPLOYEE TOTAL SALARY AND PENSION FUND CONTRIBUTION CALCULATIONS FOR THE PERIOD AUGUST 2018 [3.10.1.1]</u></b></p> <p><b><u>22. REPORT ON THE PROGRESS IN CRIMINAL INVESTIGATIONS AND PROSECUTIONS INTO ALLEGATIONS OF FRAUD [3.10.1.1]</u></b></p> <p><b><u>23. REPORT ON THE FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES OCCURRING IN FINANCIAL SERVICES [3.10.1.1]</u></b></p> <p><b><u>24. FORENSIC INVESTIGATION OF ALLEGED IRREGULARITIES OCCURRING AT ASSETS AND LIABILITIES [3.10.1.1]</u></b></p> <p><b><u>25. UPDATE ON REGISTER OF DISCIPLINARY MATTERS [3.10.1.1]</u></b></p> <p>Report by the Senior Manager: Human Resources.</p> <p><b>NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES</b></p> <p>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> |
| 05 March 2019 | <p><b><u>UPDATE ON SAP POST IMPLEMENTATION AND MSCOA UPDATE AND ALIGNMENT TO APPROVED BUSINESS PROCESSES (Matters arising July 2017 – Challenges of the current LIVE phases of SAP and how these are being dealt with and how it is affecting the financial business processes)</u></b></p> <p><b>RESOLVED</b></p> <p>(a) That the Service Provider, Thabani Zulu and Co, provides a written report on the Update On Sap Post Implementation and Mscoa Update And Alignment To Approved Business Processes, prior to the meeting to the Audit Committee members so that the members are able to submit comment and feedback at the next meeting of the Audit Committee.</p> <p>(b) That in view of the numerous errors and problems experienced with Mscoa being incorporated into the SAP system, the Acting City Manager ensures that a special Audit Committee meeting, a date to be determined, is convened to ensure that all system problems are discussed and resolved accordingly.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |



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|      | <p><b><u>MATTERS ARISING</u></b></p> <p><b><u>8.1. REPORT ON THE LAND AUDIT</u></b></p> <p>(Items of the Outstanding matters report dated 31 January 2019).</p> <p><b>RESOLVED</b></p> <p>(a) It was NOTED that report titled “ Progress report : Review of the Msunduzi Municipal Land Audit and Preparation of the Land Audit in GIS/ICT format” was discussed at the Audit Committee meeting on 1 November 2018 as item 17.3 of the agenda dated 1 November 2018.</p> <p>(b) That it be noted that the General Manager : Sustainable Development and City Enterprises [Acting] reported that the land audit was being reviewed in consultation with ICT’s GIS unit.</p> <p>(c) That a further progress report will be required to be submitted by the General Manager : Sustainable Development and City Enterprises [Acting] at the next meeting of the Audit Committee.</p> <p><b><u>8.2. REPORT ON THE LEASE AUDIT</u></b></p> <p>It was reported that Internal Audit was to perform the lease audit and this formed part of the Internal Audit revised plan. A concern was raised in respect of the expected timeframe.</p> <p>It was reported that a report back would be submitted to the next meeting of the Audit Committee from Internal Audit.</p> <p><b>RESOLVED</b></p> <p>(a) That it be noted that a further comprehensive report be submitted by the General Manager : Sustainable Development and City Enterprises [Acting] to the next meeting of the Audit Committee; it being noted that an external legal opinion was being sought especially in respect of the issue of the 99 year leases amongst other matters.</p> <p>(b) That the General Manager : Sustainable Development and City Enterprises [Acting] must finalise the transfer of properties and the progress be submitted every quarter to the Audit Committee and Council.</p> <p><b><u>8.3. MSUNDUZI RAISED AS A DEBTOR [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>(g) It was reported that the Infrastructure Unit was not restricting the water supply as they were not aware of which properties’ meters to restrict.</p> <p>(h) That Infrastructure Unit be given a latest list of properties falling under Msunduzi.</p> <p>(i) That the Senior Manager : Income (Acting) and the General Manager : Sustainable Enterprises (Acting) meet with Councillors in the wards affected, to inform them that the owners are only to be contacted and not the tenants.</p> <p>(j) That it be noted that the General Manager: Sustainable Development and City Enterprises [Acting] ensures that a process be identified to ensure that Msunduzi is not raised as a debtor again.</p> <p><b><u>8.4. MFMA SECTION 71 AND SECTION 72 (D) MONTHLY, MID YEAR AND QUARTERLY REPORTS [3.7.1 (2017/2018)]</u></b></p> <p><b>RESOLVED</b></p> <p>That the item on MFMA Section 71 And Section 72 (D) Monthly, Mid-Year and Quarterly Reports be removed from the outstanding matters report, as it was discussed as item 12.4. on the agenda dated 5 March 2019.</p> <p><b><u>8.5. CONSOLIDATED AUDIT FINDINGS REGISTER STATUS AT MSUNDUZI : PROGRESS REPORT ON 2015/2016 AND 2016/2017 INTERNAL AUDIT FINDINGS [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the item on Consolidated Audit Findings Register Status At Msunduzi : Progress Report On 2015/2016 And 2016/2017 Internal Audit Findings remains on the outstanding matters report, pending a report/presentation to be submitted by the Audit Readiness Consultant to the next meeting of the Audit Committee, it being noted that this item becoming a STANDING ITEM ON THE AGENDA of every Audit Committee meeting.</p> <p><b><u>8.6. IT GOVERNANCE AND STRATEGY REPORT</u></b></p> <p>It was reported that the Acting City Manager requested the Manager : IT to attend the meeting but he did not arrive to respond on the matter.</p> <p><b>RESOLVED</b></p> <p>That this item remains on the Outstanding matters report and the General Manager : Corporate Services ensures that a report is submitted to the next meeting of the Audit Committee.</p> <p><b><u>8.7. UPDATE ON REGISTER OF DISCIPLINARY MATTERS</u></b></p> <p>The Chief Audit Executive indicated that discussions were held with Lelani van den Berg and the Acting City Manager and copies of all the reports and resolutions of the Strategic Management Committee were being done. People from a panel of SALGA were being requested to assist with these matters to prosecute and Chair disciplinary matters, thereafter progress of each matter, with timelines to ensure that each matter is dealt with accordingly should be reported. Concern was raised in respect of the number of people being disciplined and the timelines of each disciplinary.</p> <p><b>RESOLVED</b></p> <p>That this item remains on the Outstanding matters report and the Chief Audit Executive ensures that a report is submitted to the next meeting of the Audit Committee.</p> |

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|      | <p><b><u>8.8. REVIEW OF THE LONG TERM FINANCIAL PLAN</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the Outstanding matters report and the Chief Financial Officer ensures that the Long Term Financial Plan is circulated to all members prior to the report being submitted to the next meeting of the Audit Committee on progress .</p> <p><b><u>8.9. KEY FINANCIAL INDICATORS/CASH FLOW</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the Outstanding matters report; it being noted that the Chief Financial Officer ensures that an executive level summary of the Key Financial Indicators/Cash Flow is submitted to the next meeting of the Audit Committee.</p> <p><b><u>8.10. IRREGULAR EXPENDITURE REPORT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the outstanding matters report, it being noted this matter appeared as item 12.6. of the agenda dated 5 March 2019 and a progress report also be submitted to each meeting of the Audit Committee.</p> <p><b><u>8.11. FRUITLESS AND WASTEFUL EXPENDITURE REPORT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the outstanding matters report as the matter was being finalised and a report would be submitted to the next meeting of the Audit Committee.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|      | <p><b><u>OFFICE OF THE CITY MANAGER</u></b></p> <p><b><u>10.1. REPORT OF THE AUDITOR GENERAL FOR THE FINANCIAL YEAR 2017/2018</u></b></p> <p><b><u>10.2. PROPOSED FINANCIAL MANAGEMENT INTERVENTION BY INTERNAL AUDIT UNIT ON THE PROVISION OF CONSULTING SERVICES [3.10.1.1]</u></b></p> <p><b>RESOLVED TO RECOMMEND TO THE FULL COUNCIL</b></p> <p>(a) That the Proposed Financial Management Intervention System by the Internal Audit Unit in the Financial Services Business Unit through the provision of consulting services as per the Internal Audit Charter be APPROVED.</p> <p>(b) That the proposed monthly fee which is internal in terms of the existing contract with the panel of service providers, be APPROVED.</p> <p>(c) That the additional budget that is required for the proposed financial management intervention by the Internal Audit Unit be APPROVED.</p> <p><b><u>10.3. PROGRESS REPORT ON FINANCIAL MANAGEMENT INTERVENTION BY INTERNAL AUDIT UNIT ON PROVISION OF CONSULTING SERVICES</u></b></p> <p><b>RESOLVED TO RECOMMEND TO THE FULL COUNCIL</b></p> <p>That report dated 19 February 2019 by the Chief Audit Executive on the Progress Report on the Financial Management Intervention by the Internal Audit Unit on the Provision of Consulting services be NOTED.</p> <p><b><u>10.4. MID TERM REPORT ON PERFORMANCE 2018/2019[10.4.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the report by the Manager : Organisation Compliance , Performance and Knowledge Management [Acting] on the Mid Term Report On Performance 2018/2019 be STOOD DOWN, as the members required more time to go through the report.</p> <p><b><u>10.5. DRAFT ANNUAL REPORT 2017/2018 FINANCIAL YEAR [10.4.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the report by the Manager : Organisation Compliance , Performance and Knowledge Management [Acting] on the Draft Annual Report 2017/2018 Financial Year be STOOD DOWN, pending the completion of the review by the Internal Audit Unit.</p> <p><b><u>10.6. ORGANISATIONAL COMPLIANCE AND KNOWLEDGE MANAGEMENT TURNAROUND STRATEGY – JANUARY 2019 MONTHLY REPORT [10.4.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the report by the Manager: Organisation Compliance, Performance and Knowledge Management [Acting] on the Organisational Compliance And Knowledge Management Turnaround Strategy – January 2019 Monthly Report be NOTED.</p> <p><b><u>10.7. 2nd QUARTERLY (OCTOBER-DECEMBER 2018) PROGRESS REPORT ON THE 2018/2019 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) AND OPERATIONAL PLAN (OP) [10.4.1]</u></b></p> <p><b>RESOLVED</b></p> <p>(a) The 2nd Quarterly (October-December 2018) Progress Report on the 2018/2019 Service Delivery and Budget Implementation Plan (SDBIP) and Operational Plan (OP) be NOTED.</p> <p>(b) The 2nd Quarterly (October-December 2018) Progress Report on the 2018/2019 Service Delivery and Budget Implementation Plan (SDBIP) and Operational Plan (OP) be forwarded to the Internal Audit Unit to conduct a performance audit on the reported results.</p> <p>(c) That all Business Units utilise the Report as a management tool to identify early warning signals and apply appropriate corrective measures for the 2018/2019 financial year.</p> |

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|      | <p><b>INTERNAL AUDIT FUNCTION</b></p> <p><b>11.1. REPORT OF THE INTERNAL AUDIT FUNCTION FOR THE MONTH OF DECEMBER 2018 [3.10.1.1]</b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>That the report dated 23 January 2019 incorporating the recommendations of the Operational Management Committee on the operational activities of the Internal Audit Function for the month of December 2018 be NOTED.</p> <p><b>11.2. REVISION OF THE ANNUAL AUDIT PLAN FOR 2018/2019 [3.10.1.1]</b></p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the proposed changes on the Internal audit plan for 2018/2019 taking into account what the municipality faces be APPROVED.<br/>           (b) That the amended internal audit plan for 2018/2019 be APPROVED.<br/>           (c) That the additional funding that is necessary due to the amendment of the plan be SUPPORTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|      | <p><b>FINANCIAL SERVICES BUSINESS UNIT</b></p> <p><b>12.1. SECTION 71, SECTION 72, &amp; SECTION 52 (D) MONTHLY AND MID YEAR AND QUARTERLY REPORTS [3.7.1(2017/2018)]</b></p> <p><b>RESOLVED</b></p> <p>That the report by the Chief Financial Officer [Acting] on the Section 71, Section 72, &amp; Section 52 (D) Monthly and Mid-Year And Quarterly Reports, be NOTED with concern.</p> <p><b>12.2. SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : JANUARY 2019[3.7.1 (2017/2018)]</b></p> <p><b>RESOLVED</b></p> <p>That the report by the Chief Financial Officer [Acting] on the Section 71 Of The Municipal Finance Management Act No 56 Of 2003 : January 2019 be STOOD DOWN, it being noted that the reports were submitted to the Strategic Management Committee for inclusion on the agenda where the formatting was being worked on to ensure that the content in the report was meaningful for the Audit Committee.</p> <p><b>12.3. SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : EXPENDITURE ON STAFF BENEFITS MONTHLY REPORT – JANUARY 2019 [3.7.1 (2017/2018)]</b></p> <p><b>RESOLVED</b></p> <p>That the report by the Chief Financial Officer [Acting] on the Section 66 Of The Municipal Finance Management Act No 56 Of 2003 : Expenditure On Staff Benefits Monthly Report January 2019 be STOOD DOWN, it being noted that the reports were submitted to the Strategic Management Committee for inclusion on the agenda where the formatting was being worked on to ensure that the content in the report was meaningful for the Audit Committee.</p> <p><b>12.4. 2018/2019 MID-YEAR BUDGET PERFORMANCE REPORT (MONTH SIX SECTION 71 REPORT, SECTION 72 AND SECTION 52 (D) AND ADJUSTMENTS BUDGET (MFMA S28)[3.7.1.(2018/2019)]</b></p> <p><b>RESOLVED</b></p> <p>That the report dated 11 January 2019 by the Chief Financial Officer [Acting] on the 2018/2019 Mid-Year Budget Performance Report (Month Six Section 71 Report, Section 72 And Section 52 (D) And Adjustments Budget (MFMA S28) be NOTED; it being noted that this item was discussed with item 12.1. of the agenda.</p> <p><b>12.5. UNSPENT BALANCES OF CONDITIONAL GRANTS AS AT 22 FEBRUARY 2019</b></p> <p><b>RESOLVED</b></p> <p>That the report dated 22 February 2019 by the Chief Financial Officer [Acting] on the Unspent Balances Of Conditional Grants as at 22 February 2019, be NOTED.</p> <p><b>12.6. APPLICATION FOR THE WRITE OFF AND DISCLOSURE OF IRREGULAR EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2018</b></p> <p><b>RESOLVED</b></p> <p>(a) That the report dated 31 October 2018 by the Chief Financial Officer [Acting] on the Application For The Write Off And Disclosure Of Irregular Expenditure For The Year Ended 30 June 2018 be NOTED.<br/>           (b) That it be noted that irregular expenditure be subjected to an investigation and review by internal audit to determine if Council can authorise the expenditure in terms of section 32 (2) (b) and write the expenditure off as irrecoverable.<br/>           (c) That it be noted 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 amounting to R136 698, 114.70 as disclosed in the Consolidated Annual Financial Statements for the year ended 30 June 2018 as well as the irregular expenditure identified in the 17/18 financial year.</p> <p><b>12.7. REPORT TO AUDIT COMMITTEE IN RELATION TO BUDGET ON EMPLOYEES COST [3.10.R]</b></p> <p><b>RESOLVED</b></p> <p>That the report dated 7 December 2018 incorporating the recommendations of the Strategic Management Committee in respect of the report to the Audit Committee on Budget on Employee Costs be NOTED.</p> |
|      | <p><b>REPORTS FROM MUNICIPAL ENTITIES</b></p> <p><b>13.1. MID TERM REPORT ON SAFE CITY</b></p> <p>Presentation by Safe City: Report dated 27 February 2019 by Safe City.</p> <p><b>RESOLVED</b></p> <p>That the Report from the Safe City on the Mid Term Report on Safe City be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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|             | <p><b>CONFIDENTIAL: NOT FOR PUBLICATION</b></p> <p><b>14. CONFIRMATION OF CONFIDENTIAL MINUTES</b></p> <p><b>15. REPORT ON THE FORENSIC REVIEW OF THE REPORT ON THE REPORT ON THE FORENSIC INVESTIGATION INTO THE ALLEGED IRREGULAR APPOINTMENT OF MR S MCHUNU CONDUCTED BY SIZWE NTSALUBA GOBODO[3.10.1.1]</b></p> <p><b>16. REPORT ON THE FORENSIC INVESTIGATION INTO THE ALLEGED IRREGULAR APPOINTMENT OF MANAGER IN THE OFFICE OF THE SPEAKER AND CHIEF WHIP [3.10.1.1]</b></p> <p><b>17. REPORT ON THE FORENSIC INVESTIGATION INTO VARIOUS ALLEGATIONS OF UNETHICAL CONDUCT BY MS S MSOMI [3.10.1.1]</b></p> <p><b>18. FORENSIC INVESTIGATION INTO ALLEGED FRAUD, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE BY THE SKILLS DEVELOPMENT UNIT IN CONTRAVENTION OF THE MUNICIPAL FINANCE MANAGEMENT ACT (MFMA) [3.10.1.1]</b></p> <p><b>19. REPORT ON THE PROGRESS IN FORENSIC INVESTIGATIONS, CRIMINAL INVESTIGATIONS AND PROSECUTIONS INTO ALLEGATION OF FRAUD, CORRUPTION, THEFT, ETC [3.10.1.1]</b></p> <p><b>NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES</b></p> <p>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> |
| 21 May 2019 | <p><b>UPDATE ON SAP POST IMPLEMENTATION AND MSCOA UPDATE AND ALIGNMENT TO APPROVED BUSINESS PROCESSES (Matters arising July 2017 – Challenges of the current LIVE phases of SAP and how these are being dealt with and how it is affecting the financial business processes)</b></p> <p>It was reported that MSCOA was not fully incorporated into SAP therefore the project was incomplete.</p> <p>NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|             | <p><b>PROGRESS ON THE IMPLEMENTATION OF THE FINANCIAL MANAGEMENT SYSTEM (SAP ERP FOR THE PERIOD ENDING 30 APRIL 2019 [2.2.3.2.4])</b></p> <p><b>RESOLVED</b></p> <p>(a) That the status of the implementation of the SAP ERP system be NOTED with concerns on the challenges that are currently being faced by the project.</p> <p>(b) That a Special Audit Committee meeting be scheduled in order to address any resolved issues and challenges including budget and various incomplete modules pertaining to SAP and MSCOA and determine a way forward on the all issues discussed at the meeting.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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|      | <p><b><u>8.1. REPORT ON THE LAND AUDIT</u></b></p> <p><b>RESOLVED</b></p> <p>(c) It was NOTED that report titled “ Progress report : Review of the Msunduzi Municipal Land Audit and Preparation of the Land Audit in GIS/ICT format” was discussed at the Audit Committee meeting on 1 November 2018 as item 17.3 of the agenda dated 1 November 2018.</p> <p>(d) That the General Manager : Sustainable Development and City Enterprises engages with land management in consultation with the Assets Unit and ensures that a further progress report and a way forward in respect of the Land Audit be submitted to the next meeting of the Audit Committee; it being noted that a service provider that was due to undertake the Land Audit in GIS format could not be appointed in view of the lack of funds in the budget.</p> <p><b><u>8.2. REPORT ON THE LEASE AUDIT</u></b></p> <p><b>RESOLVED</b></p> <p>That the item be removed from the Outstanding matters report as a Close Out Report on the Lease Audit Appears on the agenda for this item and therefore the item has been dealt with.</p> <p><b><u>8.3. MSUNDUZI RAISED AS A DEBTOR [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>(k) It was reported that the Infrastructure Unit was not restricting the water supply as they were not aware of which properties’ meters to restrict.</p> <p>(l) That Infrastructure Unit be given a latest list of properties falling under Msunduzi.</p> <p>(m) That the Senior Manager : Income (Acting) and the General Manager : Sustainable Enterprises (Acting) meet with Councillors in the wards affected, to inform them that the owners are only to be contacted and not the tenants.</p> <p>(n) That it be noted that the General Manager: Sustainable Development and City Enterprises ensures that a process be identified to ensure that Msunduzi is not raised as a debtor again.</p> <p>(o) That the General Manager: Sustainable Development and City Enterprises compiles a report to indicate all action taken thus far on this matter, it being noted that the Office of the Speaker be liaised with in order to ensure that councillors attend the public meetings.</p> <p><b><u>8.4. CONSOLIDATED AUDIT FINDINGS REGISTER STATUS AT MSUNDUZI : PROGRESS REPORT ON 2015/2016 AND 2016/2017 INTERNAL AUDIT FINDINGS</u></b></p> <p><b>RESOLVED</b></p> <p>That the item on Consolidated Audit Findings Register Status At Msunduzi : Progress Report On 2015/2016 And 2016/2017 Internal Audit Findings remains on the outstanding matters report, pending a report/presentation to be submitted by the Audit Readiness Consultant to the next meeting of the Audit Committee, it being noted that this item becoming a STANDING ITEM ON THE AGENDA of every Audit Committee meeting.</p> <p><b><u>8.5. IT GOVERNANCE AND STRATEGY REPORT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the Outstanding matters report and the General Manager : Corporate Services ensures that a report is submitted to the next meeting of the Audit Committee; it being noted that regular updates be submitted to Audit Committee meetings.</p> <p><b><u>8.6. UPDATE ON REGISTER OF DISCIPLINARY MATTERS</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the Outstanding matters report and the Ministerial Representative ensures that a report is submitted to the next meeting of the Audit Committee.</p> <p><b><u>8.7. REVIEW OF THE LONG TERM FINANCIAL PLAN</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the Outstanding matters report and the Chief Financial Officer ensures that the Long Term Financial Plan is circulated to all members prior to the report being submitted to the next meeting of the Audit Committee on progress.</p> <p><b><u>8.8. KEY FINANCIAL INDICATORS/CASH FLOW</u></b></p> <p><b>RESOLVED</b></p> <p>That this item be removed from the outstanding matters report as it was dealt with as tabled item report, dated 11 April 2019 by the Chief Financial Officer.</p> <p><b><u>8.9. IRREGULAR EXPENDITURE REPORT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the outstanding matters report, it being noted this matter appeared as item 12.6. of the agenda dated 5 March 2019 and a progress report also be submitted to each meeting of the Audit Committee.</p> <p><b><u>8.10. FRUITLESS AND WASTEFUL EXPENDITURE REPORT</u></b></p> <p><b>RESOLVED</b></p> <p>That this item remains on the outstanding matters report as the matter was being finalised and a report would be submitted to the next meeting of the Audit Committee.</p> |

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|      | <p><b>10. INTERNAL AUDIT FUNCTION</b></p> <p><b>10.1. REPORT ON CONSULTING ENGAGEMENT ON THE MONTH END DISCIPLINE</b></p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the status of month-end discipline in the municipality be noted.<br/>           (b) That it be noted that the quality of the financial statements that will be produced on 31 August 2019 will not be credible and may hinder the plan for the improved audit outcome for the 2018/ 2019 Financial Year.<br/>           (c) That the Accounting Officer [A] should take effective disciplinary steps where senior managers have performed unsatisfactorily.<br/>           (d) That the Accounting Officer [A], in consultation with Financial managers and other responsible units, consider the gaps and problems identified in the report and draft a Remedial Plan to address and correct procedures, processes, capacity issues etc. in order to improve the quality of the Financial Statements, with a view to improving the audit outcome at financial year end, and to institutionalise best practice going forward</p> <p><b>10.2. FINAL INTERNAL AUDIT REPORT ON THE INTERIM FINANCIAL STATEMENTS</b></p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the findings on the review of the interim financial statements be noted with concern.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|      | <p><b>10. INTERNAL AUDIT FUNCTION</b></p> <p><b>10.1. REPORT ON CONSULTING ENGAGEMENT ON THE MONTH END DISCIPLINE [3.10.1.1]:</b></p> <p>Report dated 15 May 2019 incorporating the recommendations of the Strategic Management Committee.<br/>           (Page 26 of the agenda).</p> <p>Concern was raised that there might be problems in the processes arising out of implementation of the checklist. In response to the concern raised the Chairperson indicated that the process to be implemented must be given a chance where a meeting can be convened with all parties involved to address and reduce the problems being experienced.</p> <p>It was</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the status of month-end discipline in the municipality be noted.<br/>           (b) That it be noted that the quality of the financial statements that will be produced on 31 August 2019 will not be credible and may hinder the plan for the improved audit outcome for the 2018/ 2019 Financial Year.<br/>           (c) That the Accounting Officer [A] should take effective disciplinary steps where senior managers have performed unsatisfactorily.<br/>           (d) That the Accounting Officer [A], in consultation with Financial managers and other responsible units, consider the gaps and problems identified in the report and draft a Remedial Plan to address and correct procedures, processes, capacity issues etc. in order to improve the quality of the Financial Statements, with a view to improving the audit outcome at financial year end, and to institutionalise best practice going forward</p> <p><b>10.2. FINAL INTERNAL AUDIT REPORT ON THE INTERIM FINANCIAL STATEMENTS [3.10.1.1]</b></p> <p>Report dated 15 May 2019 incorporating the recommendations of the Strategic Management Committee.<br/>           (Page 59 of the agenda).</p> <p>It was</p> <p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE COMMITTEE</b></p> <p>That the findings on the review of the interim financial statements be noted with concern.<br/>           (At this point in the proceedings, Committee adjourned for tea at 11:25am and reconvened at 12:45)</p> |
|      | <p><b>11. OFFICE OF THE CITY MANAGER</b></p> <p><b>11.1. REPORT OF THE AUDITOR GENERAL FOR THE FINANCIAL YEAR 2017/2018</b></p> <p>NOTED.</p> <p><b>11.2. MID TERM REPORT ON PERFORMANCE 2018/2019 [10.4.1]</b></p> <p><b>RESOLVED</b></p> <p>(a) That the Mid-Year Performance Review 2018/2019 financial year be NOTED.<br/>           (b) That it be NOTED that the Key Performance Indicators (KPI's) being removed from the Service Delivery Budget and Implementation Plan and Operation Plan (SDBIP &amp; OP) during Mid-Year and 2018/2019 financial year as per Annexure A of the report dated 15 January 2019 by the Senior Manager : Office of the City Manager, be APPROVED.<br/>           (c) That it be NOTED that the new Key Performance Indicators (KPI's) included in the Service Delivery Budget and Implementation Plan and Operation Plan (SDBIP &amp; OP) during MID-YEAR 2018/2019 financial year as per Annexure B of the report dated 15 January 2019 by the Senior Manager : Office of the City Manager be APPROVED.<br/>           (d) That it be NOTED that the amendments to the Key Performance Indicators (KPI's) in the Service Delivery Budget and Implementation Plan (SDBIP &amp;OP) during MID-YEAR 2018/2019 financial year as per Annexure C of the report dated 15 January 2019 by the Senior Manager : Office of the City Manager be APPROVED.</p> <p><b>11.3. DRAFT ANNUAL REPORT 2017/2018 FINANCIAL YEAR[10.4.1]</b></p> <p><b>RESOLVED</b></p> <p>That the Draft Annual Report 2017/2018 Financial Year be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

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|      | <p><b><u>11.4. PERFORMANCE MANAGEMENT SYSTEM TURNAROUND STRATEGY REPORT FOR THE MONTH OF FEBRUARY, MARCH AND APRIL 2019 [10.4.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the report by the Manager : Organisation Compliance, Performance and Knowledge Management [Acting] on the Performance Management System Turnaround Strategy Report For the months of February, March and April 2019 be NOTED.</p> <p><b><u>11.5. QUARTER 3 (JANUARY – MARCH 2019) PROGRESS REPORT ON THE 2018/2019 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) AND OPERATIONAL PLAN (OP)[10.4.1]</u></b></p> <p><b>RESOLVED</b></p> <p>(a) That the Quarter 3 (January –March 2019) Progress Report on the 2018/2019 Service Delivery And Budget Implementation Plan (SDBIP) And Operational Plan (OP) be NOTED.</p> <p>(b) That the Quarter 3 (January –March 2019) Progress Report on the 2018/2019 Service Delivery And Budget Implementation Plan (SDBIP) And Operational Plan (OP) be forwarded to the Internal Audit Unit to conduct a performance audit on the reported results.</p> <p>(c) That all Business Units utilise the Report as a management tool to identify early warning signals and apply appropriate corrective measures for the 2018/2019 financial year.</p> <p><b><u>11.6. PERFORMANCE ASSESSMENT SCHEDULE FOR THE 2019/2020 FINANCIAL YEAR</u></b></p> <p><b>RESOLVED TO RECOMMEND TO FULL COUNCIL</b></p> <p>(a) That the report dated 14 May 2019 incorporating the recommendations of the Strategic Management Committee in respect of the performance Assessment Schedule for the 2019/2020 Financial Year, be NOTED.</p> <p>(b) That the proposed dates for the Annual Performance Assessments for the 2018/2019 financial year be APPROVED.</p> <p>(c) That the proposed dates for Quarters 1, 2 and 3 Performance assessments for the 2019/2020 financial year be APPROVED.</p> <p>(d) That all reasonable steps be taken to ensure that the assessments do take place as per the planned dates.</p> <p>(e) That in instances where the approved dates clash with other commitments such as management and/or committees of Council, the onus is on the responsible Business Unit to report same to the Office of the City Manager and thereafter liaise with the Organisational Compliance, Performance and Knowledge Management Unit to reschedule for other suitable dates with a period not exceeding 2 weeks later.</p> <p><b><u>11.7. REVIEW OF ORGANISATIONAL PERFORMANCE MANAGEMENT POLICY 2019/2020 FINANCIAL YEAR [4.6.9]</u></b></p> <p><b>RESOLVED TO RECOMMEND TO FULL COUNCIL</b></p> <p>(a) That the report dated 14 May 2019 incorporating the recommendations of the Strategic Management Committee in respect of the Review of Organisational Performance Management Policy 2019/2020 Financial Year, be NOTED.</p> <p>(b) That the resolutions of the Strategic Management Committee meeting held on 6 May 2019 in respect of (a) above be APPROVED and is as follows :</p> <ol style="list-style-type: none"> <li>a. That the reviewed Organisational Performance Management Policy for the 2019/2020 Financial year be APPROVED.</li> <li>b. That having approved the Reviewed Organisational Performance Management Policy 2019/2020 forwards same to the Executive Committee and Full Council for APPROVAL.</li> <li>c. That the quality check on the Organisational Performance Management Policy 2019/2020 Financial Year be done.</li> </ol> <p><b><u>11.8. PROGRESS ON INTERNAL AUDIT FINDINGS FOR THE FINANCIAL YEARS 2013/2014, 2014/2015, AND 2015/2016 FINANCIAL YEARS[3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the report dated 7 May 2019 incorporating the recommendations of the Strategic Management Committee on the Progress On Internal Audit Findings For The Financial Years 2013/2014, 2014/2015, And 2015/2016 Financial Years, be STOOD DOWN pending a further updated report to be submitted to the next meeting of the Audit Committee.</p> <p><b><u>11.9. AUDIT ACTION PLAN [3.10.1.1]</u></b></p> <p><b>RESOLVED</b></p> <p>That the report dated 15 May 2019 by the Senior Manager: Finance Governance and Performance [Acting] on the Audit Action Plan to address the prior year Auditor General Findings be NOTED.</p> |
|      | <p><b>INTERNAL AUDIT FUNCTION</b></p> <p><b><u>12.1. REPORT OF THE INTERNAL AUDIT FUNCTION FOR THE MONTH OF JANUARY 2019 [3.10.1.1]</u></b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>That the report dated 26 February 2019 incorporating the recommendations of the Operational Management Committee on the operational activities of the Internal Audit Function for the month of January 2019 be NOTED.</p> <p><b><u>12.2. REPORT OF THE INTERNAL AUDIT FUNCTION FOR THE MONTH OF FEBRUARY 2019 [3.10.1.1]</u></b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>That the report dated 10 April 2019 incorporating the recommendations of the Operational Management Committee on the operational activities of the Internal Audit Function for the month of February 2019 be NOTED.</p> <p><b><u>12.3. REPORT OF THE INTERNAL AUDIT FUNCTION FOR THE MONTH OF MARCH 2019</u></b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>That the report dated 30 April 2019 incorporating the recommendations of the Operational Management Committee on the operational activities of the Internal Audit Function for the month of March 2019 be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

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|      | <p><b><u>12.4. FINAL INTERNAL AUDIT ON CONDITIONAL GRANTS [3.10.1.1]</u></b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on around the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls ineffective around the Final Internal Audit Report on Conditional Grants be noted.</p> <p>(b) That the conditional grants management policy should be reviewed for completeness and accuracy, approved and thereafter rolled out by management; and</p> <p>(c) That the conditional grants management policy should be published on the Municipality's website and intranet on an annual basis.</p> <p>(d) That Management is to implement appropriate mechanisms to ensure timeous submission and review of conditional grant reports by management.</p> <p>(e) That re-enforcement of the control procedures to be followed in the procurement process to be communicated to and adhered to by all individuals and departments involved in the process; and</p> <p>(f) That all payments must be supported with accurate, valid and complete supporting documents.</p> <p>(g) That investment reconciliations should be performed and signed as evidence of performance;</p> <p>(h) That adequate mechanisms to monitor and enable control compliance to the above process by management should be designed and implemented to ensure conditional grants are adequately cash backed.</p> <p>(i) That Management is to implement appropriate mechanisms to ensure timeous submission of roll over applications to the funder relating to unspent conditional grant funds by not later than 31st August;</p> <p>(j) That regular performance assessments should be conducted to gauge delivery of various projects and timeously escalate any projected unspent funding to trigger the application process to funder.</p> <p>(k) That the current controls in terms of the grant reconciliation process both in terms of preparation and review should be enhanced and embedded by management;</p> <p>(l) That supporting documentation for reconciling items should accompany the reconciliation; and</p> <p>(m) That the reconciliations should be timeously reviewed and approved by management on a monthly basis and signed and dated as evidence thereof.</p> <p>(n) That reconciliations should be performed and signed as evidence of performance for all general ledger and investment reconciliations;</p> <p>(b) That Management is to implement appropriate mechanisms to ensure timeous transfer of grant monies deposited into the main account;</p> <p>(p) That the main bank account statements should be reviewed on an ongoing basis to identify grant receipts deposited; and</p> <p>(q) That, once grant receipts have been identified, the approval for transfer of funds document should be prepared and submitted for approval timeously.</p> <p>(r) That adequate planning should be performed by grant champions at the beginning of the financial year to ensure conditional grants are fully utilised;</p> <p>(s) That cash flows should be performed and approved by management which adequately covers amount and timing of conditional grants; and</p> <p>(t) That the current controls in terms of the SMC process both in terms of monitoring and submission to the executive committee and council should be enhanced.</p> <p>(u) That adequate mechanisms to monitor and enable control compliance to the above process by management should be designed and implemented.</p> <p>(v) That the Acting City Manager should take effective disciplinary steps against officials who have under spent on their conditional grants and report to Audit Committee, Executive Committee and Council of the steps taken and progress in the implementation of disciplinary action by 31 May 2019.</p> <p>(w) That the Chief Financial Officer (Acting) ensures that Supply Chain Management provide on a monthly basis the Procurement Plan, with updated information on each project as submitted by project champions and submits such to the Strategic Management Committee for consideration.</p> <p>(x) That Project Champions must receive written appointments signed by the Accounting Officer.</p> <p><b><u>12.5. FINAL INTERNAL AUDIT REPORT ON TRADE PAYABLES FOR THE MONTHS OF JULY, AUGUST AND SEPTEMBER 2018 [3.10.1.1]</u></b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>i. That the findings, management comments and recommendations made in the Final Trade Payables reports for the months of July, August and September 2018 be noted.</p> <p>ii. That implementation of the recommendation as contained in the report be monitored through progress reports to SMC and Audit Committee.</p> <p>iii. That all anomalies noted by Internal Audit should be investigated to ensure minimal occurrences in future.</p> <p>iv. That the Supply Chain Management and Creditors' policy should be updated to reflect services where compliance cannot be achieved per the payment workflow process.</p> <p>v. That the Creditors' batch payment document should be approved by both A and B signatories in line with the listing of authorised signatories.</p> <p>vi. That payments to suppliers should be performed timeously and within 30 days of receipt.</p> <p>vii. That all supporting documents used in the process should be attached to the payment pack and made readily available for inspection e.g. approval for payment, creditors batch payment approval and expenditure committee approval etc.</p> <p>viii. That delegation of authorities should be reviewed and approved by the Accounting Officer for each of the approvers and all approval of payments should be performed in line with the delegated maximum approved amount.</p> <p><b><u>12.6. FINAL INTERNAL AUDIT REPORT ON THE HIGH LEVEL REVIEW OF THE ANNUAL REPORT FOR THE 2017/2018 FINANCIAL YEAR [3.10.1.1]</u></b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings on the High Level Review of the Annual Report for the 2017/2018 FY be NOTED.</p> <p>(b) That disciplinary measures be instituted where Portfolios of Evidence were not submitted for verification and;</p> <p>(c) That disciplinary measures be instituted where management comments were not received for the anomalies identified during the audit.</p> |



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|      | <p><b>12.7. FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF THE SECTION 72 MFMA REPORT FOR THE 2018/2019 FINANCIAL YEAR [3.10.1.1]</b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls is ineffective around the Final Internal Audit Report on the review of Section 72 MFMA report for the 2018/19 Financial year be NOTED.</p> <p>(b) That the Budget Planning Unit should consult with Finance and SAP consultants to resolve the system limitation issue. Alternatively, Budget Planning Unit should obtain the cash flow information from Finance and populate the cash flow statement.</p> <p>(c) That the Budget Planning Unit should establish a standard guideline for material variances explanation.</p> <p>(d) That the Budget Planning Unit should, with intervention from the CFO ensure all required information is provided by other units.</p> <p>(e) That the Budget Planning Unit should ensure that all schedules in S72/S71/S52 report are duly and accurately completed. Management structure within Budget Planning Unit should ensure that members of staff are adequately trained to complete the S72/S71/S52 reports free of material errors.</p> <p>(f) That the Budget Planning Unit should ensure that a detailed review is performed on the S72/S71/S52 report prior to submission to the mayor of the municipality and the council.</p> <p>(g) That the Budget Planning Unit should ensure that all schedules in S72/S71/S52 report are accurately completed.</p> <p>(h) That the Management structure within Budget Planning Unit should ensure that members of staff are adequately trained to complete the S72/S71/S52 report free of material errors.</p> <p>(i) That the Budget Planning Unit should ensure that a detailed review is performed on the S72/S71/S52 report prior to submission to the mayor of the municipality and the council.</p> <p>(j) That the Management structure within Budget Planning Unit should ensure that members of staff are adequately trained to complete the S66 report free of material errors.</p> <p>(k) That the Budget Planning Unit should ensure that a detailed review is performed on the S66 report prior to submission to the mayor of the municipality and the council.</p> <p>(l) That the Budget Planning Unit should ensure that all schedules in S66 report are accurately completed and verified to valid supporting documents.</p> <p><b>12.8. FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF THE SAP CONFIGURATION MSCOA IMPLEMENTATION, INCLUDING CHANGE AND PATCH MANAGEMENT (BPC) MODULE[3.10.1.1]</b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on the adequacy of the design of the system of internal controls are Inadequate and operation of the system of internal controls is ineffective around the Final Internal Audit Report on review of SAP configuration, mSCOA implementation, incl. Change and Patch management (BPC Module). Management should ensure that leave report schedules are reviewed and authorized by independent senior personnel be noted.</p> <p>(b) That Management should engage with the SAP support service provider to ensure:</p> <p>(i) That pipe delimited reporting functionality is deployed at the Msunduzi Municipality.</p> <p>(ii) That reports generated from SAP contain mSCOA reporting segment information which is accurate and complete.</p> <p>(c) That Management should engage with the service provider to ensure that the BPC module is deployed fully which includes the following, i.e.:</p> <p>(i) Automated balance sheet budgeting functionality exists.</p> <p>(ii) Reporting functionality in terms of National Treasury reporting requirements.</p> <p>(iii) Templates exist that mirror schedule A and B National Treasury templates for ease of presentation and reporting on budgets.</p> <p>(iv) System validation checks are configured and implemented for accurate and complete reporting purposes.</p> <p>(d) That Management should engage with the SAP support service provider to ensure that validation functionality is built in to SAP to ensure that the mSCOA segments which appear on report generation are correct.</p> <p>(e) That Management should engage with the SAP support service provider to ensure that the all GL accounts as per the Municipal chart of accounts have SCOA GUIDs.</p> <p>(f) That the Financial Manager from Safe City in consultation with the SAP support service provider should ensure that pipe delimited reporting functionality is developed and implemented at Safe City as a matter of urgency. This will ensure that pipe delimited reports can be generated and provided to Msunduzi Municipality for consolidation in a timely manner.</p> <p>(g) That the Safe City General Manager and Finance Manager in consultation with the SAP and MSCOA Champions should perform the following:</p> <p>(i) Discuss the gaps in the system (SAP &amp; mSCOA)</p> <p>(ii) Agree on the timelines for the implementation of remedies.</p> <p>(iii) User training to be budgeted for and undertaken during 2019/2020 FY latest.</p> <p>(h) That the Project Champion: SAP should consult with the SAP service provider to ensure that SAP is configured to allow for full processing to take place on the application to meet the business needs of Safe City.</p> <p>(i) That the Project Champion: SAP with the assistance of the SAP service provider should ensure that the all GL accounts as per the Municipal chart of accounts have SCOA GUIDs</p> <p>(j) That the Project Champion: SAP should ensure that the SAP Transport Request Management Procedure is approved by management and circulated to staff as soon as possible.</p> <p>(k) That, in addition, version control of the document should be maintained to track updates made.</p> <p>(l) That the SAP Basis team should ensure that an adequate filing system is established and transport request forms are filed in a central location in a timely manner once the transport has been approved for migration to the production environment.</p> <p>(m) That the SAP Basis team should ensure that the "transport approval forms" are completed in full by the Project Champion: SAP prior to the transport being migrated to production.</p> <p>(n) That the SAP business stream leads should ensure that prior to completion of the SAP transport forms with the assistance of service provider, helpdesk calls are logged outlining at a minimum the following detail, i.e.:</p> <p>(i) Nature of request</p> <p>(ii) Priority</p> <p>(iii) Remediation date.</p> <p>(o) That a mandate or TOR should be documented and approved for the CAB. This document should outline the following detail as a minimum, i.e.:</p> <p>(i) Purpose of the committee;</p> <p>(ii) Membership;</p> <p>(iii) Roles and responsibilities of each CAB member, and</p> <p>(iv) Frequency with which CAB meetings are to be held.</p> <p>(p) That once the mandate or TOR has been approved, formally appointment letters should be issued to committee members which should be signed off by the appointed personnel and retained to ensure that members are aware of their roles and responsibilities.</p> <p>(q) That Management should ensure that:</p> <p>(i) The Patch Management Policy/ Procedure is reviewed and approved during 2018/ 2019 financial year.</p> <p>(ii) Version control of the document should be maintained to track updates.</p> <p>(r) That the SAP Basis team should ensure that an adequate filing system is established and patch forms are filed in a central location in a timely manner once the patch has been approved deployment to the server or ERP.</p> <p>(s) That the SAP Basis team should ensure that, i.e.:</p> <p>(i) A dedicated test environment is setup for testing of patches prior to deployment.</p> <p>(ii) The latest patches are successfully deployed onto the Windows operating server and the SAP ERP.</p> |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      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|      | <p><b>12.9. FINAL INTERNAL AUDIT REPORT ON THE DISASTER RECOVERY PLAN [3.10.1.1]</b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on around the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls ineffective around the Final Internal Audit Report on Disaster Recovery Plan.</p> <p>(b) That the Senior Manager: ICT should establish and implement the Business Continuity Management framework to assist with the implementation of the Business Continuity Plan and related policies and procedures.</p> <p>(c) That the Senior Manager: ICT should ensure that the Business Continuity Plan (BCP) and any other related policies and procedure are developed, approved, tested and implemented to mitigate the risks in the event of a disaster.</p> <p>(d) That the Senior Manager: ICT should ensure that the Continuity of Operations Plan integrates business continuity activities from across business units and addresses the winding down of operations due to a disaster and the restoration of services following a complete shutdown.</p> <p>(e) That the ICT Steering committee should conduct Business Impact Analysis and determine whether continuity planning has resulted in clear positioning of required resources to recover business operations during a disruption.</p> <p>(f) That the Senior Manager: ICT should expedite the approval process of all policies. This sets the tone to all the users of the plan and enforces the consequences of non-compliance or inadequate performance.</p> <p>(g) That the Senior Manager: ICT should ensure that policies are reviewed and approved by the ICT Steering Committee prior being submitted to structures of Council for approval.</p> <p>(h) That training programmes should be incorporated into BCP to mitigate the risk of over dependence on key resource.</p> <p>(i) That training programmes should be developed and kept on record. Training materials, attendance register, and feedback reports should be kept on file for reference and developmental purposes.</p> <p>(j) That the Senior Manager: ICT should ensure that the plans are communicated and made accessible to personnel and current hard copies should be maintained at primary and backup locations.</p> <p>(k) That the Senior Manager: ICT should prepare, maintain and test plans that document the specific steps to take when a risk event may cause a significant operational or development incident with serious business impact.</p> <p>(l) That the DRP should be tested at least twice a year to ensure continuity in the event cases of a disaster/destruction.</p> <p>(m) That during every phase of the test, the detailed documentation of observations, problems and resolutions should be maintained.</p> <p>(n) That the Senior Manager: ICT should establish a steering committee where plans, policies, guidelines and procedures that affect the Municipality and, as such, should have the support and suggestions from employees, executive management, auditors, security administration, and the legal counsel.</p> <p>(o) That the individuals representing various management levels should meet as a committee on quarterly basis to discuss issues relating to DR, BCP and BIA.</p> <p>(p) That the Business Continuity steering committee should be formally established with the appropriate terms of reference.</p> <p>(q) Senior Manager: ICT should conduct a risk assessment so that the information resulting from that assessment will allow the Municipality to highlighted areas where risks have exceeded its risk appetite. This is the foundation for developing business continuity strategies to reduce the likelihood of a disruption.</p> <p>(r) That Risk assessments should also be performed periodically to address changes in the environment, security requirements and risk situations (e.g. in the assets, threats, vulnerabilities, impacts), and when significant changes occur.</p> <p>(s) That the SLA provides both parties with a range of sanctions to ensure smooth handling of the resolution process in the event that agreed service levels are not met.</p> <p>(t) That, furthermore, Senior Manager: ICT should ensure that SLA's are agreed upon and signed by both parties as required by section 116 (1) of the MFMA.</p> <p>(u) That the Senior Manager: ICT should ensure that SLA is signed by both parties during the SLA meeting held on a periodic basis.</p> <p>(v) That the municipality should consider setting up another disaster recovery site which will be at least 20km away from the primary site. If there is a disaster in the primary site, the disaster recovery site might not be affected by the same catastrophe. The distance may also give personnel at the disaster recovery site ample time to react to a potential disaster that would have affected the primary site.</p> <p>(w) That the Senior Manager: ICT should ensure that a formal backup policy has been documented and there is a common understanding of backup and restore standards that should be complied with.</p> <p>(x) That Backup should be made for all the data on a secondary storage media (Tapes, hard drives, digital media) and transfer to the offsite location.</p> <p>(y) That the Senior Manager: ICT should implement the grandfather (monthly), father (weekly) and son (daily) back up processes as this is the best practice.</p> <p>(z) That the backup operator should review the report before submitting it to management for their own review on a monthly basis.</p> <p>(aa) That the Senior Manager: ICT should consider developing a form to track all the reports that have been submitted and ensure that they have been signed off as evidence of the review and filed for audit purposes.</p> <p>(bb) That the critical capacity requirements should be identified for the various thresholds of outages for each telecommunications capability such as two hours, eight hours or twenty-four hours. UPSs should be sufficient to provide power backup to telecommunication and the computer equipment.</p> <p>(cc) That Environmental controls in the server room should be maintained and equipment serviced adequately on a quarterly basis.</p> <p>(dd) That the power backup systems should be tested regularly and monitored.</p> |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      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|      | <p><b>12.10. MSUNDUZI FRESH PRODUCE MARKET DAILY AND MONTHLY FINANCIAL RECONCILIATION REVIEW[3.10.1.1]</b></p> <p><b>RESOLVED TO RECOMMENDED TO THE EXECUTIVE COMMITTEE</b></p> <p>(a) That the findings, internal audit opinions on around the adequacy of the design of the system of internal controls are inadequate and operation of the system of internal controls ineffective around the Final Internal Audit Report on Msunduzi Fresh Produce Market monthly Financial Reconciliations and Reviews be NOTED.</p> <p>(b) That the Senior Manager: City Enterprises should:</p> <ul style="list-style-type: none"> <li>(i) Review and update the current policy and procedure manual document.</li> <li>(ii) They exercise oversight to ensure that policies and procedures are updated to address review and update cycles.</li> <li>(iii) Ensure that policy covers objectives, responsibilities and accountability of different levels of relevant management to ensure proper execution of responsibilities resulting to accountability and consequence management.</li> <li>(iv) Develop and implement proper document management system to ensure that complete, relevant, valid and accurate information is easily accessible and available to support daily deposits in the bank statements.</li> <li>(v) Should investigate the missing deposit slips and or obtain copies from the bank.</li> <li>(vi) Exercise adequate oversight over Msunduzi Fresh Market daily deposits and reconciliations.</li> <li>(vii) Diligently perform regular/daily reviews and reconciliations to confirm validity, accuracy and completeness of the daily deposits.</li> <li>(viii) Ensure that policy and procedure manual is adequately documented to address long outstanding reconciling items.</li> <li>(ix) Exercise oversight to ensure that policies and procedures are updated and documented to address long outstanding reconciling items.</li> <li>(x) Develop and implement proper document management system to ensure that complete, relevant, valid and accurate information is easily accessible and available to support daily un-cleared speed point swipes.</li> <li>(xi) Bank reconciliations should be adequately supported with valid, accurate and complete supporting documents.</li> <li>(xii) A record of all uncleared speed point swipes should be maintained and followed up with the bank.</li> <li>(xiii) Develop and implement proper document management system to ensure that complete, relevant, valid and accurate information is easily accessible and available to support the clearing of cash deposit surpluses/shortages.</li> <li>(xiv) Diligently perform regular/daily reviews and reconciliations to confirm validity, accuracy and completeness of the uncleared cheque deposits.</li> <li>(xv) The policy and procedure manual is not adequately documented to address uncleared cheque deposits.</li> <li>(xvi) Exercise oversight to ensure that policies and procedures are updated and documented to address uncleared cheque deposits.</li> </ul> <p>(c) Management should ensure that:</p> <ul style="list-style-type: none"> <li>(i) The bank forwards the bank statements on its letter head and in PDF format or other uneditable format.</li> <li>(ii) The principal accountant has access to download the banks statements online.</li> <li>(iii) They diligently review bank statements for validity.</li> <li>(iv) The Principal Accountant should request for the PDF bank statement download from the CFO's office at month-end in order to perform bank reconciliations using a credible source of information.</li> <li>(v) There is an appropriate and sufficient audit evidence to support and clear the long outstanding reconciling items in the monthly bank reconciliations.</li> <li>(vi) Policy and Procedure Manual is adequately documented to address long outstanding reconciling items.</li> <li>(vii) They exercise oversight to ensure that policies and procedure manuals are updated and documented to address long outstanding reconciling items.</li> <li>(viii) On a monthly basis, the Principal Accountant should follow-up on all long outstanding items and explanations should be documented for each line item.</li> <li>(ix) There is appropriate and sufficient audit evidence to support the recovery of the shortages receivable from the cashiers.</li> <li>(x) They exercise oversight over recovery of the shortages receivable from the cashiers.</li> <li>(xi) There is a consistent treatment of the of uncleared speed point swipes.</li> <li>(xii) The Policy and Procedure Manual is adequately documented to address uncleared speed point swipes on the last of the month.</li> <li>(xiii) They exercise oversight to ensure that Policies and Procedures are adequately documented to address uncleared speed point swipes on the last of the month.</li> <li>(xiv) They develop and implement proper document management system to ensure that complete, relevant, valid and accurate information is easily accessible and available to support the bank charges as reflected in the bank reconciliations.</li> <li>(xv) They diligently perform regular/daily reviews and reconciliations to confirm validity, accuracy and completeness of the bank charges as reflected in the bank reconciliations.</li> <li>(xvi) They exercise oversight to ensure that Policies and Procedures are adequately documented to address the accounting treating and supporting documents relating to the bank charges.</li> </ul> <p><b>12.11. CONSULTING ACTIVITY ON ISU MODULE ON SAP</b></p> <p><b>RESOLVED</b></p> <p>That the item on Consulting Activity on ISU Module on SAP be STOOD DOWN until the next meeting of the Audit Committee meeting, in view of there being no representative to present the item.</p> |

| DATE | RESOLUTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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|      | <p><b>FINANCIAL SERVICES BUSINESS UNIT</b></p> <p><b>13.1. MSUNDUZI MUNICIPALITY INTERIM FINANCIAL STATEMENTS FOR THE 8 MONTHS ENDED 28 FEBRUARY 2019 [3.10.1.1]</b></p> <p><b>RESOLVED</b></p> <p>That the report by the Chief Financial Officer on the Msunduzi Municipality Interim Financial Statements For The 8 Months Ended 28 February 2019 be NOTED, as it was read in conjunction with item with item 10.2. of the agenda.</p> <p><b>13.2. The following reports were STOOD DOWN, in view of the issues pertaining to SAP and MSCOA, were impacting on the generation of the Section 71 and Section 66 being compiled accurately, due to various challenges which were being experienced with the system.</b></p> <ul style="list-style-type: none"> <li>i. <b>SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : FEBRUARY 2019[3.7.1 (2017/2018)]</b></li> <li>ii. <b>SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : MARCH 2019[3.7.1 (2017/2018)]</b></li> <li>iii. <b>SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : APRIL 2019[3.7.1 (2017/2018)]</b></li> <li>iv. <b>SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : EXPENDITURE ON STAFF BENEFITS MONTHLY REPORT – FEBRUARY 2019 [3.7.1 (2017/2018)]</b></li> <li>v. <b>SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : EXPENDITURE ON STAFF BENEFITS MONTHLY REPORT – MARCH 2019 [3.7.1 (2017/2018)]</b></li> <li>vi. <b>SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003 : EXPENDITURE ON STAFF BENEFITS MONTHLY REPORT – APRIL 2019 [3.7.1 (2017/2018)]</b></li> </ul> <p><b>13.3. UNSPENT BALANCES OF CONDITIONAL GRANTS [3.7.1 (2018/2019)]</b></p> <p><b>RESOLVED</b></p> <p>That the report dated 26 April 2019 by the Chief Financial Officer [Acting] on the Unspent Balances Of Conditional Grants, be NOTED.</p> <p><b>13.4. CLOSE OUT REPORT ON THE LEASE AUDIT PROJECT THAT WAS CONDUCTED IN 2016 [12.3.3.1]</b></p> <p><b>RESOLVED</b></p> <p>That the report dated 18 June 2018 by the Manager : Real Estates and Valuations on the Close Out Report On The Lease Audit Project That Was Conducted In 2016, be NOTED.</p> |
|      | <p><b>REPORTS FROM MUNICIPAL ENTITIES</b></p> <p><b>14.1. 3rd QUARTER REPORT ON SAFE CITY</b></p> <p>Presentation by Safe City: Report dated 13 May 2019 by Safe City.</p> <p><b>RESOLVED</b></p> <p>That the Report from the Safe City on the 3RD Quarter Report on Safe City be NOTED.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|      | <p><b>CONFIDENTIAL: NOT FOR PUBLICATION</b></p> <p><b>15. CONFIRMATION OF CONFIDENTIAL MINUTES</b></p> <p><b>16. FORENSIC INVESTIGATION INTO ALLEGATIONS OF PREFERENTIAL ALLOCATIONS OF PROJECTS : CONTRACT E9 OF 2017 FOR CLEARANCE AND ERADICATIONS OF VEGETATION IN CLOSE PROXIMITY TO ELECTRICAL; MV AND OVERHEAD LINES &amp; SUB STATIONS INCLUDING 132 KV &amp; ALLEGATIONS OF CLAIMS FOR PAYMENT FOR WORK NOT DONE : INFRASTRUCTURE BUSINESS UNIT [3.10.1.1]</b></p> <p><b>17. REPORT ON THE FORENSIC INVESTIGATION INTO THE ALLEGATIONS THAT THE TWO STREET SWEEPERS WERE SEEN IN A VIDEO THROWING RUBBISH INTO A PRIVATE RESIDENTS YARD[3.10.1.1]</b></p> <p><b>18. REPORT ON THE FORENSIC INVESTIGATION INTO ALLEGED IRREGULAR SECONDMENT OF CERTAIN SECRETARIAT STAFF TO SUPERVISORY POSITIONS AT SECRETARIAT AND AUXILIARY SERVICES UNIT [3.10.1.1]</b></p> <p><b>19. FORENSIC INVESTIGATION INTO ALLEGED IRREGULAR PROCUREMENT OF GPS BY THE ECONOMIC DEVELOPMENT BUSINESS UNIT IN CONTRAVENTION OF THE SUPPLY CHAIN MANAGEMENT POLICY, CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA AND MFMA SUPPLY CHAIN MANAGEMENT REGULATIONS [3.10.1.1]</b></p> <p><b>20. REPORT ON THE WHISTLE BLOWING HOTLINE FOR 1 APRIL 2019 TO 30 APRIL 2019 [3.10.1.1]</b></p> <p><b>21. QUARTERLY REPORT ON THE WHISTLE BLOWING HOTLINE : 1 JANUARY 2019 TO 31 MARCH 2019 [3.10.1.1]</b></p> <p><b>NOTE BY THE SENIOR MANAGER: SECRETARIAT AND AUXILIARY SERVICES</b></p> <p>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>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

# CHAPTER 10 – FINANCIAL DECLARATIONS OF COUNCILLORS AND MUNICIPAL STAFF

## MSUNDUZI MUNICIPALITY COUNCILLOR'S DISCLOSURE & DECLARATION OF INTERESTS 2018/2019 FINANCIAL YEAR

The following tables are a reflection of Councillors disclosures and declarations of interests and employee financial disclosure summary for the 2018/2019 financial year.

| NUMBER | 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) | EMPLOYED (YES/NO) | OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL) | ADDITIONAL INTERESTS / PENSION (YES/NIL) | SUBSIDY / GRANT / SPONSORSHIP (YES/NIL) |
|--------|---------------------------------------|--------------------------------|----------------------------------|----------------------------------------------|------------------------------------------------|----------------------------------|-------------------------|------------------------|-----------------------------------------------------------|-------------------|----------------------------------------------|------------------------------------------|-----------------------------------------|
| 1      | Jabulile Joyce Ngubo                  | Ward Councillor & The Speaker  | 30/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | YES                                     |
| 2      | Blessing Sibusiso Mshali              | Ward Councillor                | 24/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 3      | Madiata Linda Lintrod                 | Ward Councillor                | 6-Oct-16                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 4      | Hamilton Mlungisi Zondi               | Ward Councillor                | 22/08/2016                       | YES                                          | NIL                                            | NIL                              | YES                     | NIL                    | NIL                                                       | NIL               | YES                                          | NIL                                      | NIL                                     |
| 5      | Nkosinathi Maxwell Mbanjwa            | Ward Councillor                | 22/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | YES               | NIL                                          | NIL                                      | NIL                                     |
| 6      | Snoti Raphael Mkhongo                 | Ward Councillor                | 29/11/2017                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 7      | Sandile Duncan Ngubane                | Ward Councillor                | 22/08/2016                       | YES                                          | YES                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL ?             | NIL                                          | NIL                                      | NIL                                     |
| 8      | Makhosazane Precious Zondo            | Ward Councillor                | 5-Oct-16                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 9      | Nontobeko Khumalo                     | Ward Councillor                | 22/01/2019                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 10     | Nkosinathi Chaswell Nhlakanipho Gambu | Ward Councillor                | 21/11/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 11     | Madonda Innocent Sipho                | Ward Councillor                | 28/09/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 12     | Majola Terence Sboniso                | Ward Councillor                | 1-May-18                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 13     | Gladness Sibongile Mncwango           | Ward Councillor                | 23/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 14     | Thebisgo Patrick Molefe               | Ward Councillor                | 9-Jan-16                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 15     | Jabulani Nene                         | Ward Councillor                | 11-Nov-17                        | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 16     | Zuma Ephakabantu Michael              | Ward Councillor                | 15/11/2016                       | NIL                                          | NIL                                            | NIL                              | YES                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 17     | Sithole Thamsanqa Wondebooy           | Ward Councillor                | 22/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 18     | Gwaia Sridisawe Cydy                  | Ward Councillor                | 30/09/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 19     | Ndawonde Oalphas                      | Ward Councillor                | 11-Nov-17                        | YES                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 20     | Neliswa Zanele Ndlovu                 | Ward Councillor                | 14/11/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 21     | Bhekithamba Mutza Mkhize              | Ward Councillor                | 11-Nov-16                        | YES                                          | YES                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | YES                                     |
| 22     | Xolani Ellington Ngongoma             | Ward Councillor                | 22/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 23     | Phungula Bernard Dumisani             | Ward Councillor                | 5-Oct-16                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | YES               | NIL                                          | NIL                                      | NIL                                     |
| 24     | Prudence Nokuhula Maimang             | Ward Councillor - EXCO         | 11-Sep-16                        | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 25     | Melika Singh                          | Ward Councillor                | 22/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | YES               | NIL                                          | NIL                                      | NIL                                     |
| 26     | Resa Bryn Strachan                    | Ward Councillor                | 14/11/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 27     | Mangoba Ngubo                         | Ward Councillor                | 23/08/2016                       | YES                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | YES               | NIL                                          | NIL                                      | NIL                                     |
| 28     | Claudell Milany Chetty                | Ward Councillor                | 19/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 29     | Spha Sydney Madala                    | Ward Councillor                | 28/09/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | YES                                                       | YES               | NIL                                          | NIL                                      | NIL                                     |
| 30     | Henshra Jigmoohan                     | Ward Councillor                | 22/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 31     | Rosana Ahmed                          | Ward Councillor                | 19-08-2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 32     | Shawn Adkins                          | Ward Councillor                | 15-08-2018                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 33     | Nkululeko Mkhize                      | Ward Councillor                | 22/08/2017                       | NIL                                          | NIL                                            | NIL                              | YES                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 34     | Mike Ismail Amod                      | Ward Councillor                | 23/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 35     | Sandile Wellington Dlamini            | Ward Councillor                | 22/08/2016                       | NIL                                          | YES                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 36     | Wintebach Ludwig Johann               | Ward Councillor                | 18/11/2016                       | YES                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | YES                                          | YES                                      | NIL                                     |
| 37     | Sandra Patricia Lyne                  | Ward Councillor                | 19/09/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | YES                                          | NIL                                      | YES                                     |
| 38     | Godman Nkosivelle Dlamini             | Ward Councillor                | 24/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 40     | Ignatia Thandive Madoondo             | Ward Councillor                | 23/08/2016                       | YES                                          | NIL                                            | NIL                              | YES                     | YES                    | NIL                                                       | YES               | YES                                          | NIL                                      | NIL                                     |
| 41     | Mkuduzi Jerome Njilo                  | PR Councillor - The Mayor      | 15/11/2017                       | YES                                          | YES                                            | YES                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 42     | Thobani Reginald Zuma                 | PR Councillor - Deputy Mayor   | 13/11/2017                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 43     | Thobani Ignatia Dlamini               | PR Councillor - EXCO           | 5/9/2016                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 44     | Philswe Sithole                       | PR Councillor - EXCO           | 24/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 45     | Sophamandla Dennis Khumalo            | PR Councillor - EXCO           | 23/08/2017                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | YES                                      | NIL                                     |
| 46     | Eunice Nomsigugu Majola               | PR Councillor - EXCO           | 20/02/2017                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 47     | Glenn Robert McArthur                 | PR Councillor - EXCO           | 19/08/2016                       | NIL                                          | NIL                                            | YES                              | NIL                     | NIL                    | NIL                                                       | YES               | YES                                          | NIL                                      | NIL                                     |
| 48     | Jerome Sbonisiseni Majola             | PR Councillor - EXCO           | 2/9/2016                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 49     | Dennis T Ntombela                     | PR Councillor - EXCO           | 14/12/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 50     | Truman V. Magubane                    | PR Councillor - The Chief Whip | 15/12/2017                       | YES                                          | YES                                            | YES                              | YES                     | YES                    | YES                                                       | NIL               | YES                                          | YES                                      | NIL                                     |
| 51     | Gugu Mary-Jane Dladle Ngubo           | PR Councillor                  | 19/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 52     | Fuvwana Rose Mary Zungu               | PR Councillor                  | 15/08/2018                       | NIL                                          | YES                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 53     | Ntshuhlo Ntshangase                   | PR Councillor                  | 15/08/2018                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 54     | Ambacala Sibongile Dlamini            | PR Councillor                  | 22/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 55     | Mary Sebakwiyk                        | PR Councillor                  | 6/9/2016                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 56     | Ethel Zwola Ntombela                  | PR Councillor                  | 22/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 57     | Dorcas Sibongile Mkhize               | PR Councillor                  | 26/08/2016                       | NIL                                          | YES                                            | YES                              | YES                     | YES                    | NIL                                                       | YES               | YES                                          | YES                                      | YES                                     |
| 58     | Rachel Soobah                         | PR Councillor                  | 5/10/2016                        | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 59     | Mantlal Indejit                       | PR Councillor                  | 20/02/2017                       | YES                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | YES                                          | NIL                                      | NIL                                     |
| 60     | Mehmood-Ul-Hassan Umar                | PR Councillor                  | 22/08/2016                       | NIL                                          | YES                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | YES               | NIL                                          | NIL                                      | NIL                                     |
| 61     | Mansizwa Simon Sokhela                | PR Councillor                  | 22/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                      | NIL                                     |
| 62     | Neliswa Janet Gwala                   | PR Councillor                  | 22/08/2016                       | NIL                                          | YES                                            | NIL                              | YES                     | NIL                    | NIL                                                       | YES               | NIL                                          | NIL                                      | NIL                                     |

| NUMBER | 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) | EMPLOYED (YES/NO) | OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL) | ADDITIONAL INTERESTS (PENSION / YES/ / NIL) | SUBSIDY / GRANT / SPONSORSHIP (YES/NIL) |
|--------|--------------------------|---------------|----------------------------------|----------------------------------------------|------------------------------------------------|----------------------------------|-------------------------|------------------------|-----------------------------------------------------------|-------------------|----------------------------------------------|---------------------------------------------|-----------------------------------------|
| 63     | Najmah B. Ahmed          | PR Councillor | 5/9/2016                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 64     | Ningi J Zungu            | PR Councillor | 15/08/2019                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 65     | Kathrine Malindi Ngcobo  | PR Councillor | 15-05-2018                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 66     | William Francis Lambert  | PR Councillor | 18/11/2016                       | YES                                          | NIL                                            | NIL                              | YES                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 67     | Bongumusa Cyril Nhabathi | PR Councillor | 16/11/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 68     | Nelani Katubo            | PR Councillor | 19/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 69     | Regina Zimile Ngubo      | PR Councillor | 11/11/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | YES                                     |
| 70     | Zuma Bukelani E          | PR Councillor | 28/09/2016                       | YES                                          | NIL                                            | YES                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 71     | Dolo Phillip Zondi       | PR Councillor | 14/11/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 72     | S'fiso Derrick Nere      | PR Councillor | 10/11/2017                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 73     | Sandile Cyril Shange     | PR Councillor | 23/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 74     | Raidave Sivnath          | PR Councillor | 1/9/2016                         | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 75     | Raidave Sivnath          | PR Councillor | 21/09/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | YES               | NIL                                          | NIL                                         | NIL                                     |
| 76     | Prince Dumisa Duma       | PR Councillor | 24/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 77     | Prince Dumisa Duma       | PR Councillor | 21/09/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 78     | Nomalady E. Dilela       | PR Councillor | 19/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 79     | Nomalady E. Dilela       | PR Councillor | 19/08/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | YES               | NIL                                          | YES                                         | NIL                                     |
| 80     | Rienus Niemand           | PR Councillor | 14/10/2016                       | NIL                                          | YES                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | NIL                                          | NIL                                         | NIL                                     |
| 81     | Mohamed Salim Goga       | PR Councillor | 23/09/2016                       | NIL                                          | NIL                                            | NIL                              | NIL                     | NIL                    | NIL                                                       | NIL               | YES HOME                                     | YES                                         | NIL                                     |

## MSUNDUZI MUNICIPALITY EMPLOYEE FINANCIAL DISCLOSURE SUMMARY 2018/2019 FINANCIAL YEAR

| NO. | SURNAME   | NAME        | STRATEGIC BUSINESS UNIT                      | DESIGNATION                                                    | DATE OF DISCLOSURE | SHARES & OTHER FINANCIAL INTERESTS (YES/NIL) | DIRECTORSHIPS & PARTNERSHIPS (YES/NIL) | REMINERATED 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) |
|-----|-----------|-------------|----------------------------------------------|----------------------------------------------------------------|--------------------|----------------------------------------------|----------------------------------------|-----------------------------------------------------|-----------------------------------------|------------------------|------------------------------------------------------------------------|---------------------------|
| 1   | Ngcobo    | Nelisiwe    | OFFICE OF THE CITY MANAGER                   | CITY MANAGER                                                   | 19/03/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | YES                                                                    | YES                       |
| 2   | Jackson   | Madelaine   | OFFICE OF THE CITY MANAGER                   | SENIOR MANAGER - OFFICE OF THE CITY MANAGER                    | 19/03/2019         | YES                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | YES                                                                    | NIL                       |
| 3   | Mngelwa   | Lindaiva    | OFFICE OF THE CITY MANAGER                   | SENIOR MANAGER - RPTN                                          | 11/03/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 4   | Mahaba    | Jabulani    | OFFICE OF THE CITY MANAGER                   | SENIOR MANAGER - CHIEF AUDIT EXECUTIVE                         | 13/11/2018         | YES                                          | YES                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 5   | Lebelo    | George      | OFFICE OF THE CITY MANAGER                   | SENIOR MANAGER - STRATEGIC PLANNING                            | 01/03/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 6   | Dube      | Nobom       | OFFICE OF THE CITY MANAGER                   | SENIOR MANAGER - POLITICAL SUPPORT                             | NO DATE            | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 7   | Sivparsad | Brenden     | INFRASTRUCTURE SERVICES                      | SENIOR MANAGER - WATER AND SANITATION                          | 30/04/2019         | NIL                                          | YES                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 8   | Madlala   | Thabani     | INFRASTRUCTURE SERVICES                      | SENIOR MANAGER - ELECTRICITY                                   | NO DATE            | YES                                          | YES                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 9   | Kunene    | Sechaba     | INFRASTRUCTURE SERVICES                      | SENIOR MANAGER - PROJECT MANAGEMENT OFFICE                     | 11/03/2019         | NIL                                          | NIL                                    | YES                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 10  | Sosibo    | Bheki       | INFRASTRUCTURE SERVICES                      | SENIOR MANAGER - ROADS AND TRANSPORTATION                      | 14/06/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 11  | Naidoo    | Cyril       | COMMUNITY SERVICES                           | SENIOR MANAGER - WASTE MANAGEMENT                              | NO DATE            | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 12  | Khumalo   | Kwenda      | COMMUNITY SERVICES                           | SENIOR MANAGER - Public Safety and Enforcement                 | NO DATE            | NIL                                          | NIL                                    | YES                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 13  | Zuma      | Lungisani   | COMMUNITY SERVICES                           | SENIOR MANAGER - RECREATION AND FACILITIES                     | 25/02/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 14  | Kunene    | Siketela    | COMMUNITY SERVICES                           | SENIOR MANAGER - AREA BASED MANAGEMENT                         | 22/02/2019         | YES                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 15  | Ndzalala  | Phumani     | BUDGET AND TREASURY                          | SENIOR MANAGER - SUPPLY CHAIN MANAGEMENT                       | 26/06/2019         | NIL                                          | YES                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 16  | Jali      | Phumani     | BUDGET AND TREASURY                          | SENIOR MANAGER - EXPENDITURE MANAGEMENT                        | 26/06/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 17  | Stoba     | Kharyisale  | BUDGET AND TREASURY                          | SENIOR MANAGER - FINANCE GOVERNANCE AND PERFORMANCE MANAGEMENT | 26/06/2019         | YES                                          | YES                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 18  | Khoza     | Sifiso      | BUDGET AND TREASURY                          | SENIOR MANAGER - BUDGET AND FINANCIAL MANAGEMENT               | 26/06/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 19  | Ngcobese  | Moses       | BUDGET AND TREASURY                          | SENIOR MANAGER - REVENUE MANAGEMENT                            | 26/06/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 20  | Langa     | Odwa        | BUDGET AND TREASURY                          | SENIOR MANAGER - ASSETS AND LIABILITIES                        | 26/06/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 21  | Anthony   | Clive       | SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES | SENIOR MANAGER - TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT    | 03/04/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 22  | Nxumalo   | Theminkosi  | SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES | GENERAL MANAGER - SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES | 19/06/2019         | YES                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 23  | Mvelase   | Gugu        | SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES | SENIOR MANAGER - CITY ENTITIES                                 | NO DATE            | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 24  | Zondi     | Phindile    | SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES | SENIOR MANAGER - DEVELOPMENT SERVICES                          | 03/04/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 25  | Nombungu  | Emily       | SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES | SENIOR MANAGER - HUMAN SETTLEMENT                              | 01/07/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 26  | Khoali    | Nyakeane    | SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES | GENERAL MANAGER - SUSTAINABLE DEVELOPMENT AND CITY ENTITIES    | 03/04/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | YES                       |
| 27  | Zulu      | Bonhwe      | COMMUNITY SERVICES                           | GENERAL MANAGER - COMMUNITY SERVICES                           | NO DATE            | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 28  | Mpiisi    | Ngangenkosi | INFRASTRUCTURE SERVICES                      | GENERAL MANAGER - INFRASTRUCTURE SERVICES                      | 04/06/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | NIL                                                                    | NIL                       |
| 29  | Gambu     | Dudu        | BUDGET AND TREASURY                          | CFO: BUDGET AND TREASURY                                       | 04/07/2019         | NIL                                          | NIL                                    | NIL                                                 | NIL                                     | NIL                    | YES                                                                    | YES                       |

Note: The above tables are summaries of the declaration template completed by Councillors and Officials of Msunduzi Municipality. Copies of the original full declaration template as per above can be viewed at the Office of the Municipal Manager.

# SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019

## ANNUAL PROGRESS REPORT - SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019

### ANNEXURE A

| ANNEXURE A: MONTHLY PROJECTION OF REVENUE BY EACH SOURCE - BUDGET YEAR 2018 / 2019 |                  |                  |                      |                    |                 |
|------------------------------------------------------------------------------------|------------------|------------------|----------------------|--------------------|-----------------|
| DESCRIPTION                                                                        | ANNUAL PROJECTED | ANNUAL ACTUAL    | REASON FOR DEVIATION | CORRECTIVE MEASURE | SOURCE DOCUMENT |
| <b>Property rates</b>                                                              |                  |                  |                      |                    |                 |
| Property rates - penalties & collection charges                                    | 915,564          | 918,571          |                      |                    | C 71 report     |
| Service charges - electricity revenue                                              | 2,135,838        | 2,029,458        |                      |                    | C 71 report     |
| Service charges - water revenue                                                    | 604,621          | 645,760          |                      |                    | C 71 report     |
| Service charges - sanitation revenue                                               | 126,057          | 159,620          |                      |                    | C 71 report     |
| Service charges - refuse revenue                                                   | 116,206          | 99,286           |                      |                    | C 71 report     |
| Service charges - other                                                            | -                | -                |                      |                    |                 |
| Rental of facilities and equipment                                                 | 25,972           | 20,618           |                      |                    | C 71 report     |
| Interest earned - external investments                                             | 26,857           | 20,379           |                      |                    | C 71 report     |
| Interest earned - outstanding debtors                                              | 182,773          | 230,588          |                      |                    | C 71 report     |
| Dividends received                                                                 |                  | -                |                      |                    |                 |
| Fines                                                                              | 15,154           | 16,459           |                      |                    | C 71 report     |
| Licences and permits                                                               | 974              | 830              |                      |                    | C 71 report     |
| Agency services                                                                    | 543              | 1,970            |                      |                    | C 71 report     |
| Transfers recognized - operational                                                 | 669,406          | 602,211          |                      |                    | C 71 report     |
| Other revenue                                                                      | 131,940          | 95,399           |                      |                    | C 71 report     |
| Gains on disposal of PPE                                                           |                  | 167,354          |                      |                    | C 71 report     |
| <b>Total Revenue (excluding capital transfers and contributions)</b>               | <b>4,951,906</b> | <b>5,008,502</b> |                      |                    |                 |

### ANNEXURE B

| ANNEXURE B: MONTHLY PROJECTION OF REVENUE COLLECTED BY EACH VOTE - BUDGET YEAR 2018 / 2019 |                  |                  |                      |                    |                 |
|--------------------------------------------------------------------------------------------|------------------|------------------|----------------------|--------------------|-----------------|
| DESCRIPTION                                                                                | ANNUAL PROJECTED | ANNUAL ACTUAL    | REASON FOR DEVIATION | CORRECTIVE MEASURE | SOURCE DOCUMENT |
| <b>Revenue by Vote</b>                                                                     |                  |                  |                      |                    |                 |
| City Manager                                                                               | 54               | 18               |                      |                    | C 71 report     |
| City Finance                                                                               | 1,347,787        | 1,347,903        |                      |                    | C 71 report     |
| Community Services and Social Equity                                                       | 204,048          | 191,843          |                      |                    | C 71 report     |
| Corporate Services                                                                         | 5,076            | 5,708            |                      |                    | C 71 report     |
| Infrastructure Services                                                                    | 3,604,672        | 3,610,052        |                      |                    | C 71 report     |
| Sustainable Development and City Enterprises                                               | 219,268          | 267,384          |                      |                    | C 71 report     |
| <b>TOTAL</b>                                                                               | <b>5,380,904</b> | <b>5,422,907</b> |                      |                    |                 |

### ANNEXURE C

| ANNEXURE C: MONTHLY PROJECTION OF OPERATIONAL EXPENDITURE BY VOTE - BUDGET YEAR 2018 / 2019 |                  |                  |                      |                    |                 |
|---------------------------------------------------------------------------------------------|------------------|------------------|----------------------|--------------------|-----------------|
| DESCRIPTION                                                                                 | ANNUAL PROJECTED | ANNUAL ACTUAL    | REASON FOR DEVIATION | CORRECTIVE MEASURE | SOURCE DOCUMENT |
| Employee related costs                                                                      | 1,267,167        | 1,111,293        |                      |                    | C71 report      |
| Remuneration of Councillors                                                                 | 48,573           | 44,131           |                      |                    | C71 report      |
| Debt impairment                                                                             | 110,280          | 324,546          |                      |                    | C71 report      |
| Depreciation & asset impairment                                                             | 467,692          | 466,814          |                      |                    | C71 report      |
| Finance charges                                                                             | 50,672           | 54,810           |                      |                    | C71 report      |
| Bulk purchases                                                                              | 2,034,195        | 2,132,173        |                      |                    | C71 report      |
| Other materials                                                                             | 56,400           | 58,537           |                      |                    | C71 report      |
| Contracted services                                                                         | 600,549          | 566,645          |                      |                    | C71 report      |
| Transfers and grants                                                                        | 58,437           | 24,698           |                      |                    | C71 report      |
| Other expenditure                                                                           | 215,589          | 193,242          |                      |                    | C71 report      |
| Loss on disposal of PPE                                                                     | 43               | 190,772          |                      |                    | C71 report      |
| <b>Total Expenditure</b>                                                                    | <b>4,909,597</b> | <b>5,167,662</b> |                      |                    |                 |

## ANNEXURE D

ANNEXURE D: MONTHLY PROJECTION OF CAPITAL EXPENDITURE BY VOTE - BUDGET YEAR 2018 / 2019

| DESCRIPTION                                      | ANNUAL PROJECTED | ANNUAL ACTUAL  | REASON FOR DEVIATION | CORRECTIVE MEASURE | SOURCE DOCUMENT |
|--------------------------------------------------|------------------|----------------|----------------------|--------------------|-----------------|
| <b>Multi-year expenditure to be appropriated</b> |                  |                |                      |                    |                 |
| City Manager                                     | 4,963            | 378            |                      |                    | C71 report      |
| City Finance                                     | 28,030           | 10,600         |                      |                    | C71 report      |
| Community Services and Social Equity             | 56,515           | 40,950         |                      |                    | C71 report      |
| Corporate Services                               | 3,463            | 949            |                      |                    | C71 report      |
| Infrastructure Services                          | 443,961          | 383,189        |                      |                    | C71 report      |
| Sustainable Development and City Enterprises     | 58,534           | 52,516         |                      |                    | C71 report      |
| <b>Total Capital Expenditure</b>                 | <b>595,466</b>   | <b>488,582</b> |                      |                    |                 |



## ANNEXURE E

### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT - REGULATED PERFORMANCE INDICATORS

#### REGULATED KEY PERFORMANCE INDICATORS OVERVIEW

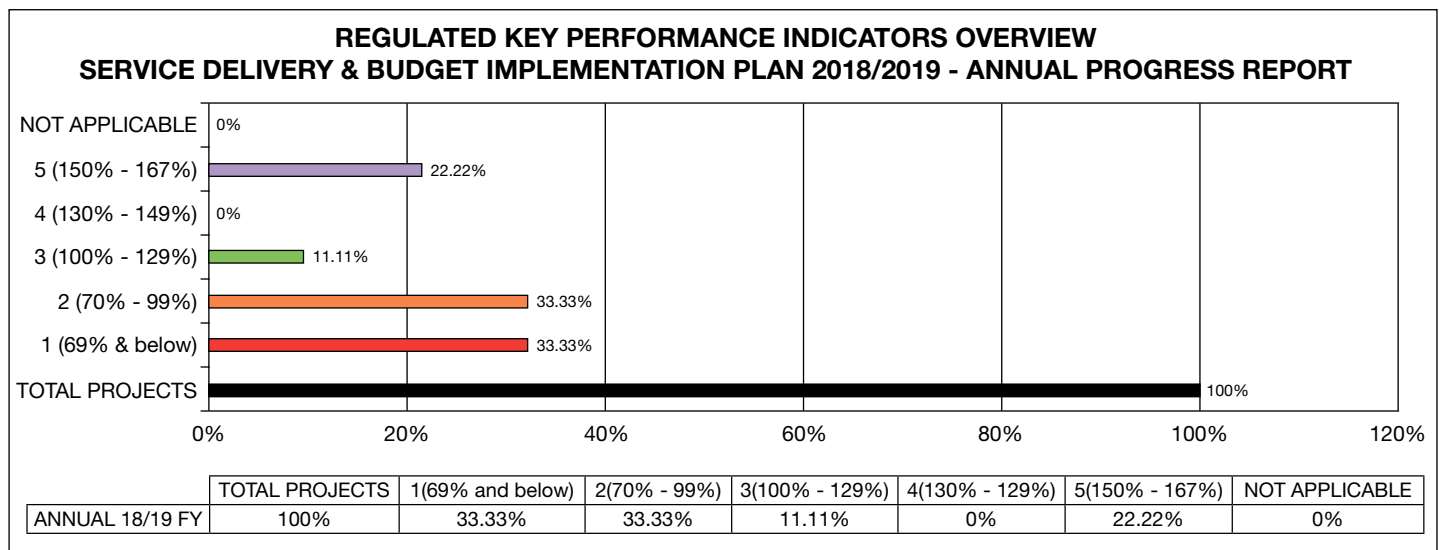
#### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

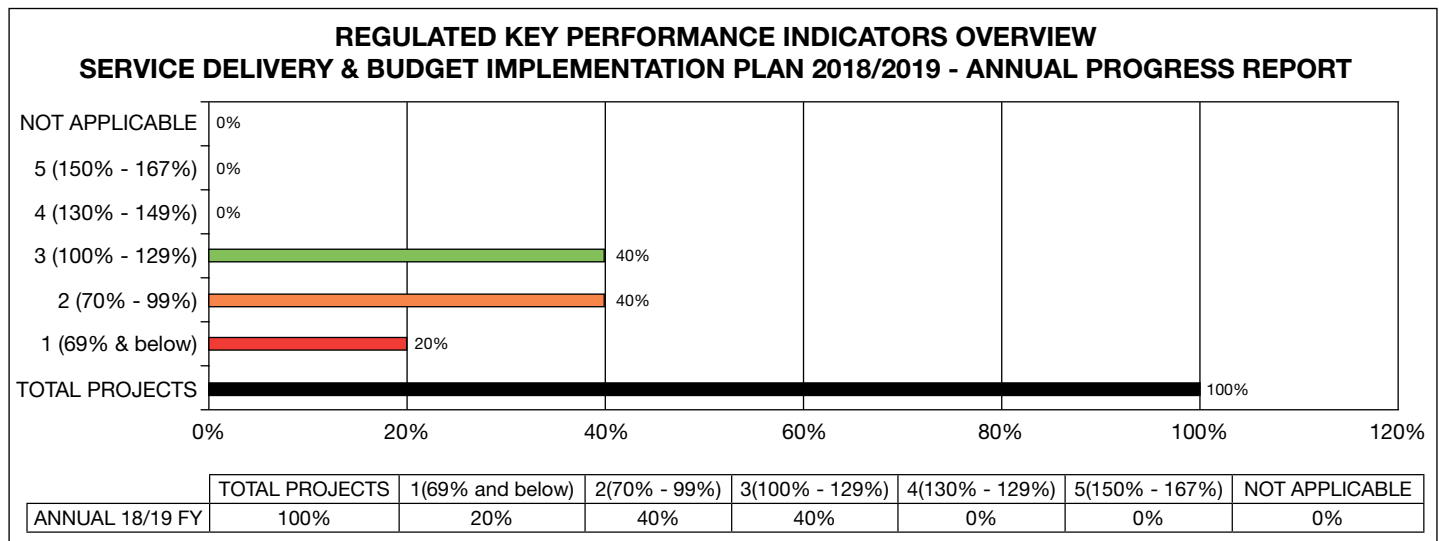
#### 1 REGULATED KEY PERFORMANCE INDICATORS OVERVIEW

|       |                    |    |
|-------|--------------------|----|
| 1.1   | TOTAL PROJECTS:    | 14 |
| 1.1.1 | OPERATING PROJECTS | 9  |
| 1.1.2 | CAPITAL PROJECTS   | 5  |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



#### 2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



| INDEX | IDP REFERENCE | CDS REFERENCE                                       | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA & OUTCOME 9                        | RESPONSIBLE MANAGERS                            | PROGRAMME                         | PROJECT                                                                                                  | WARD                                                                               | BASELINE / STATUS QUO                                                                                                                                                                                              | MEASURABLE OBJECTIVE                                                                                                                                                                          | ANNUAL TARGET / OUTPUT                                                                                                                                    | PERFORMANCE MEASURE                                                                                                                                           | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                            |                                                                                          |                                                                                                                                                                                                                       |                                                      | SOURCE DOCUMENT                                        |                                            |
|-------|---------------|-----------------------------------------------------|-----------------|------------------------------------------------------------------|-------------------------------------------------|-----------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------|--------------------------------------------|
|       |               |                                                     |                 |                                                                  |                                                 |                                   |                                                                                                          |                                                                                    |                                                                                                                                                                                                                    |                                                                                                                                                                                               |                                                                                                                                                           |                                                                                                                                                               | ANNUAL TARGET                                                                                          | ANNUAL ACTUAL                                                                            | REASON FOR DEVIATION                                                                                                                                                                                                  | CORRECTIVE MEASURE                                   |                                                        | Timeframe TO IMPLEMENT CORRECTIVE MEASURES |
|       |               |                                                     |                 |                                                                  |                                                 |                                   |                                                                                                          |                                                                                    |                                                                                                                                                                                                                    |                                                                                                                                                                                               |                                                                                                                                                           |                                                                                                                                                               |                                                                                                        |                                                                                          |                                                                                                                                                                                                                       |                                                      |                                                        |                                            |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | RPI 01          | NKPA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT | GM: CORPORATE SERVICES / SM: HUMAN RESOURCES    | Workplace skills development      | Budget spent on Work Skills Plan                                                                         | N/A                                                                                | 99% (R10,288,434) spent on WSP in 2014/2015                                                                                                                                                                        | 100% of R 18,113,004 budget spent on WSP                                                                                                                                                      | 100% of R 18,113,004 budget spent on WSP                                                                                                                  | % Spent on WSP                                                                                                                                                | R 7,942,421,48 was spent during the 2018/2019 Financial year to implement the WSP.                     | 1 (69% & below)                                                                          | Delay in appointing training providers due to the funding issues related to cost containment.                                                                                                                         | Not in SD Units control                              | Reports to Expenditure and SCM committees              |                                            |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | RPI 02          | NKPA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT | GM: CORPORATE SERVICES / SM: HUMAN RESOURCES    | Employment equity                 | Number of people from employment equity target groups employed in the three highest levels of management | N/A                                                                                | 3 female and 2 male executive managers; 4 female and 3 male senior managers; 0 White female and 0 male senior managers; 0 Coloured female and 0 Indian female and 1 male senior manager; 0 disabled senior manager | Number of people from employment equity target groups employed in middle management and non-management posts [White, Coloured males and females & disabled males and females] by 30 June 2019 | 0 x people from employment equity target groups employed in senior & middle management by the 30th of June 2019                                           | 0 x people from employment equity target groups employed in senior & middle management by the 30th of June 2019                                               | 1 (69% & below)                                                                                        | There has been no African female employed at the three highest level within this period. | The targets have been included in the RPI 2019/2020                                                                                                                                                                   | Dec-19                                               | Employment Equity plan                                 |                                            |
| B     | B1            | 2 - BACK TO BASICS                                  | RPI 03          | NKPA 2 - BASIC SERVICE DELIVERY                                  | GM: INFRASTRUCTURE / SM: WATER & SANITATION     | Improved access to basic services | Number of households with access to potable (drinkable) water                                            | Various, as this is Application Driven                                             | 92,42 % households with access to potable (drinkable) water in 2017/2018                                                                                                                                           | 92,86% of households with access to drinking water by the 30 June 2019                                                                                                                        | 92,86% of households with access to drinking water by the 30 June 2019                                                                                    | % of Households with access to Water Sanitation                                                                                                               | 92,9 % have access to drinking water by the 30 June 2019.                                              | 3 (100% - 129%)                                                                          | N/A                                                                                                                                                                                                                   | N/A                                                  | Water Connection monitoring Spread-sheet for June 2019 |                                            |
| B     | B1            | 2 - BACK TO BASICS                                  | RPI 04          | NKPA 2 - BASIC SERVICE DELIVERY                                  | GM: INFRASTRUCTURE / SM: WATER & SANITATION     | Improved access to basic services | Number of households with access to sanitation                                                           | Application Driven, Basic Sanitation Program                                       | 53,96% of households with access to sanitation in 2017/2018                                                                                                                                                        | 54,70% of households have access to sanitation by the 30 June 2019                                                                                                                            | 54,70% of households have access to sanitation by the 30 June 2019                                                                                        | % of Households with access to Sanitation                                                                                                                     | 54,71 % have access to sanitation by the 30 June 2019                                                  | 3 (100% - 129%)                                                                          | N/A                                                                                                                                                                                                                   | N/A                                                  | June 2019 Connection monitoring spread-sheet           |                                            |
| B     | B1            | 2 - BACK TO BASICS                                  | RPI 05          | NKPA 2 - BASIC SERVICE DELIVERY                                  | GM: INFRASTRUCTURE / SM: ELECTRICITY            | Improved access to basic services | Number of households with access to electricity                                                          | Ward 29 - 352 new connections (Mkhondeni) & Ward 28 - 200 new connections (Regina) | 950 households with access to electricity in 2015/2016                                                                                                                                                             | 200 new electricity connections completed (Ward 29 - 200 new connections (Mkhondeni) & Ward 28 - 200 new connections (Regina)) by the 30th of June 2019                                       | 200 new electricity connections completed (Ward 29 - 200 new connections (Mkhondeni) & Ward 28 - 200 new connections (Regina)) by the 30th of June 2019   | Number of new electricity connections completed (Ward 29 - 200 new connections (Mkhondeni) & Ward 28 - 200 new connections (Regina)) by the 30th of June 2019 | 179 new electricity connections completed in various ward (Application based) by the 30th of June 2019 | 2 (70% - 99%)                                                                            | The outstanding work will be completed in the 2019/2020 financial year as it was received towards the end of the 2018/2019 financial year (the systems to process material were already closed for stock taking etc.) | Jul-19                                               | Job cards                                              |                                            |
| B     | B1            | 2 - BACK TO BASICS                                  | RPI 06          | NKPA 2 - BASIC SERVICE DELIVERY                                  | GM: INFRASTRUCTURE / SM: ROADS & TRANSPORTATION | UPGRADING OF ROADS INTO BLACK TOP | REHABILITATION - PMS                                                                                     | 1-37                                                                               | Inadequate preventative maintenance in Municipal roads                                                                                                                                                             | 2500m2 (equivalent to 2,5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 30th of April 2019                                     | 2500m2 (equivalent to 2,5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 30th of April 2019 | m2 equivalent to 2,5km of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion)                                     | 2500m2 (Equivalent to 2,5km) of municipal roads not constructed by the 30th of April 2019              | 1 (69% & below)                                                                          | Delays in finalising the appointment of Service Providers.                                                                                                                                                            | Ensure that the contract is in place.                | Contract Document                                      |                                            |
| B     | B1            | 2 - BACK TO BASICS                                  | RPI 07          | NKPA 2 - BASIC SERVICE DELIVERY                                  | GM: COMMUNITY SERVICES / SM: WASTE MANAGEMENT   | Improved access to basic services | Number of households with access to refuse removal at least once per week                                | 10 - 97 serviced by both Municipality and Co-ops                                   | Approximately 120 000 households with access to refuse removal at least once per week in 2016/2017                                                                                                                 | Refuse collection in all 5 zones of the Msunduzi Municipality by the 30th of June 2019                                                                                                        | Refuse collection in all 5 zones of the Msunduzi Municipality by the 30th of June 2019                                                                    | Number of zones Refuse collected                                                                                                                              | Refuse collection in all 5 zones of the Msunduzi Municipality not completed by the 30th of June 2019   | 1 (69% & below)                                                                          | Funds re-allocated due to time constraints                                                                                                                                                                            | Re-start the process in the 2019/2020 financial year | Re-allocation Form                                     |                                            |

# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                       |                 |                                                |                                                        |                                        |                                                                                                                                        |                               |                                                                                                                       |                                                                                                                                                                                                                    |                                                                                                                                                                                                                           |                                                                                                                                                                                                                    |                                                                                                                                                                                                                 |                                           |                                                                                                                                   |                                                                                                          |                                              |                                      |
|--------------------------------------------------------------------------------|---------------|---------------------------------------|-----------------|------------------------------------------------|--------------------------------------------------------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------|
| INDEX                                                                          | IDP REFERENCE | ODS REFERENCE                         | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE INDICATOR & OUTCOME 9 | RESPONSIBLE MANAGERS                                   | PROGRAMME                              | PROJECT                                                                                                                                | WARD                          | BASELINE STATUS QUO                                                                                                   | MEASURABLE OBJECTIVE                                                                                                                                                                                               | ANNUAL TARGET / OUTPUT                                                                                                                                                                                                    | PERFORMANCE MEASURE                                                                                                                                                                                                | PERFORMANCE REPORTING 2018/2019 FY – ANNUAL PROGRESS REPORT                                                                                                                                                     |                                           |                                                                                                                                   |                                                                                                          |                                              |                                      |
|                                                                                |               |                                       |                 |                                                |                                                        |                                        |                                                                                                                                        |                               |                                                                                                                       |                                                                                                                                                                                                                    |                                                                                                                                                                                                                           |                                                                                                                                                                                                                    | ANNUAL ACTUAL                                                                                                                                                                                                   | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                              | CORRECTIVE MEASURE                                                                                       | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES   | SOURCE DOCUMENT                      |
| B                                                                              | B3            | 2 - BACK TO BASICS                    | RPI 08          | NKPA 2 - BASIC SERVICE DELIVERY                | CFO / SM: REVENUE MANAGEMENT                           | Improved access to Free Basic Services | Number of households earning less than R3500 per month (application based) with access to free basic services by the 30th of June 2019 | All Wards (application based) | 7000 households earning less than R3500 per month (application based) with access to free basic services in 2017/2018 | 6000 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2019                                                                         | 6000 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2019                                                                                | Number of households earning less than R3500 per month (application based) provided with access to free basic services                                                                                             | 4210 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2019                                                                      | 2 (70% - 99%)                             | Customers are not applying as expected. Wards are visited by Finance staff to assist them to apply but the turnaround is not good | Some of the flats with indigent customers are not meters most of the RDP houses in Inbal are not metered | Infrastructure                               | Indigent register and smc resolution |
| D                                                                              | D3            | 4 - BUILDING FINANCIAL SUSTAINABILITY | RPI 09          | NKPA 4 - FINANCIAL VIABILITY & MANAGEMENT      | CFO / SM: BUDGET PLANNING, IMPLEMENTATION & MONITORING | Improved Audit Opinion                 | Percentage of municipality's capital budget actually spent on capital projects identified in the IDP in 2014/2015                      | N/A                           | 74.87% of the municipality's capital budget actually spent on capital projects identified in the IDP in 2014/2015     | 100% of the municipality's capital budget actually spent on capital projects identified in the IDP by the 30th of June 2019 (Percentage: Total spending on capital projects divided by total capital budget x 100) | 82% of the municipality's capital budget actually spent on capital projects identified in the IDP by the 30th of June 2019 (Percentage: Total spending on capital projects divided by total capital budget x 100)         | 100% of the municipality's capital budget actually spent on capital projects identified in the IDP by the 30th of June 2019 (Percentage: Total spending on capital projects divided by total capital budget x 100) | % of the municipality's capital budget actually spent on capital projects identified in the IDP by the 30th of June 2019 (Percentage: Total spending on capital projects divided by total capital budget x 100) | 2 (70% - 99%)                             | Only budget holders from various departments are better placed to provide reasons for not spending 100% of the allocated budget   | Source input from budget holders                                                                         | All department with Capital spent below 100% | S71 report                           |
| D                                                                              | D1            | 4 - BUILDING FINANCIAL SUSTAINABILITY | RPI 10          | NKPA 4 - FINANCIAL VIABILITY & MANAGEMENT      | CFO / SM: BUDGET PLANNING, IMPLEMENTATION & MONITORING | Improved Audit Opinion                 | Financial viability in terms of debt coverage                                                                                          | N/A                           | 92.5 achieved in 2014/2015                                                                                            | 9.78 Financial viability in terms of debt coverage achieved. (Ratio: Total operating revenue received minus operating grants divided by debt service payments (i.e., interests plus redemption))                   | 9.78 Financial viability in terms of debt coverage achieved by the 30th of June 2019. (Ratio: Total operating revenue received minus operating grants divided by debt service payments (i.e., interests plus redemption)) | Ratio of Financial viability in terms of debt coverage achieved. (Ratio: Total operating revenue received minus operating grants divided by debt service payments (i.e., interests plus redemption))               | Ratio of Financial viability in terms of debt coverage achieved. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure)                                                        | 5 (150% - 167%)                           | N/A                                                                                                                               | N/A                                                                                                      | N/A                                          | Reports from the financial system.   |
| D                                                                              | D3            | 4 - BUILDING FINANCIAL SUSTAINABILITY | RPI 11          | NKPA 4 - FINANCIAL VIABILITY & MANAGEMENT      | CFO / SM: BUDGET PLANNING, IMPLEMENTATION & MONITORING | Improved Audit Opinion                 | Financial viability in terms of cost coverage                                                                                          | N/A                           | 2.74 achieved in 2014/2015                                                                                            | 3.43 Financial viability in terms of cost coverage achieved. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure)                                                               | 3.43 Financial viability in terms of cost coverage achieved by the 30th of June 2019. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure)                                             | Ratio of Financial viability in terms of cost coverage achieved. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure)                                                           | Ratio of Financial viability in terms of cost coverage achieved. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure)                                                        | 2 (70% - 99%)                             | The cash surpluses have decreased due to poor collection from Debtors                                                             | The revenue enhancement strategy must be intensified in order to improve collections and cash surpluses. | Jun-20                                       | Reports from the financial system.   |
| D                                                                              | D3            | 2 - BACK TO BASICS                    | RPI 12          | NKPA 4 - FINANCIAL VIABILITY & MANAGEMENT      | CFO / SM: BUDGET PLANNING, IMPLEMENTATION & MONITORING | Improved Audit Opinion                 | Financial viability in terms of outstanding service debtors to revenue                                                                 | N/A                           | 0.59 achieved in 2014/2015                                                                                            | 1.8 Financial viability in terms of outstanding service debtors to revenue achieved. (Ratio: Outstanding service debtors divided by annual revenue actually received for services)                                 | 1.8 Financial viability in terms of outstanding service debtors to revenue achieved by the 30th of June 2019. (Ratio: Outstanding service debtors divided by annual revenue actually received for services)               | 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)                            | 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)                         | 5 (150% - 167%)                           | N/A                                                                                                                               | N/A                                                                                                      | N/A                                          | Reports from the financial system.   |

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                    |                 |                                           |                                                                        |                                                                 |                                                                                                     |                                                                                    |                                                                                                             |                                                                                                                            |                                                                                                                            |                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                           |                                                |                    |
|--------------------------------------------------------------------------------|---------------|--------------------|-----------------|-------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------|--------------------|
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA & OUTCOME 9 | RESPONSIBLE MANAGERS                                                   | PROGRAMME                                                       | PROJECT                                                                                             | WARD                                                                               | BASELINE / STATUS QUO                                                                                       | MEASURABLE OBJECTIVE                                                                                                       | ANNUAL TARGET / OUTPUT                                                                                                     | PERFORMANCE MEASURE                                                                                                                                                         | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                           |                                                |                    |
|                                                                                |               |                    |                 |                                           |                                                                        |                                                                 |                                                                                                     |                                                                                    |                                                                                                             |                                                                                                                            |                                                                                                                            |                                                                                                                                                                             | ANNUAL ACTUAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                           | CORRECTIVE MEASURE |
| C                                                                              | C1            | 2 - BACK TO BASICS | RPI13           | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT       | GM: SUSTAINABLE DEVELOPMENT & CITY ENTITIES / SM: DEVELOPMENT SERVICES | Community Work programme implemented and cooperatives supported | Number of work opportunities created through LED development initiatives including Capital Projects | 4, 5, 6, 7, 8, 9, 11, 13, 14, 15, 16, 17, 18, 20, 2, 22, 23, 29, 31, 32, 33 and 35 | 2000 work opportunities created through LED development initiatives including Capital Projects in 2017/2018 | 1000 x work opportunities created through LED development initiatives including Capital Projects by the 31st of March 2019 | 1000 x work opportunities created through LED development initiatives including Capital Projects by the 31st of March 2019 | 1202 work opportunities created through CWP and Infrastructure sector.                                                                                                      | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | N/A                                       | N/A                                            | Progress Report    |
| B                                                                              | B1            | 2 - BACK TO BASICS | RPI14           | NKPA 2 - BASIC SERVICE DELIVERY           | GM: SUSTAINABLE DEVELOPMENT & CITY ENTITIES / SM: HUMAN SETTLEMENTS    | Improved access to basic services                               | No. of new houses constructed                                                                       | 19=2457<br>10=120<br>11=166<br>17=180<br>32=40<br>33=100<br>38=60                  | 2416 new houses constructed in 2017/2018                                                                    | 4033 x new housing units constructed utilising external funding by the 30th of June 2019                                   | 4033 x new housing units constructed utilising external funding by the 30th of June 2019                                   | 19= 2898<br>10= 37 (115 x new housing units - Renovation)<br>11= 0<br>17= 0<br>33= 0<br>38= 0<br>32= 0<br>3070 x new housing units constructed by the end of 30th June 2019 | 1-9= There is no access to other sites due to bumpy roads, 10= Slow performance on access, 10= Contract expired from the IA, 11= The IA is back on site doing the work at a slow pace while awaiting approval of escalation. Recovery plan will be produced after escalation approval 17= Municipality will follow up with Provincial DoHS, 33= The contractor is on site and the recovery program is being implemented 38= Delays on NHBRC enrolment application, 32= Implementing agent is delaying to sign the contract. The IA proposed some changes in the contract. | 3 Months                                  | DE, Monthly Reports, Minutes, BAC Resolutions. |                    |

## ANNEXURE F

### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT - OrganisationAL OVERVIEW

#### SDBIP ORGANISATIONAL OVERVIEW

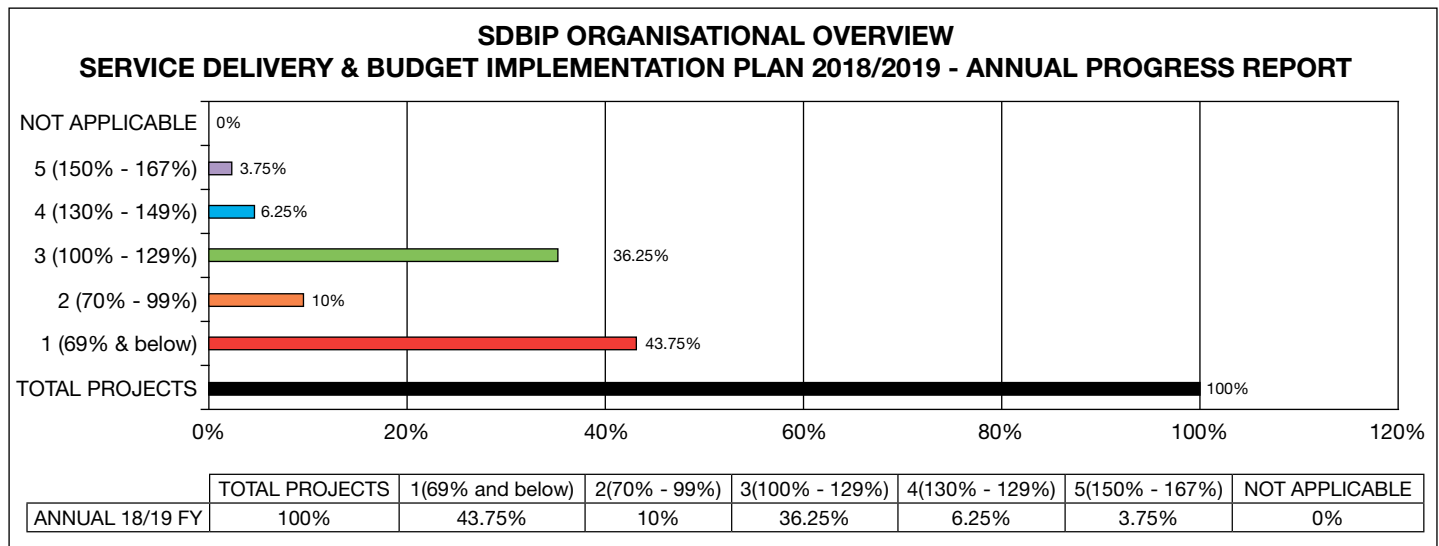
#### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

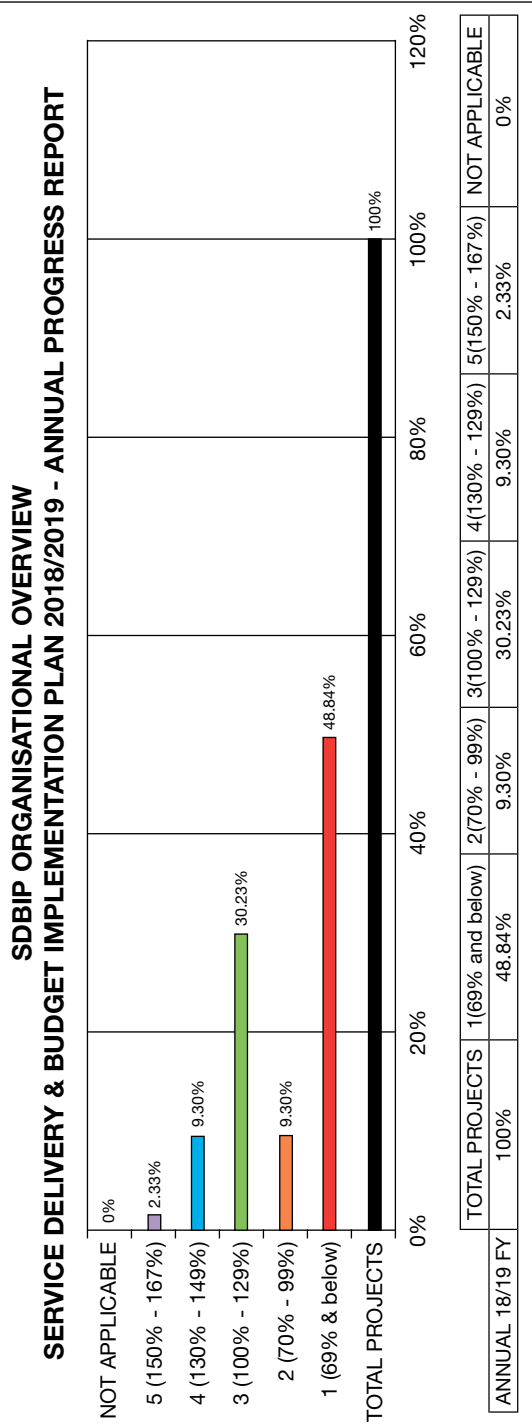
#### 1 ORGANISATIONAL OVERVIEW

|       |                           |            |
|-------|---------------------------|------------|
| 1.1   | <b>TOTAL PROJECTS:</b>    | <b>123</b> |
| 1.1.1 | <b>OPERATING PROJECTS</b> | <b>80</b>  |
| 1.1.2 | <b>CAPITAL PROJECTS</b>   | <b>43</b>  |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



- 1.2.1 A total of 80 Operating Projects were reported on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.2 43.75% of the projects were reported as having achieved a 1 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.3 10% of the projects were reported as having achieved a 2 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.4 36.25% of the projects were reported as having achieved a 3 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.5 6.25% of the projects were reported as having achieved a 4 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.6 3.75% of the projects were reported as having achieved a 5 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.7 0% of the projects were reported as not applicable on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT



- 2.1.1 A total of 43 Capital Projects were reported on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.2 48.84% of the projects were reported as having achieved a 1 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.3 9.30% of the projects were reported as having achieved a 2 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.4 30.23% of the projects were reported as having achieved a 3 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.5 9.30% of the projects were reported as having achieved a 4 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.6 2.33% of the projects were reported as having achieved a 5 on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.7 **0% of the projects were reported as not applicable due to not having any targets on the SDBIP for the 2018/2019 ANNUAL PROGRESS REPORT**

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |                                          |                          |                                 |                               |                             |                                                       |                                        |                                              |                                                                                                                                                                                                    |                                                                                                                                                                                                |                                          |                                                                                                                                           |                                                                                                                                                                                        |
|--------------------------------------------------------------------------------|------------------------------------------|--------------------------|---------------------------------|-------------------------------|-----------------------------|-------------------------------------------------------|----------------------------------------|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ORGANISATIONAL OVERVIEW NARRATIVE                                              |                                          |                          |                                 |                               |                             |                                                       |                                        |                                              |                                                                                                                                                                                                    |                                                                                                                                                                                                |                                          |                                                                                                                                           |                                                                                                                                                                                        |
| NO                                                                             | BUSI-<br>NESS<br>UNIT                    | SUB UNIT                 | NUMBER OF<br>OPERATING<br>KPI'S | NUMBER OF<br>CAPITAL<br>KPI'S | TOTAL<br>NUMBER OF<br>KPI'S | NUMBER OF<br>KPI'S TARGET<br>NOT MET<br>PARTIALLY MET | SERVICE DELIV-<br>ERY PER-<br>FORMANCE | PROJECT                                      | ANNUAL TARGET                                                                                                                                                                                      | ANNUAL ACTUAL                                                                                                                                                                                  | ACTUAL<br>(1,2,3,4,5, Not<br>Applicable) | REASON FOR DEVIATION                                                                                                                      | CORRECTIVE MEASURE                                                                                                                                                                     |
| 1                                                                              | OFFICE<br>OF THE<br>CITY<br>MANAG-<br>ER | OFFICE OF THE<br>SPEAKER | 6                               | 0                             | 6                           | 6                                                     |                                        | Annual<br>Schedule of<br>meetings<br>Reports | Annual schedule of meetings, 2019/2020 FY<br>(ward committees & community meetings)<br>submitted to CoGTA by the 30th of June 2019                                                                 | 8<br>Councilors have submitted their Annual<br>schedule of meetings for the 2019/2020 FY                                                                                                       | 1<br>(69% &<br>below)                    | Not all Councilors have submitted<br>their Annual schedule of meetings                                                                    | Meeting to be held with Councilors in<br>order for them to provide this informa-<br>tion. It will then be submitted to CoGTA                                                           |
|                                                                                |                                          |                          |                                 |                               |                             |                                                       | OTS 02                                 | Reports                                      | 488 X Monthly Reports on the functioning/<br>status of ward committees received by the<br>Office of the Speaker from Ward Assistants<br>before the 21st of every month by the 30th<br>of June 2019 | 144 X Monthly Reports on the functioning/status<br>of ward committees received by the Office of the<br>Speaker from Ward Assistants before the 21st of<br>every month by the 30th of June 2019 | 1<br>(69% &<br>below)                    | Due to late submission by<br>Councilors                                                                                                   | Meeting to be held with Councilors<br>regarding the timely submission of<br>reports in the next financial year                                                                         |
|                                                                                |                                          |                          |                                 |                               |                             |                                                       | OTS 03                                 | Reports                                      | Minutes of community meetings from each<br>of the 39 Ward Assistants submitted to the<br>Office of the Speaker within 5 days after date<br>of meeting by the 30th of June 2019                     | 235x Minutes of community meetings from<br>each of the 39 Ward Assistants submitted to the<br>Office of the Speaker within 5 days after date<br>of meeting by the 30th of June 2019            | 2<br>(70% -<br>99%)                      | Not all ward assistance submitted<br>the minutes within 5 days after the<br>meeting. Wards 22 and 27 did not<br>hold meetings for the FY. | The speaker to issue councilors with<br>a memo for ward assistants to ensure<br>minutes of meetings is submitted to the<br>office of the speaker within the 5 day<br>prescribed period |
|                                                                                |                                          |                          |                                 |                               |                             |                                                       | OTS 04                                 | Reports                                      | Minutes of ward meetings from each of the 39<br>Ward Assistants submitted to the Office of the<br>Speaker within 5 days after date of meeting<br>by the 30th of June 2019                          | 393 x Minutes of ward meetings from each of the<br>39 Ward Assistants submitted to the Office of the<br>Speaker within 5 days after date of meeting by<br>the 30th of June 2019                | 2<br>(70% -<br>99%)                      | Not all ward assistance submitted<br>the minutes within 5 days after the<br>meeting. Wards 22 and 27 did not<br>hold meetings for the FY. | The speaker to issue councilors with<br>a memo for ward assistants to ensure<br>minutes of meetings is submitted to the<br>office of the speaker within the 5 day<br>prescribed period |
|                                                                                |                                          |                          |                                 |                               |                             |                                                       | OTS 06                                 | Reports                                      | 12 x monthly reports on functioning of the<br>Speaker's Office submitted to the Operational<br>Management Committee by the 30 of June<br>2019                                                      | 9 x monthly reports on functioning of the<br>Speaker's Office submitted to the Operational<br>Management Committee by the 30 of June 2019                                                      | 2<br>(70% -<br>99%)                      | Vacancy exists in the Office of the<br>Speaker re-manager in the Office of<br>the Speaker hence reports are not<br>forthcoming            | Prioritise the fulfilling of the post.                                                                                                                                                 |
|                                                                                |                                          |                          |                                 |                               |                             |                                                       | OTS 08                                 | Reporting                                    | 12 x Monthly Reports on the Back to Basics<br>National Template prepared and submitted to<br>Council by the 30th of June 2019                                                                      | 11 x Monthly Reports on the Back to Basics for<br>the Speaker prepared and submitted to Council<br>by the 30th of June 2019                                                                    | 2<br>(70% -<br>99%)                      | Vacancy exists in the Office of the<br>Speaker re-manager in the Office of<br>the Speaker hence reports are not<br>forthcoming            | Prioritise the fulfilling of the post                                                                                                                                                  |

# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |                            |                                                                                                              |                          |                        |                      |                                                  |                   |                                                                                |                                                                                                                                                                                                                                      |                                                                                                                                                                                          |                                   |                                                                                                                                                             |                                                                                                                                                                             |
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| ORGANISATIONAL OVERVIEW NARRATIVE                                              |                            |                                                                                                              |                          |                        |                      |                                                  |                   |                                                                                |                                                                                                                                                                                                                                      |                                                                                                                                                                                          |                                   |                                                                                                                                                             |                                                                                                                                                                             |
| NO                                                                             | BUSINESS UNIT              | SUB UNIT                                                                                                     | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | SD/BI/PERFORMANCE | PROJECT                                                                        | ANNUAL TARGET                                                                                                                                                                                                                        | ANNUAL ACTUAL                                                                                                                                                                            | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION                                                                                                                                        | CORRECTIVE MEASURE                                                                                                                                                          |
| 1                                                                              | OFFICE OF THE CITY MANAGER | OFFICE OF THE MAYOR                                                                                          | 4                        | 0                      | 4                    | 2                                                | MSP 02            | Implementation of annual calendar of events                                    | 100% Implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019                                             | 50% Implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019  | 1 (69% & below)                   | The budget allocated for the implementation of the Mayoral Special Programmes for 2018/19 was insufficient, only 50% of the programmes could be implemented | Allocation of sufficient budget                                                                                                                                             |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | MSP 03            | Reports                                                                        | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                                                                          | 11 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                              | 2 (70% - 99%)                     | Vacancies existed in the unit and the one report was not completed                                                                                          | To ensure that vacancies are prioritised and all reports be completed according to approved targets                                                                         |
|                                                                                |                            | IRPTN                                                                                                        | 0                        | 3                      | 3                    | 2                                                | IRPTN 01          | Infrastructure Implementation                                                  | 7% of the project completed. Commence with earthworks and layer works of road widening in Moses Mabhidla Road between km 5.5 to km 6.5 (Work Package 2) by the 30th of June 2019                                                     | 0% of the project completed. Did not Commence with earthworks and layer works of road widening in Moses Mabhidla Road between km 5.5 to km 6.5 (Work Package 2) by the 30th of June 2019 | 1 (69% & below)                   | The appeal outcome is that the tender should be re-advertised. The preferred contractor has requested review of the appeal decision                         | Awaiting the outcome of the review process by the preferred contractor                                                                                                      |
|                                                                                |                            | IRPTN 02                                                                                                     |                          |                        |                      |                                                  |                   | Infrastructure Implementation                                                  | 45% of the project completed. Proceed with construction of retaining wall, earthworks and layer works of road widening in Moses Mabhidla Road between km 7.5 to km 8.8 (Work Package 3) by 30th of June 2019                         | 40% of the project completed which is proceeding with construction of retaining wall, earthworks and layer works by 30 June 2019.                                                        | 2 (70% - 99%)                     | Slow production on site due to dispute on rates between the main contractor and subcontractors.                                                             | The contractor has submitted a recovery plan                                                                                                                                |
| 2                                                                              | COMMUNITY SERVICES         | TOTAL PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER)                   | 10                       | 3                      | 13                   | 10                                               | PS, ES & E 03     | Fire Arm Training for all municipal fire-arm holders                           | 2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019                                                                                                                | 1 x Fire Arm Training/Fire Arm Refresher Course by the 30th of June 2019                                                                                                                 | 1 (69% & below)                   | Awaiting service level agreement for shooting range to be signed by (A)Municipal Manager as from: 1 November 2018                                           | Service level agreement for shooting range to be signed by (A)Municipal Manager as from: 1 November 2018                                                                    |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | PS, ES & E 05     | Implementation of Approved Disaster management plan/strategy                   | 24 Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019                                                                                      | 45 Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019                                          | 2 (70% - 99%)                     | During the month of February 2019, the unit was unable to meet the 24 Hours turn around time to respond to disaster related incident                        | The unit needs to consider such incidents so as to revise the 24 hour turnaround time in outer financial years as well as such amendments being made to the approved policy |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | PS, ES & E 08     | Major Hazards Premises Visitation by PSDM                                      | 46 Major Hazard Visitations conducted by the 30th of June 2019                                                                                                                                                                       | 45 Major Hazard Visitations conducted by the 30th of June 2019                                                                                                                           | 2 (70% - 99%)                     | Staff shortages/response to incidents-grass fire season                                                                                                     | Nil                                                                                                                                                                         |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | PS, ES & E 10     | Acquisition of 4x4 Airport fire engine                                         | 1 x AIRPORT fire engine purchased in accordance to SACAA standard by the 31st of May 2019                                                                                                                                            | 0 x AIRPORT fire engine purchased in accordance to SACAA standard by the 31st of May 2019                                                                                                | 1 (69% & below)                   | NO BUDGET ALLOCATED DURING MID YEAR REVIEW PROCESS                                                                                                          | REQUEST BUDGET IN NEW FINANCIAL YEAR                                                                                                                                        |
|                                                                                |                            | AREA BASED MANAGEMENT (ABM, HIV/AIDS & HALLS)                                                                | 9                        | 0                      | 9                    | 0                                                | N/A               | N/A                                                                            | N/A                                                                                                                                                                                                                                  | N/A                                                                                                                                                                                      | NOT APPLICABLE                    | N/A                                                                                                                                                         | N/A                                                                                                                                                                         |
|                                                                                |                            | RECREATION & FACILITIES (SPORTS, PARKS, SERVICES, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) | 4                        | 4                      | 8                    | 6                                                | R & F 01          | Grass cutting on verges, open spaces and parks                                 | Grass cut once per month in 29 wards a season as per grass cutting schedule (September 2018 - May 2019) with a tractor utilising a slasher-mower for open spaces, sports grounds and any verge over 2 meters by the 31st of May 2019 | Grass cut in 29 Wards utilising a slasher-mower with minor challenges                                                                                                                    | 1 (69% & below)                   | Challenges with slasher-mower and constant break-downs of tractors                                                                                          | Repair slasher-mower and tractors, e-mowers in 2109/2020 financial year to be implemented in September 2019                                                                 |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | R & F 02          | Grass cutting and landscaping of islands, municipal gardens and main entrances | 10 islands and 10 main entrances into CBD maintained monthly by the 30th of June 2019                                                                                                                                                | 5 islands and 5 main entrances into CBD maintained                                                                                                                                       | 1 (69% & below)                   | Late delivery of brush-cutters                                                                                                                              | New delivery of 50 Brushcutters to be implemented in new financial year 2019/2020                                                                                           |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | R & F 03          | Grass cutting at municipal libraries                                           | Grass cut at 11 libraries every month as per the grass cutting schedule by the 30th of June 2019                                                                                                                                     | Grass cut at 3 libraries every month as per the grass cutting schedule by the 30th of June 2019                                                                                          | 1 (69% & below)                   | Late delivery of brush-cutters                                                                                                                              | New delivery of 50 Brushcutters to be implemented in new financial year 2019/2020                                                                                           |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | R & F 05          | Purchase of modified containers/park homes (change rooms/toilet facilities)    | 2 x modified containers/park homes (change rooms/toilet facilities) purchased and received by the 30th of June 2019                                                                                                                  | 1 Modified Container delivered.                                                                                                                                                          | 1 (69% & below)                   | Shortage of funding                                                                                                                                         | Mid-term budget                                                                                                                                                             |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | R & F 06          | Purchase new Machinery and Equipment                                           | Purchase new Machinery and Equipment (100 Brushcutters, 10 CHAINSAWS, 3 POLE PRUNERS) by the 30th of June 2019                                                                                                                       | Purchase new Machinery and Equipment (100 Brushcutters delivered) by the 30th of June 2019                                                                                               | 1 (69% & below)                   | N/A                                                                                                                                                         | N/A                                                                                                                                                                         |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | R & F 09          | Upgrading Buchanman Swimming Pool                                              | Full Upgrade of Buchanman Swimming Pool completed by the 30th of June 2019 -                                                                                                                                                         | Upgrade of Buchanman Swimming Pool not completed                                                                                                                                         | 1 (69% & below)                   | Report submitted late for approval SS 72 of 2015 not approved by BAC                                                                                        | Mid-term review for 2019/2020                                                                                                                                               |
|                                                                                |                            | WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING)                                      | 2                        | 0                      | 2                    | 2                                                | WM 01             | WASTE'S Refuse Collection - Vulindlela                                         | Refuse collection in all 5 zones of the Msunduzi Municipality by the 30th of June 2019                                                                                                                                               | Refuse collection in all 5 zones of the Msunduzi Municipality not completed by the 30th of June 2019                                                                                     | 1 (69% & below)                   | Funds re-allocated due to time constraints                                                                                                                  | Restart the process in the 2019/2020 financial year                                                                                                                         |
|                                                                                |                            |                                                                                                              |                          |                        |                      |                                                  | WM 02             | Repairs completed on skip bins                                                 | 24 skip bins repaired (various sizes) and replaced by the 30th of June 2019                                                                                                                                                          | 0 skip bins repaired (various sizes) and replaced by the 30th of June 2019                                                                                                               | 1 (69% & below)                   | Funds re-allocated due to time constraints                                                                                                                  | Restart the process in the 2019/2020 financial year                                                                                                                         |
|                                                                                |                            | TOTAL                                                                                                        | 25                       | 5                      | 30                   | 12                                               |                   |                                                                                |                                                                                                                                                                                                                                      |                                                                                                                                                                                          |                                   |                                                                                                                                                             |                                                                                                                                                                             |

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |                         |                    |                           |                         |                       |                                                   |                                                                         |                                                                            |                                                                                                                                                                          |                                                                                                                                                                                |                    |                                                                                                                                                                                                       |                                                                                                   |
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| ORGANISATIONAL OVERVIEW NARRATIVE                                              |                         |                    |                           |                         |                       |                                                   |                                                                         |                                                                            |                                                                                                                                                                          |                                                                                                                                                                                |                    |                                                                                                                                                                                                       |                                                                                                   |
| NO                                                                             | BUSINESS UNIT           | SUB UNIT           | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL TARGET |                                                                            | ANNUAL ACTUAL                                                                                                                                                            |                                                                                                                                                                                |                    |                                                                                                                                                                                                       |                                                                                                   |
|                                                                                |                         |                    |                           |                         |                       |                                                   | PROJECT REFERENCE                                                       | PROJECT                                                                    | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                       | REASON FOR DEVIATION                                                                                                                                                           | CORRECTIVE MEASURE |                                                                                                                                                                                                       |                                                                                                   |
| 3                                                                              | INFRASTRUCTURE SERVICES | WATER & SANITATION | 0                         | 21                      | 21                    | 13                                                | W & S 02                                                                | MIG - SEWER PIPES UNIT H                                                   | Site Establishment and 0.2 km of sewer pipe installed by the 30 June 2019                                                                                                | Site Establishment and 0 km of sewer pipe not installed by the 30 June 2019.                                                                                                   | 1 (69% & below)    | Changes to scope of works, therefore a delay in submission to BSC. Tender needed to be cancelled once settlement agreement was signed.                                                                | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter.                               |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 03                                                                | MIG - SEWER PIPES AZALEA - PHASE 3                                         | 0.5 km of new water pipeline installed by the 30 June 2019                                                                                                               | 0 km of new water pipeline installed by the 30 June 2019.                                                                                                                      | 1 (69% & below)    | Changes to scope of works, therefore a delay in submission to BSC. Phase 1 could not be completed due to a dispute with contractor.                                                                   | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter.                               |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 04                                                                | MIG - ELIMINATION OF CONSERVANCY TANKS (SEWER)                             | 1 km of new sewer pipeline installed by 31 December 2018. Provisional appointment of service provider by 30 June 2019                                                    | 1 km of new sewer pipeline installed by 31 December 2018. 1.4 km of sewer pipe installed by 30 June 2019. Provisional appointment of service provider not done by 30 June 2019 | 2 (70% - 99%)      | Not approved initially at Bid Spec. Bid Spec not sit for 4 weeks thereafter at original submission. Awaiting Bid Spec sitting.                                                                        | Awaiting Bid Spec sitting                                                                         |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 05                                                                | MIG - SERVICE MIDDLEBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER) | 0.2 km sewer pipeline constructed by 30 June 2019                                                                                                                        | 0 km sewer pipeline not constructed by 30 June 2019.                                                                                                                           | 1 (69% & below)    | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                                                                                   | Awaiting BEC sitting.                                                                             |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 06                                                                | MIG - SHENSTONE AMBLETON SANITATION SYSTEM                                 | Construction: 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Adjudication Report completed and submitted and provisional acceptance by 30 June 2019. | 1.3 km of new sewer pipeline installed by 30 May 2019.<br>Design: Bid Adjudication Report completed and submitted and provisional acceptance not completed by 30 June 2019.    | 2 (70% - 99%)      | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                                                                                   | Awaiting Bid Spec sitting                                                                         |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 07                                                                | MIG - REDUCTION OF NON REVENUE WATER                                       | Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) by the 30th of June 2019                                                                                 | Reduced Total Water Losses to 28.8% in Wards 1 to 38 (in total) by the 30th of June 2019                                                                                       | 2 (70% - 99%)      | Drop in domestic sales and increase in bulk water purchases                                                                                                                                           | Non-revenue water implementation plan running for the next 5 years. Consultant has been appointed |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 09                                                                | MIG - SERVICE MIDDLEBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER) | 0.5 km of new water pipeline installed by 30 June 2019                                                                                                                   | 0 km of new water pipeline installed by 30 June 2019.                                                                                                                          | 1 (69% & below)    | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                                                                                   | Awaiting BEC sitting.                                                                             |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 10                                                                | MIG - COPEVILLE RESERVOIR                                                  | 100% of Bulk earthworks completed by 30 June 2019                                                                                                                        | 0% of Bulk earthworks completed by 30 June 2019.                                                                                                                               | 1 (69% & below)    | There were delays in transferring the land from Human Settlements to Msunduzi municipality and therefore the tender could not be awarded.                                                             | FastTrack tender evaluation.                                                                      |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 11                                                                | MIG - BASIC SANITATION VIP TOILETS                                         | 1200 x VIPs constructed by the 30th of June 2019                                                                                                                         | 790 x VIPs constructed by the 30th of June 2019.                                                                                                                               | 1 (69% & below)    | BAC Report submitted and approved however required full council resolution to proceed with the remainder of the VIPs. Further delays can be attributed to a ward that refused to have VIPs installed. | Awaiting resolution full council resolution                                                       |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 18                                                                | CNL - SANITATION PUMP STATIONS                                             | 3 x Sanitation Pump Stations upgraded by the 28 February 2019                                                                                                            | 0 x Sanitation Pump Stations upgraded by the 28 February 2019                                                                                                                  | 1 (69% & below)    | Difficulties with tender evaluation as tenderers did not submit adequate information for evaluation.                                                                                                  | BEC report submitted. Awaiting BEC sitting and approval.                                          |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 19                                                                | CNL - ED 2 AND ED 4 SYSTEM UPGRADE                                         | 1 x control valve purchased by the 30 June 2019                                                                                                                          | 1 x control valve not purchased by the 30 June 2019                                                                                                                            | 1 (69% & below)    | Funding has been reallocated.                                                                                                                                                                         | N/A                                                                                               |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 20                                                                | CRR - REHABILITATION OF WATER INFRASTRUCTURE                               | 2.2km of water pipe replaced and refurbishment of two pump stations completed by 30 June 2019                                                                            | 0.7 km of water pipe replaced and refurbishment of three pump stations completed by 30 June 2019                                                                               | 1 (69% & below)    | Unforeseen hardrock conditions encountered on site resulting in delays.                                                                                                                               | Engineers have proposed an alternate solution.                                                    |
|                                                                                |                         |                    |                           |                         |                       |                                                   | W & S 21                                                                | MWIG - BASIC WATER SUPPLY                                                  | 100% completion of Reinforcement for the first lift by 30 June 2019                                                                                                      | 0% completion of Reinforcement for the first lift by 30 June 2019                                                                                                              | 1 (69% & below)    | The appointment of the subcontractor took longer than anticipated. Soil conditions was not conducive for base layer.                                                                                  | Revise program in conjunction with cashflows with contractor.                                     |
|                                                                                |                         |                    |                           |                         |                       |                                                   | R & T 01                                                                | CNL - TRAFFIC CALMING MEASURES                                             | 30x traffic calming measures in various sites as per approved completion schedule installed by the 30th of June 2019                                                     | 13x traffic calming measures in various sites as per approved completion schedule installed by the 30th of June 2019                                                           | 1 (69% & below)    | Service Provider was appointed on 22nd of February 2019 and work commenced in March 2019. Original budget was revised from R500 000.00 to R200 000.00.                                                | Only 13 Traffic calming measures were constructed with the available budget.                      |
|                                                                                |                         |                    |                           |                         |                       |                                                   | R & T 02                                                                | CNL - INSTALLATION OF NEW GUARD RAILS (as and when requested)              | 0.5km of guard rails installed as and when requested by the 30th of June 2019                                                                                            | 0.374km of guard rails installed as and when requested by the 30th of June 2019                                                                                                | 1 (69% & below)    | Service Provider was appointed on the 15th of March 2019 on a 7day quotation. Original budget was revised from R500 000.00 to R200 000.00.                                                            | Only 0.374km of new guard rails were installed with the available budget.                         |
|                                                                                |                         |                    |                           |                         |                       |                                                   | R & T 03                                                                | CNL - PLANT AND EQUIPMENT - (NEW TRAFFIC CONTROLLERS)                      | 100% of New Traffic Signal Controllers purchased by the 31st of March 2019                                                                                               | 0% of New Traffic Signal Controllers purchased by the 30th of June 2019                                                                                                        | 1 (69% & below)    | Delays in finalising the appointment of Service Providers.                                                                                                                                            | Fast Track the delivery of Traffic Signal Controllers                                             |





SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| ORGANISATIONAL OVERVIEW NARRATIVE |                                         |                   |                           |                         |                       |                                                   |                 |                                    |                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                            |                                    |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------|-----------------------------------------|-------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|-----------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ANNUAL ACTUAL                     |                                         |                   |                           |                         |                       |                                                   |                 |                                    |                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                            |                                    |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                       |
| NO                                | BUSINESS UNIT                           | SUB UNIT          | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SDBIP REFERENCE | PROJECT                            | ANNUAL TARGET                                                                                                                            | ANNUAL ACTUAL                                                                                                                                                                                                                                                                                                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                                 | CORRECTIVE MEASURE                                                                                                                                                                                                                                                                                                                    |
| 4                                 | SUSTAINABLE DEVELOPMENT & CITY ENTITIES | HUMAN SETTLEMENTS |                           |                         |                       |                                                   | HS 26           | Harewood                           | Signing of Tripartite agreement contract for Harewood by the HOD, City Manager and Implementing Agent completed by the 30th of June 2019 | Signing of Tripartite agreement contract for Harewood by the HOD, City Manager and Implementing Agent not completed by the 30th of June 2019. According to DoHS project monitor, the contract is still being drafted by contracts division, and the Municipality will be advised once has been finalised.                                                  | 1 (69% & below)                    | Target not achieved due to delays at DoHS contracts section. A request was forwarded to the municipality that there be an agreement drafted and signed by both parties (municipality & IA) and submitted to DoHS as part of required documents for drafting of Tripartite agreement. | DoHS to FastTrack drafting of contract.                                                                                                                                                                                                                                                                                               |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 27           | Bhobhono/Masomini                  | Obtain MEC funding approval for Bhobhono/Masomini Stage 1 by the 30th of June 2019                                                       | MEC funding approval for Bhobhono/Masomini Stage 1 not obtained by the 30th of June 2019                                                                                                                                                                                                                                                                   | 1 (69% & below)                    | Further information has been requested by DoHS, however the information was received months later after the submission was made to DoHS for Stage 1 approval. Which has resulted in delays in the approval of Stage 1 funding application.                                           | A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality to advise on progress of the application. Further monthly engagements have been proposed to eliminate delays. |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 28           | Caluza/Smero                       | Obtain MEC funding approval for Caluza/Smero Stage 1 by the 30th of June 2019                                                            | MEC funding approval for Caluza/Smero Stage 1 not obtained by the 30th of June 2019                                                                                                                                                                                                                                                                        | 1 (69% & below)                    | Further information has been requested by DoHS, however the information was received months later after the submission was made to DoHS for Stage 1 approval. Which has resulted in delays in the approval of Stage 1 funding application.                                           | A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality to advise on progress of the application. Further monthly engagements have been proposed to eliminate delays. |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 29           | Shathing Phase 1                   | Request for TEC recommendation in order to prepare monthly progress report to OMC by the 30th of June 2019                               | Request for TEC recommendation in order to prepare monthly progress report to OMC was not achieved. A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality for clarity on the submission. | 1 (69% & below)                    | The DoHS had requested further clarity and more documentation with regards to the submission.                                                                                                                                                                                        | DoHS to FastTrack submission for stage 1 funding application and include the item in the next Technical Evaluation Committee(Agenda).                                                                                                                                                                                                 |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 33           | Willowfontein EE Phase 1           | 10 x Housing Units for Willowfontein EE Phase 1 completed by the 30th of June 2019                                                       | 0 x Housing Units for Willowfontein EE Phase 1 completed.                                                                                                                                                                                                                                                                                                  | 1 (69% & below)                    | Municipality awaiting the contract from the provincial DoHS                                                                                                                                                                                                                          | To follow up with DoHS with regards to contract                                                                                                                                                                                                                                                                                       |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 34           | Wirewall Rectification Project     | 140 x Houses completed for Wirewall Rectification Project by the 30th of June 2019                                                       | 20 units have been completed and 18 units are at practical completion.                                                                                                                                                                                                                                                                                     | 1 (69% & below)                    | Turnaround time to sign and process invoices. Locate missing beneficiaries. Amendment of annexure D. Cross Boundaries. Renovations and demolition approvals and contract amendments                                                                                                  | Improve turnaround time for invoice signatories, for missing beneficiaries. Conditionation may assist. Relaxation of town planning scheme.                                                                                                                                                                                            |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 36           | Lot 182                            | 106 x new housing units completed for Lot 182 by the 30th of June 2019                                                                   | 42 x new housing units completed for Lot 182 by the 30th of June 2019                                                                                                                                                                                                                                                                                      | 1 (69% & below)                    | Contract expired and the contractor stopped working on site, it took almost eight (8) months for contract to be finalized. The site does not have enough space therefore existing structures has to be demolished beneficiaries have applied and waiting approval.                   | The contract has been signed the completion is 05 June 2020. The IA is preparing record drawing, this is ongoing and HDA are finalizing the transfer of land PSC is handling this issue                                                                                                                                               |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 37           | Ederdale Unit S Phase 8 Ext.       | 120 x new housing units constructed in ward 10 (Ederdale Unit s Phase 8 Ext.) by the 30th of June 2019                                   | 11 x new housing units constructed in ward 10 (Ederdale Unit s Phase 8 Ext.) by the 30th of June 2019                                                                                                                                                                                                                                                      | 1 (69% & below)                    | Slow Performance from the IA since beginning of the year IA requested a written confirmation by the DoHS regarding the 5.4 % escalation. DoHS sent the IA a written confirmation dated 11/06/2019 for the escalation.                                                                | IA to produce a revised work programme as per the Monday weekly meeting by the department with set targets as per the MEC intervention. Weekly Monday meetings, a resolution was that the IA must return to site as we have no outstanding request from them.                                                                         |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 38           | Happy Valley Housing project       | 20 X New Houses for Happy Valley Housing project to be completed by the 30th of June 2019                                                | 0 X New Houses for Happy Valley Housing project completed by the 30th of June 2019                                                                                                                                                                                                                                                                         | 1 (69% & below)                    | The implementing agent proposed some changes in the contract. Awaiting the Implementing Agent to sign the Contract. Awaiting the letter from the legal department to advise on the matter of contract amendment                                                                      | The Municipality to arrange a meeting with the IA to discuss the matter.                                                                                                                                                                                                                                                              |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 39           | Site 11 Housing project            | 20 X New Houses for Site 11 Housing project to be completed by the 30th of June 2019                                                     | 0 X New Houses for Site 11 Housing project completed. Site clearance has been done on the sites with no complications. NHBRC Enrolment has been approved.                                                                                                                                                                                                  | 1 (69% & below)                    | There was a delay in the approval of NHBRC Enrolment and house plan approval.                                                                                                                                                                                                        | Follow up with NHBRC approval. Resubmit the amended house plan for approval.                                                                                                                                                                                                                                                          |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 40           | Thamboville Housing project        | 20 X New Houses for Thamboville Housing project to be completed by the 30th of June 2019                                                 | 0 X New Houses for Thamboville Housing project completed. Site clearance has been done on the sites with no complications. NHBRC Enrolment has been approved.                                                                                                                                                                                              | 1 (69% & below)                    | There was a delay in the approval of NHBRC Enrolment and house plan approval.                                                                                                                                                                                                        | Follow up with NHBRC approval. Resubmit the amended house plan for approval.                                                                                                                                                                                                                                                          |
|                                   |                                         |                   |                           |                         |                       |                                                   | HS 41           | Glenwood Q-Section Housing project | 20 X New Houses for Glenwood Q-Section Housing project to be completed by the 30th of June 2019                                          | 0 X New Houses for Glenwood Q-Section Housing project completed by the 30th of June 2019                                                                                                                                                                                                                                                                   | 1 (69% & below)                    | The implementing agent proposed some changes in the contract. Awaiting the Implementing Agent to sign the Contract. Awaiting the letter from the legal department to advise on the matter of contract amendment.                                                                     | The Municipality to arrange a meeting with the IA to discuss the matter.                                                                                                                                                                                                                                                              |

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |                                         |                   |                           |                         |                       |                                                   |                  |                                                             |                                                                                                          |                                                                                                                                                                                                                    |                                   |                                                                                                                                                                                                   |                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------|-----------------------------------------|-------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|------------------|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ORGANISATIONAL OVERVIEW NARRATIVE                                              |                                         |                   |                           |                         |                       |                                                   |                  |                                                             |                                                                                                          |                                                                                                                                                                                                                    |                                   |                                                                                                                                                                                                   |                                                                                                                                                                                                               |
| NO                                                                             | BUSINESS UNIT                           | SUB UNIT          | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SD/BIP REFERENCE | PROJECT                                                     | ANNUAL TARGET                                                                                            | ANNUAL ACTUAL                                                                                                                                                                                                      | ACTUAL (1,2,3,4 & Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                              | CORRECTIVE MEASURE                                                                                                                                                                                            |
|                                                                                |                                         |                   |                           |                         |                       |                                                   |                  |                                                             |                                                                                                          |                                                                                                                                                                                                                    |                                   |                                                                                                                                                                                                   |                                                                                                                                                                                                               |
| 4                                                                              | SUSTAINABLE DEVELOPMENT & CITY ENTITIES | HUMAN SETTLEMENTS |                           |                         |                       |                                                   | HS 42            | Thembalihle Housing project                                 | 20 X Houses for Thembalihle Housing project completed by the 30th of June 2019                           | 0 X Houses for Thembalihle Housing project completed. Contract has been signed and site establishment is in the process.                                                                                           | 1 (69% & below)                   | There is the delay in the NHBRC enrolment application process.                                                                                                                                    | Follow up on the whereabouts of the application process                                                                                                                                                       |
|                                                                                |                                         |                   |                           |                         |                       |                                                   | HS 43            | Jika Joe Community Residential Units                        | 100 x Houses units for Jika Joe CRU Housing Project completed by the 30th of June 2019                   | 0 X Houses units for Jika Joe CRU Housing Project completed by the 30th of June 2019                                                                                                                               | 1 (69% & below)                   | From end of March due to delay in payment certificate number 8 and 9, they have not recovered the lost time on their programme                                                                    | To revise the programme taking to account that the end date won't change, secondly speed up the payment due to service provider                                                                               |
|                                                                                |                                         |                   |                           |                         |                       |                                                   | HS 44            | Implementation of the National Housing Needs Register (NHR) | Capturing of 3000 housing needs on the NHR completed by the 30th of June 2019                            | Not achieved: Awaiting HR authorization to commence with the new short-listing of candidates and the date for the short-listing exercise. The HR is not responding timely and not advising on a clear way forward. | 1 (69% & below)                   | The recruitment process of data capturers was disrupted by the HR Department as such the project could not start as there were no data captures to capture the housing needs into the NHR system. | A memorandum was prepared to the GM: Corporate Services detailing the process followed and seeking her advice on the way forward. Various email correspondence has been back and forth to resolve the matter. |
|                                                                                |                                         |                   | 7                         | 1                       | 8                     | 1                                                 | T3               | Marketing the city                                          | 100% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar by the 30th of June 2019 | 91% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar by the 30th of June 2019.                                                                                                           | 2 (70% - 99%)                     | Tourism Budget was cut and could not participate in one event (PMB marathon)                                                                                                                      | A new calendar of events has been developed for 2019/2020                                                                                                                                                     |
| <b>TOTAL</b>                                                                   |                                         |                   | <b>43</b>                 | <b>6</b>                | <b>49</b>             | <b>26</b>                                         |                  |                                                             |                                                                                                          |                                                                                                                                                                                                                    |                                   |                                                                                                                                                                                                   |                                                                                                                                                                                                               |

## ANNEXURE G

### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT - OFFICE OF THE CITY MANAGER

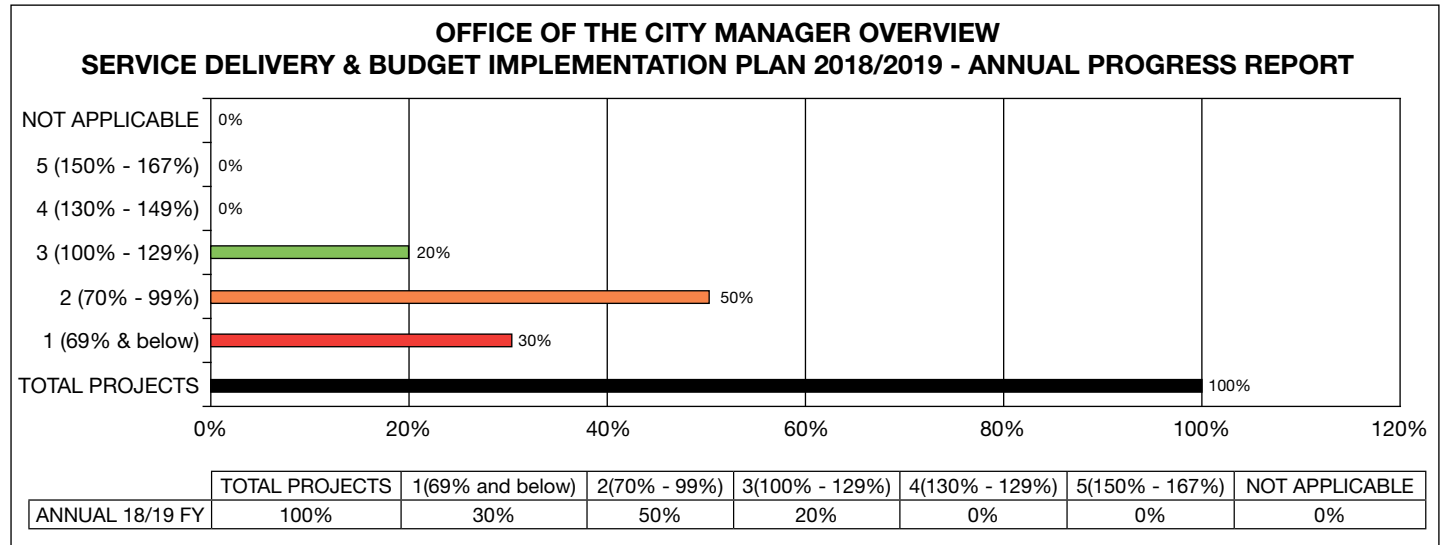
#### OFFICE OF THE CITY MANAGER OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

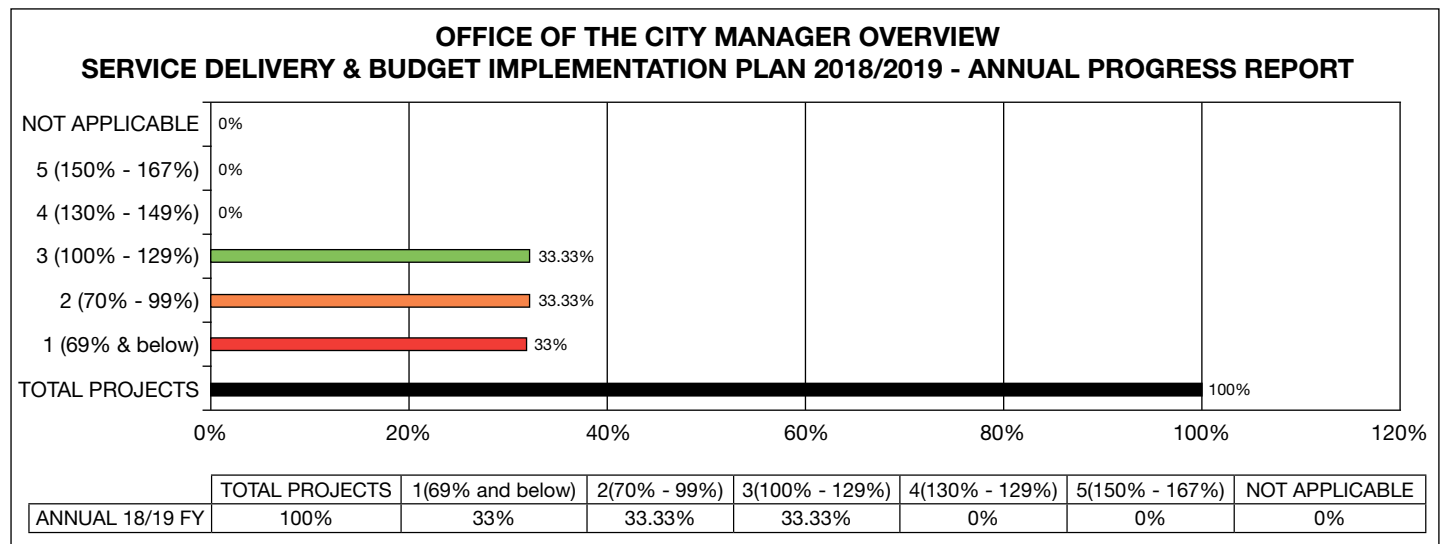
#### 1 OFFICE OF THE CITY MANAGER OVERVIEW

- 1.1 TOTAL PROJECTS: 13
- 1.1.1 OPERATING PROJECTS 10
- 1.1.2 CAPITAL PROJECTS 3

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



#### 2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |                            |                       |                           |                         |                       |                                                   |                 |                                                                                                                                                                                                              |                                                                                                                                                                                         |                      |                                                                                                                                                             |                                                                                                                                                                             |
|--------------------------------------------------------------------------------|----------------------------|-----------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFFICE OF THE CITY MANAGER OVERVIEW NARRATIVE                                  |                            |                       |                           |                         |                       |                                                   |                 |                                                                                                                                                                                                              |                                                                                                                                                                                         |                      |                                                                                                                                                             |                                                                                                                                                                             |
| NO                                                                             | BUSINESS UNIT              | SUB UNIT              | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SOBIP REFERENCE | SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL ACTUAL                                                                                                                                      |                                                                                                                                                                                         | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                                                                                          |                                                                                                                                                                             |
|                                                                                |                            |                       |                           |                         |                       |                                                   |                 | ANNUAL TARGET                                                                                                                                                                                                | ACTUAL (1, 2, 3, 4, 5, No. of reports)                                                                                                                                                  |                      |                                                                                                                                                             |                                                                                                                                                                             |
| 1                                                                              | OFFICE OF THE CITY MANAGER | OFFICE OF THE SPEAKER | 6                         | 0                       | 6                     | 6                                                 | OTS 01          | Annual schedule of meetings 2019/2020 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2019                                                                                  | 8 Councillors have submitted their Annual schedule of meetings for the 2019/2020 FY                                                                                                     | 1 (69% & below)      | Not all Councillors have submitted their Annual schedule of meetings                                                                                        | Meeting to be held with Councillors in order for them to provide this information. It will then be submitted to CoGTA                                                       |
|                                                                                |                            |                       |                           |                         |                       |                                                   | OTS 02          | 468 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019                        | 144 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019   | 1 (69% & below)      | Due to late submission by Councillors                                                                                                                       | Meeting to be held with Councillors regarding the timely submission of reports in the next financial year                                                                   |
|                                                                                |                            |                       |                           |                         |                       |                                                   | OTS 03          | Minutes of community meetings from each of the 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                                        | 23x Minutes of community meetings from each of the 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019               | 2 (70% - 99%)        | Not all ward assistance submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY.                            | The speaker to issue councillors with a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period |
|                                                                                |                            |                       |                           |                         |                       |                                                   | OTS 04          | Minutes of ward meetings from each of the 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                                             | 393 x Minutes of ward meetings from each of the 39 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                  | 2 (70% - 99%)        | Not all ward assistance submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY.                            | The speaker to issue councillors with a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period |
|                                                                                |                            |                       |                           |                         |                       |                                                   | OTS 06          | 12 x monthly reports on functioning of the Speaker's Office submitted to the Operational Management Committee by the 30 of June 2019                                                                         | 9 x monthly reports on functioning of the Speaker's Office submitted to the Operational Management Committee by the 30 of June 2019                                                     | 2 (70% - 99%)        | Vacancy exists in the Office of the Speaker hence reports are not forthcoming                                                                               | Prioritise the fulfilling of the post                                                                                                                                       |
|                                                                                |                            |                       |                           |                         |                       |                                                   | OTS 08          | 12 x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2019                                                                                      | 11 x Monthly Reports on the Back to Basics for the Speaker prepared and submitted to Council by the 30th of June 2019                                                                   | 2 (70% - 99%)        | Vacancy exists in the Office of the Speaker hence reports are not forthcoming                                                                               | Prioritise the fulfilling of the post                                                                                                                                       |
|                                                                                | OFFICE OF THE MAYOR        |                       | 4                         | 0                       | 4                     | 2                                                 | MSP 02          | 100% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019                     | 50% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019 | 1 (69% & below)      | The budget allocated for the implementation of the Mayoral Special Programmes for 2018/19 was insufficient, only 50% of the programmes could be implemented | Allocation of sufficient budget                                                                                                                                             |
|                                                                                |                            |                       |                           |                         |                       |                                                   | MSP 03          | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                                                  | 11x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                              | 2 (70% - 99%)        | Vacancies existed in the unit and the one report was not completed                                                                                          | To ensure that vacancies are prioritised and all reports be completed according to approved targets                                                                         |
|                                                                                |                            | IRPTN                 | 0                         | 3                       | 3                     | 2                                                 | IRPTN 01        | 7% of the project completed. Commence with earthworks and layer works of road widening in Moses Mabhida Road between km 5.5 to km 6.5 (Work Package 2) by the 30th of June 2019                              | 0% of the project completed. Did not Commence with earthworks and layer works of road widening in Moses Mabhida Road between km 5.5 to km 6.5 (Work Package 2) by the 30th of June 2019 | 1 (69% & below)      | The appeal outcome is that the tender should be re-advertised. The preferred contractor has requested review of the appeal decision                         | Awaiting the outcome of the review process by the preferred contractor                                                                                                      |
|                                                                                |                            |                       |                           |                         |                       |                                                   | IRPTN 02        | 45% of the project completed. Proceed with construction of retaining wall, earthworks and layer works of road widening in Moses Mabhida Road between km 7.5 to km 8.8. (Work Package 3) by 30th of June 2019 | 40% of the project completed which is proceeding with construction of retaining wall, earthworks and layer works by 30 June 2019.                                                       | 2 (70% - 99%)        | Slow production on site due to dispute on rates between the main contractor and subcontractors.                                                             | The contractor has submitted a recovery plan                                                                                                                                |
|                                                                                |                            | <b>TOTAL</b>          | <b>10</b>                 | <b>3</b>                | <b>13</b>             | <b>10</b>                                         |                 |                                                                                                                                                                                                              |                                                                                                                                                                                         |                      |                                                                                                                                                             |                                                                                                                                                                             |

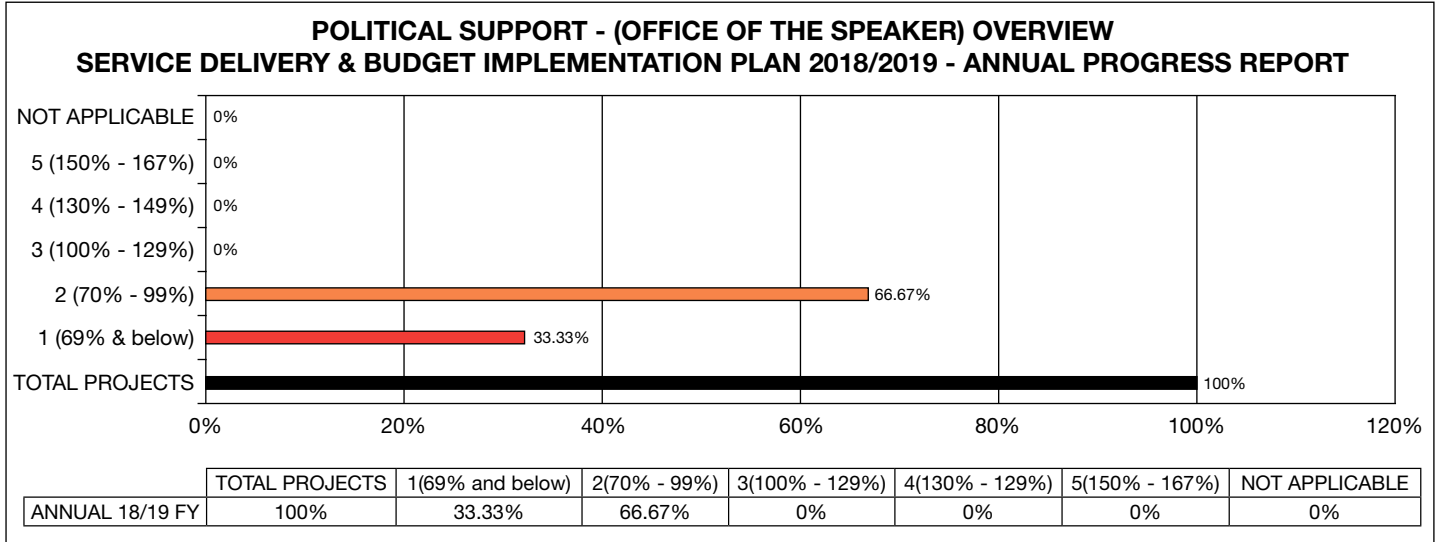
**POLITICAL SUPPORT - (OFFICE OF THE SPEAKER) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 POLITICAL SUPPORT - (OFFICE OF THE SPEAKER) OVERVIEW**

- 1.1 TOTAL PROJECTS: 6
- 1.1.1 OPERATING PROJECTS 6
- 1.1.2 CAPITAL PROJECTS 0

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                    |                 |                                                 |                                |                             |      |                                                                                                                                                                                     |                                                                                                                                                                                       |                                                                                                                                                                       |                                                                                                                                                                        |                                                                                                                                                            |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|--------------------------------------------------------------------------------|---------------|--------------------|-----------------|-------------------------------------------------|--------------------------------|-----------------------------|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------------------------------------------|
| INDEX                                                                          | IDP REFERENCE | GDS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA                   | PROGRAMME                      | PROJECT                     | WARD | BASELINE / STATUS Q1/Q2                                                                                                                                                             | MEASURABLE OBJECTIVE                                                                                                                                                                  | ANNUAL TARGET GET / OUTPUT                                                                                                                                            | PERFORMANCE MEASURE                                                                                                                                                    | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                |                                                                                                                                  |                                                                                                                                                            |                    | SOURCE DOCUMENT                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      |                                                                                                                                                                                     |                                                                                                                                                                                       |                                                                                                                                                                       |                                                                                                                                                                        | ANNUAL ACTUAL                                                                                                                                              | ACTUAL (1.2.3.4.5, Not Applicable)                                                                                               | REASON FOR DEVIATION                                                                                                                                       | CORRECTIVE MEASURE |                                                            |
| E                                                                              | E1            | 2 - BACK TO BASICS | OTS 01          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Annual Schedule of meetings | All  | Schedule submitted to CoGTA by 30th of June 2016                                                                                                                                    | Annual schedule of meetings 2018/2019 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2019                                                           | Annual schedule of meetings 2019/2020 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2019                                           | 8 Councillors have submitted their Annual schedule of meetings for the 2019/2020 FY                                                                                    | 1 (69% & below)                                                                                                                                            | Not all Councillors have submitted their Annual schedule of meetings                                                             | Meeting to be held with Councillors in order for them to provide this information. It will then be submitted to CoGTA                                      | Jul-19             | Annual schedule of meetings file                           |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | 468 Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019 | 468 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019 | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                | 144 X Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2019 | N/A                                                                                                                                                                   | Due to late submission by Councillors                                                                                                                                  | Meeting to be held with Councillors regarding the timely submission of reports in the next financial year                                                  | N/A                                                                                                                              | 144 X Monthly Reports on the functioning/status of ward committees                                                                                         |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Minutes of every functional ward and community committees received within 5 days after date of the meeting                                                                          | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                 | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Minutes of every functional ward and community committees received within 5 days after date of the meeting                                                                          | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                 | 2 (70% - 99%)                                                                                                                                                         | Not all ward assistants submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY.                                       | The speaker to issue a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period | N/A                                                                                                                              | 235 x Minutes of community meetings                                                                                                                        |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Minutes of every functional ward and community committees received within 5 days after date of the meeting                                                                          | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                 | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
| E                                                                              | E1            | 2 - BACK TO BASICS | OTS 02          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Reports                     | All  | Minutes of every functional ward and community committees received within 5 days after date of the meeting                                                                          | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                 | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019 | 393 x Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019 | 2 (70% - 99%)                                                                                                                                              | Not all ward assistants submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY. | The speaker to issue a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period | N/A                | 393 x Minutes of ward meetings                             |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
| E                                                                              | E1            | 2 - BACK TO BASICS | OTS 03          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Reports                     | All  | Minutes of every functional ward and community committees received within 5 days after date of the meeting                                                                          | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                 | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019 | 393 x Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019 | 2 (70% - 99%)                                                                                                                                              | Not all ward assistants submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY. | The speaker to issue a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period | N/A                | 393 x Minutes of ward meetings                             |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
| E                                                                              | E1            | 2 - BACK TO BASICS | OTS 04          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Reports                     | All  | Minutes of every functional ward and community committees received within 5 days after date of the meeting                                                                          | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019                 | Minutes of community meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019 | 393 x Minutes of ward meetings from each of the 39 Ward Assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2019 | 2 (70% - 99%)                                                                                                                                              | Not all ward assistants submitted the minutes within 5 days after the meeting. Wards 22 and 27 did not hold meetings for the FY. | The speaker to issue a memo for ward assistants to ensure minutes of meetings is submitted to the office of the speaker within the 5 day prescribed period | N/A                | 393 x Minutes of ward meetings                             |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
| E                                                                              | E1            | 2 - BACK TO BASICS | OTS 06          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Functioning of Ward Committees | Reports                     | All  | Monthly report on the functioning of the Speaker's Office submitted to the Operational Management Committee in the 2016/2017 FY                                                     | Monthly reports on the functioning of the Speaker's Office submitted to the Operational Management Committee by the 30th of June 2019                                                 | Monthly reports on the functioning of the Speaker's Office submitted to the Operational Management Committee by the 30th of June 2019                                 | 9 x monthly reports on functioning of the Speaker's Office submitted to the Operational Management Committee by the 30th of June 2019                                  | 2 (70% - 99%)                                                                                                                                              | Vacancy exists in the Office of the Speaker re-manager in the Office of the Speaker hence reports are not forthcoming            | Prioritise the fulfilling of the post                                                                                                                      | N/A                | 9 x monthly reports on functioning of the Speaker's Office |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
| E                                                                              | E1            | 2 - BACK TO BASICS | OTS 08          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Back to Basics                 | Reporting                   | All  | Nil                                                                                                                                                                                 | 12 x Monthly Reports on the Back to Basics National template prepared and submitted to Council by the 30th of June 2019                                                               | 12 x Monthly Reports on the Back to Basics National template prepared and submitted to Council by the 30th of June 2019                                               | 11 x Monthly Reports on the Back to Basics                                                                                                                             | 2 (70% - 99%)                                                                                                                                              | Vacancy exists in the Office of the Speaker re-manager in the Office of the Speaker hence reports are not forthcoming            | Prioritise the fulfilling of the post                                                                                                                      | N/A                | 11 x Monthly Reports on the Back to Basics                 |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |
|                                                                                |               |                    |                 |                                                 |                                |                             |      | Number of reports submitted to OMC                                                                                                                                                  | Number of reports submitted to OMC                                                                                                                                                    | N/A                                                                                                                                                                   | N/A                                                                                                                                                                    | N/A                                                                                                                                                        |                                                                                                                                  |                                                                                                                                                            |                    |                                                            |

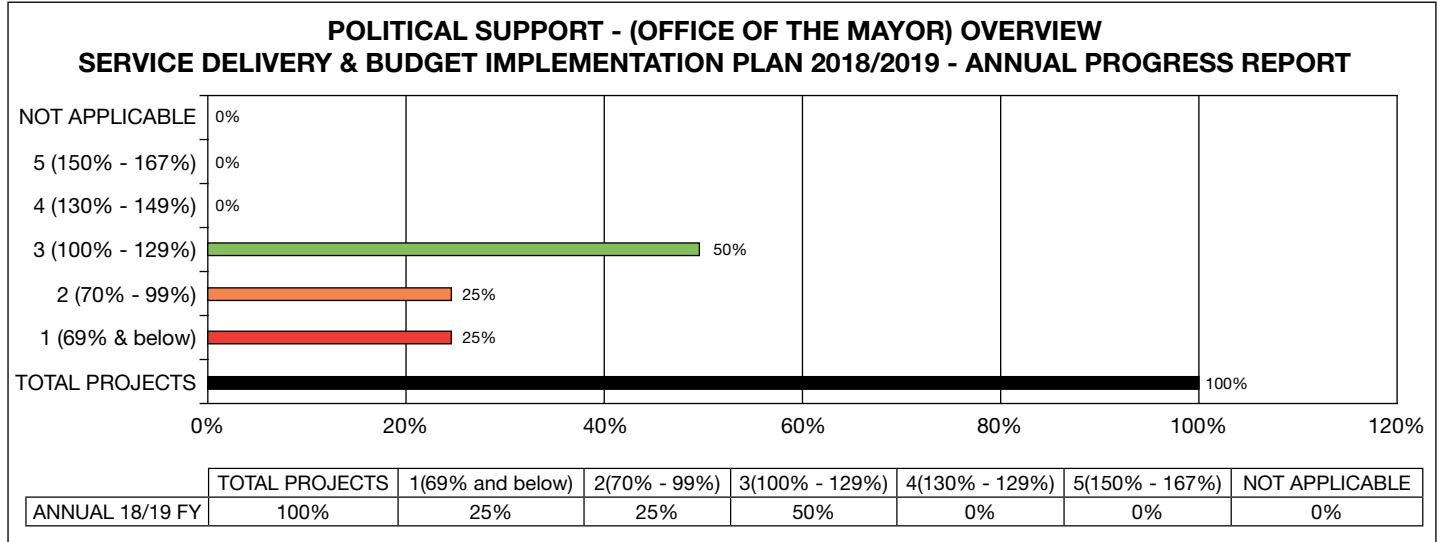
**POLITICAL SUPPORT - (OFFICE OF THE MAYOR) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 POLITICAL SUPPORT - (OFFICE OF THE MAYOR) OVERVIEW**

- 1.1 TOTAL PROJECTS: 4
- 1.1.1 OPERATING PROJECTS 4
- 1.1.2 CAPITAL PROJECTS 0

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**





# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                    |                 |                                                 |                            |                                             |      |                                                                                                                                       |                                                                                                                                                                 |                                                                                                                                                                                          |                                                                                                                                                              |                                                                                                                                                                                         |                      |                                                                                                                                                             |                                                                                                     |                 |                                                                                                                                                                   |
|--------------------------------------------------------------------------------|---------------|--------------------|-----------------|-------------------------------------------------|----------------------------|---------------------------------------------|------|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SUB UNIT: POLITICAL SUPPORT (OFFICE OF THE MAYOR)                              |               |                    |                 |                                                 |                            |                                             |      |                                                                                                                                       |                                                                                                                                                                 |                                                                                                                                                                                          |                                                                                                                                                              |                                                                                                                                                                                         |                      |                                                                                                                                                             |                                                                                                     |                 |                                                                                                                                                                   |
| INDEX                                                                          | IDP REFERENCE | GDS REFERENCE      | SOBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA                   | PROGRAMME                  | PROJECT                                     | WARD | BASELINE / STATUS QUO                                                                                                                 | MEASURABLE OBJECTIVE                                                                                                                                            | ANNUAL TARGET / OUTPUT                                                                                                                                                                   | PERFORMANCE MEASURE                                                                                                                                          | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                                             |                      |                                                                                                                                                             |                                                                                                     |                 |                                                                                                                                                                   |
|                                                                                |               |                    |                 |                                                 |                            |                                             |      |                                                                                                                                       |                                                                                                                                                                 |                                                                                                                                                                                          |                                                                                                                                                              | ANNUAL ACTUAL                                                                                                                                                                           | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                                                                                          | Time-frame TO IMPLEMENT CORRECTIVE MEASURES                                                         | SOURCE DOCUMENT |                                                                                                                                                                   |
| E                                                                              | E1            | 2 - BACK TO BASICS | MSP 01          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Mayoral Special Programmes | Annual Calendar of Events                   | All  | Annual calendar of events for Mayoral Special Projects 2019/2020 financial year submitted to SMC for approval by the 31st of May 2019 | Annual calendar of events for Mayoral Special Projects 2019/2020 financial year submitted to SMC for approval by the 31st of May 2019                           | Annual calendar of events for Mayoral Special Projects 2019/2020 financial year submitted to SMC for approval by the 31st of May 2019                                                    | Date Annual calendar of events for Mayoral Special Projects 2019/2020 financial year submitted to SMC for approval by the 31st of May 2019                   | Annual calendar of events for Mayoral Special Projects 2019/2020 financial year submitted to SMC for approval by the 31st of May 2019                                                   | N/A                  | N/A                                                                                                                                                         | N/A                                                                                                 | 30-Sep-19       | Annual calendar of events for Mayoral Special Projects 2019/2020 financial year                                                                                   |
|                                                                                |               |                    | MSP 02          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Mayoral Special Programmes | Implementation of annual calendar of events | All  | 100% implementation of Mayoral Special Programmes in 2017/2018                                                                        | 100% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events | 100% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019 | % implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events | 50% implementation of All Mayoral Special Programmes for 2018/2019 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2019 | 1 (69% & below)      | The budget allocated for the implementation of the Mayoral Special Programmes for 2018/19 was insufficient, only 50% of the programmes could be implemented | Allocation of sufficient budget                                                                     | 30-Sep-19       | Attendance registers for Mandela Day; Senior Citizens games; Read dance; SALGA Games; Christmas Party for Orphans; International Day for People with Disabilities |
|                                                                                |               |                    | MSP 03          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Mayoral Special Programmes | Reports                                     | All  | Monthly report on Mayoral Special Projects submitted to the Operational Management Committee in the 2017/2018 FY                      | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                     | 12 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                              | Number of monthly reports on Mayoral Special Projects submitted to the Operational Management Committee                                                      | 11 x monthly reports on Mayoral Special Projects submitted to the Operational Management Committee by the 30th of June 2019                                                             | 2 (70% - 99%)        | Vacancies existed in the unit and the one report was not completed                                                                                          | To ensure that vacancies are prioritised and all reports be completed according to approved targets | N/A             | Monthly report on Mayoral Special Projects                                                                                                                        |
|                                                                                |               |                    | MSP 04          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Back to Basics             | Reporting                                   | All  | 12 x Monthly Reports on the Back to Basics National Template prepared and submitted to Council in 17/18                               | 12 x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2019                                         | 12 x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2019                                                                  | Number of Monthly Reports on the Back to Basics National Template prepared and submitted to Council                                                          | 12x Monthly Reports on the Back to Basics National Template prepared and submitted to Council by the 30th of June 2019                                                                  | 3 (100% - 129%)      | N/A                                                                                                                                                         | N/A                                                                                                 | N/A             | Monthly report on the Back to Basics National Template                                                                                                            |

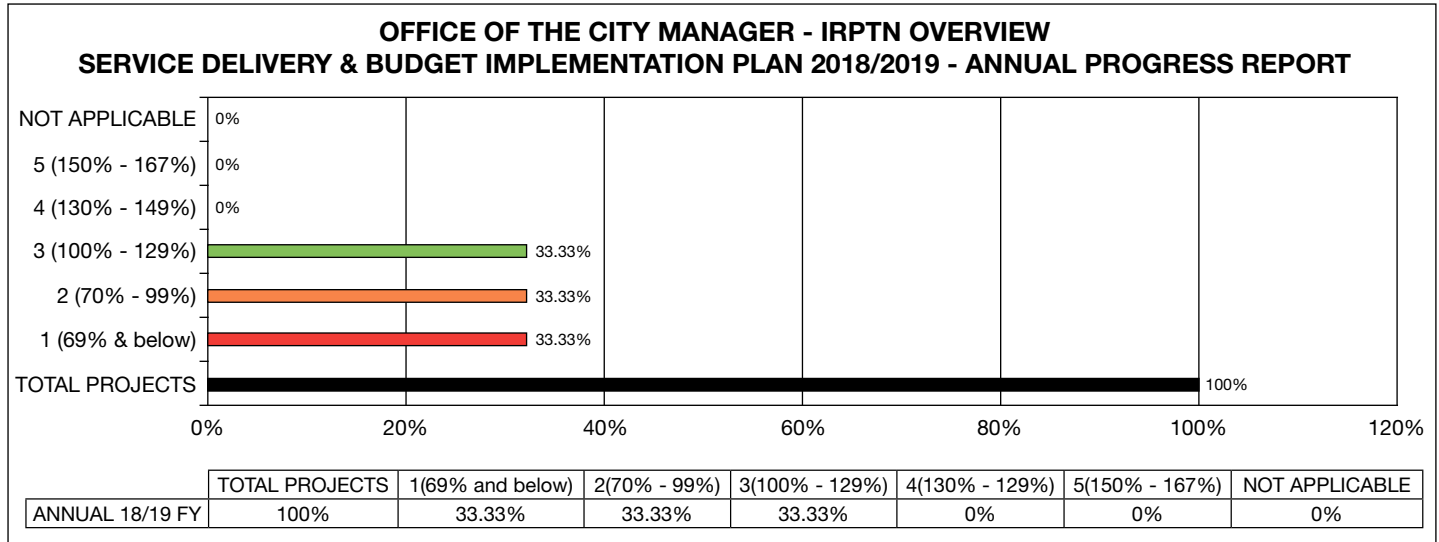
**OFFICE OF THE CITY MANAGER - (IRPTN) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 OFFICE OF THE CITY MANAGER - (IRPTN) OVERVIEW**

- 1.1 TOTAL PROJECTS: 3**
- 1.1.1 OPERATING PROJECTS 0**
- 1.1.2 CAPITAL PROJECTS 3**

**2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | GDS REFERENCE                          | SOBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME | PROJECT                       | WARD    | BASELINE / STATUS QUO                                                                                                   | MEASURABLE OBJECTIVE                                                                                                                                                                    | ANNUAL TARGET / GET / OUTPUT                                                                                                                                                                                 | PERFORMANCE MEASURE                                                                                                                                    | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                                                                  |                 |                                                                                                                                     |                                                                        | SOURCE DOCUMENT |                                                          |
|-------|---------------|----------------------------------------|-----------------|---------------------------------|-----------|-------------------------------|---------|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-----------------|----------------------------------------------------------|
|       |               |                                        |                 |                                 |           |                               |         |                                                                                                                         |                                                                                                                                                                                         |                                                                                                                                                                                                              |                                                                                                                                                        | ANNUAL TARGET                                                                                                                                                                                                | ANNUAL ACTUAL   | ACTUAL (1-2,3,4,5, Not Applicable)                                                                                                  | REASON FOR DEVIATION                                                   |                 | CORRECTIVE MEASURE                                       |
| B     | B2            | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY | IRPTN 01        | NKPA 2 - BASIC SERVICE DELIVERY | IRPTN     | Infrastructure Implementation | 24      | The tender was re-advertised in 2017/2018 FY to the public due to irregularity on the previous closed tender process.   | 7% of the project completed. Commence with earthworks and layer works of road widening in Moses Mabhidha Road between km 5.5 to km 6.5 (Work Package 2)                                 | 7% of the project completed. Commence with earthworks and layer works of road widening in Moses Mabhidha Road between km 5.5 to km 6.5 (Work Package 2) by the 30th of June 2019                             | % Of the project completed. Commence with earthworks and layer works of road widening in Moses Mabhidha Road between km 5.5 to km 6.5 (Work Package 2) | 0% of the project completed. Did not commence with earthworks and layer works of road widening in Moses Mabhidha Road between km 5.5 to km 6.5 (Work Package 2) by the 30th of June 2019                     | 1 (69% & below) | The appeal outcome is that the tender should be re-advertised. The preferred contractor has requested review of the appeal decision | Awaiting the outcome of the review process by the preferred contractor | 6 months        | Communication from Attorneys with regards to the review. |
|       |               |                                        | IRPTN 02        | NKPA 2 - BASIC SERVICE DELIVERY | IRPTN     | Infrastructure Implementation | 24 & 27 | The tender was re-advertised in 2017/2018 FY to the public due to irregularities on the previous closed tender process. | 45% of the project completed. Proceed with construction of retaining wall, earthworks and layer works of road widening in Moses Mabhidha Road between km 7.5 to km 8.8 (Work Package 3) | 45% of the project completed. Proceed with construction of retaining wall, earthworks and layer works of road widening in Moses Mabhidha Road between km 7.5 to km 8.8 (Work Package 3) by 30th of June 2019 | % Of road construction Completed                                                                                                                       | 40% of the project completed. Proceed with construction of retaining wall, earthworks and layer works of road widening in Moses Mabhidha Road between km 7.5 to km 8.8 (Work Package 3) by 30th of June 2019 | 2 (70% - 99%)   | Slow production on site due to dispute on rates between the main contractor and subcontractors.                                     | The contractor has submitted a recovery plan                           | 1 month         | Project progress monthly report                          |
|       |               |                                        | IRPTN 03        | NKPA 2 - BASIC SERVICE DELIVERY | IRPTN     | Infrastructure Implementation | 27      | The tender was re-advertised in 2017/2018 FY to the public due to irregularities on the previous closed tender process. | 45% of the project completed. Construction of earthworks and layer works in progress in Moses Mabhidha Road between km 8.8 to km 10.3 (Work Package 4)                                  | 45% of the project completed. Construction of earthworks and layer works in progress in Moses Mabhidha Road between km 8.8 to km 10.3 (Work Package 4) by the 30th of June 2019.                             | % Of road construction implemented                                                                                                                     | 45% of the project completed. Construction of earthworks and layer works in progress in Moses Mabhidha Road between km 8.8 to km 10.3 (Work Package 4) by the 30th of June 2019.                             | 3 (100% - 129%) |                                                                                                                                     |                                                                        | N/A             | Project progress monthly report                          |

## ANNEXURE H

### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT - COMMUNITY SERVICES

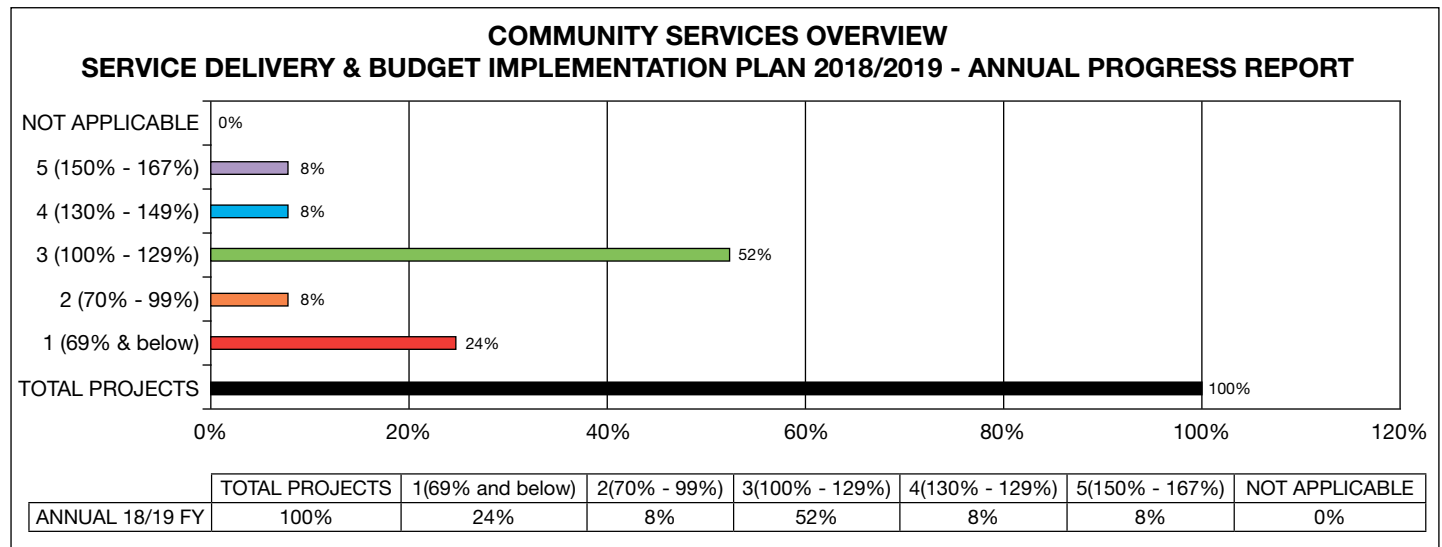
#### COMMUNITY SERVICES OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

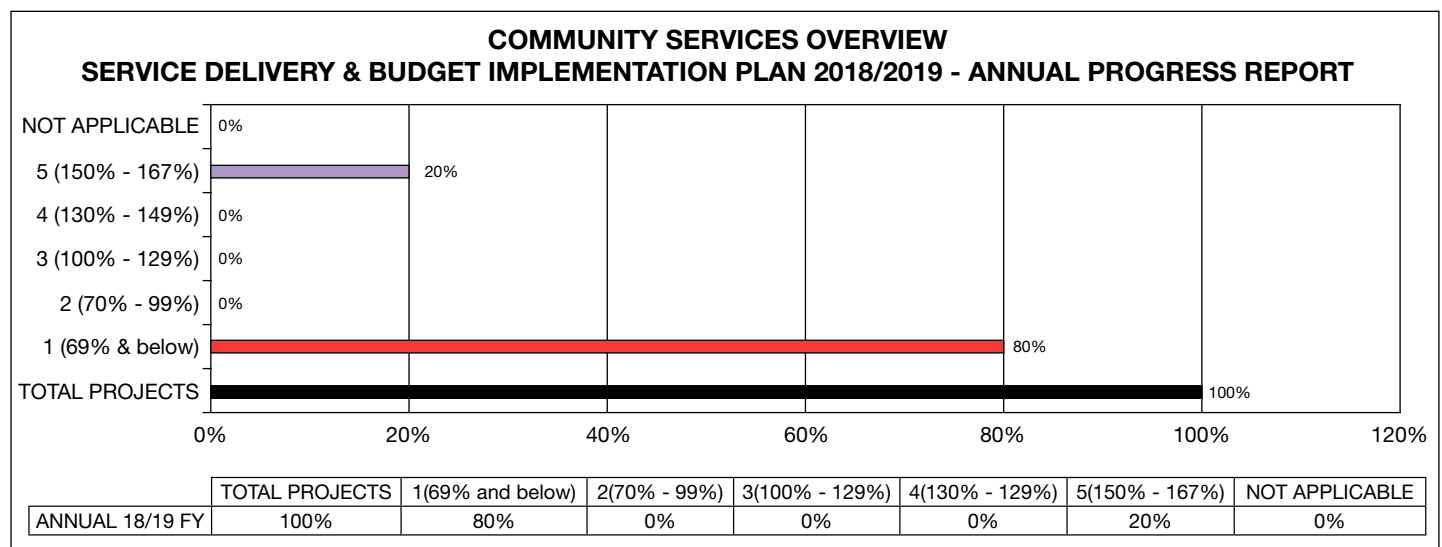
#### 1 COMMUNITY SERVICES OVERVIEW

|       |                           |           |
|-------|---------------------------|-----------|
| 1.1   | <b>TOTAL PROJECTS:</b>    | <b>30</b> |
| 1.1.1 | <b>OPERATING PROJECTS</b> | <b>25</b> |
| 1.1.2 | <b>CAPITAL PROJECTS</b>   | <b>5</b>  |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



#### 2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |                    |                                                                                                              |                          |                        |                      |                                                  |                                                                         |                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                        |                                                   |                                                                                                                                                                                                                                                                                                         |  |
|--------------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|----------------------|--------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| NO                                                                             | BUSINESS UNIT      | SUB UNIT                                                                                                     | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL TARGET |                                                                                                                                                                                                                                                                                                                                            | ANNUAL ACTUAL                                                                                                                                                                                                                                                                                                                                                                                          |                                                   | CORRECTIVE MEASURE                                                                                                                                                                                                                                                                                      |  |
|                                                                                |                    |                                                                                                              |                          |                        |                      |                                                  | SD/IR REFERENCE                                                         | PROJECT                                                                                                                                                                                                                                                                                                                                    | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                                                                                                                                                                                                                                                     | REASON FOR DEVIATION                              |                                                                                                                                                                                                                                                                                                         |  |
| 2                                                                              | COMMUNITY SERVICES | PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER)                         | 10                       | 1                      | 11                   | 4                                                | PS, ES & E 03<br>PS, ES & E 05<br>PS, ES & E 08                         | 2 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019<br>24 Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019<br>46 Major Hazard Visitations conducted by the 30th of June 2019 | 1 x Fire Arm Training/Fire Arm Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019<br>46 Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019 achieved<br>46 Major Hazard Visitations conducted by the 30th of June 2019                                                    | 1 (69% & below)<br>2 (70% - 99%)<br>2 (70% - 99%) | Awaiting service level agreement for shooting range to be signed by (A/Municipal Manager as from: 1 November 2018<br>The unit needs to consider such incidents so as to revise the 24 hour turnaround time in outer financial years as well as such amendments being made to the approved policy<br>Nil |  |
|                                                                                |                    | AREA BASED MANAGEMENT (ABM, HIV/AIDS & HALLS)                                                                | 9                        | 0                      | 9                    | 0                                                | PS, ES & E 10<br>N/A                                                    | 1 x AIRPORT fire engine purchased in accordance to SACAA standard by the 31st of May 2019<br>N/A                                                                                                                                                                                                                                           | 0 x AIRPORT fire engine purchased in accordance to SACAA standard by the 31st of May 2019<br>N/A                                                                                                                                                                                                                                                                                                       | 1 (69% & below)<br>NOT APPLICABLE                 | NO BUDGET ALLOCATED DURING MID YEAR REVIEW PROCESS<br>N/A                                                                                                                                                                                                                                               |  |
|                                                                                |                    | RECREATION & FACILITIES (SPORTS, PARKS, SERVICED, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) | 4                        | 4                      | 8                    | 6                                                | R & F 01<br>R & F 02                                                    | Grass cutting on verges, open spaces and parks<br>Acquisition of 4x4 Airport fire engine                                                                                                                                                                                                                                                   | Grass cut in 29 Wards utilising a slasher-mower with minor challenges<br>Grass cut once per month in 29 wards a season as per grass cutting schedule (September 2018 - May 2019) with a tractor utilising a slasher-mower for open spaces, sports-grounds and any verge over 2 meters by the 31st of May 2019<br>10 islands and 10 main entrances into CBD maintained monthly by the 30th of June 2019 | 1 (69% & below)<br>1 (69% & below)                | Challenges with slasher-mower and constant break-downs of tractors<br>Late delivery of brush-cutters                                                                                                                                                                                                    |  |
|                                                                                |                    |                                                                                                              |                          |                        |                      |                                                  | R & F 03<br>R & F 05                                                    | Grass cutting at municipal libraries<br>Purchase of modified containers/park homes (change rooms/bollet facilities)                                                                                                                                                                                                                        | Grass cut at 3 libraries every month as per the grass cutting schedule by the 30th of June 2019<br>2 x modified containers/park homes (change rooms/bollet facilities) purchased and received by the 30th of June 2019                                                                                                                                                                                 | 1 (69% & below)<br>1 (69% & below)                | Late delivery of brush-cutters<br>Shortage of funding                                                                                                                                                                                                                                                   |  |
|                                                                                |                    |                                                                                                              |                          |                        |                      |                                                  | R & F 06<br>R & F 09                                                    | Purchase new Machinery and Equipment<br>Upgrading Buchanman Swimming Pool                                                                                                                                                                                                                                                                  | Purchase new Machinery and Equipment (100 BRUSH-CUTTERS, 10 CHAINSAWS, 3 POLE PRUNERS) by the 30th of June 2019<br>Full Upgrade of Buchanman Swimming Pool completed by the 30th of June 2019 -                                                                                                                                                                                                        | 1 (69% & below)<br>1 (69% & below)                | N/A<br>Report submitted late for approval SS 72 of 2015 not approved by BAC                                                                                                                                                                                                                             |  |
|                                                                                |                    | WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING)                                      | 2                        | 0                      | 2                    | 2                                                | WM 01<br>WM 02                                                          | SWIME'S Refuse Collection - Vullindlela<br>Repairs completed on skip bins                                                                                                                                                                                                                                                                  | Refuse collection in all 5 zones of the Msunduzi Municipality not completed by the 30th of June 2019<br>0 skip bins repaired (various sizes) and or replaced by the 30th of June 2019                                                                                                                                                                                                                  | 1 (69% & below)<br>1 (69% & below)                | Restart the process in the 2019/2020 financial year<br>Restart the process in the 2019/2020 financial year                                                                                                                                                                                              |  |
|                                                                                |                    | <b>TOTAL</b>                                                                                                 | <b>25</b>                | <b>5</b>               | <b>30</b>            | <b>12</b>                                        |                                                                         |                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                        |                                                   |                                                                                                                                                                                                                                                                                                         |  |

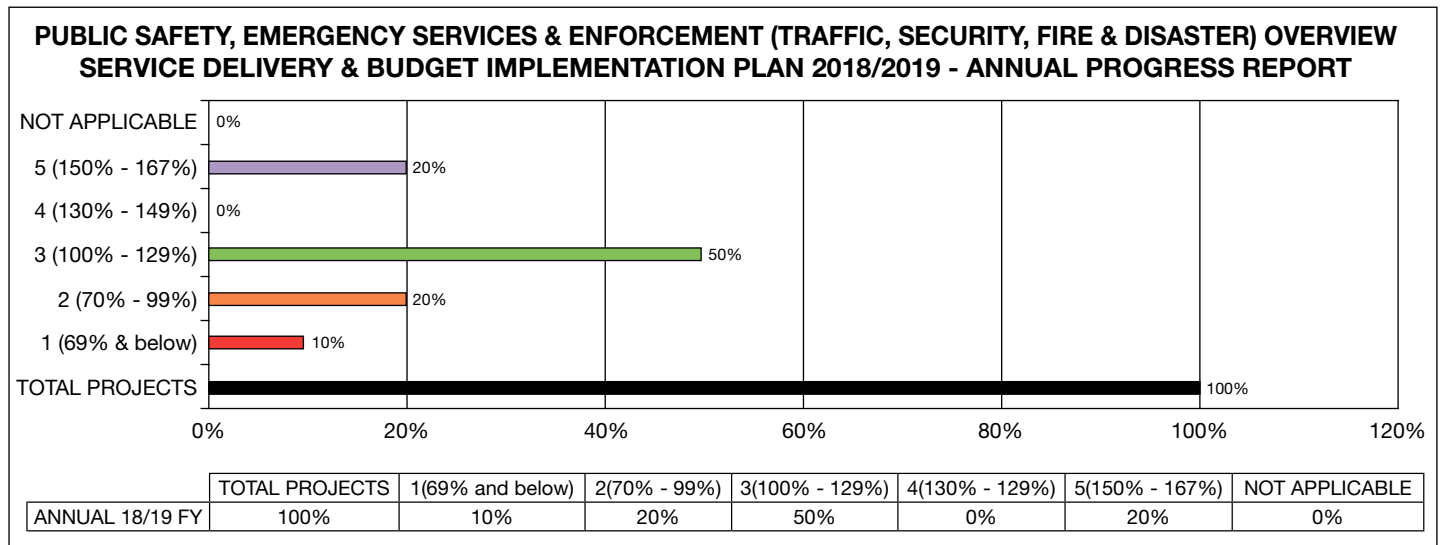
**PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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           |     |

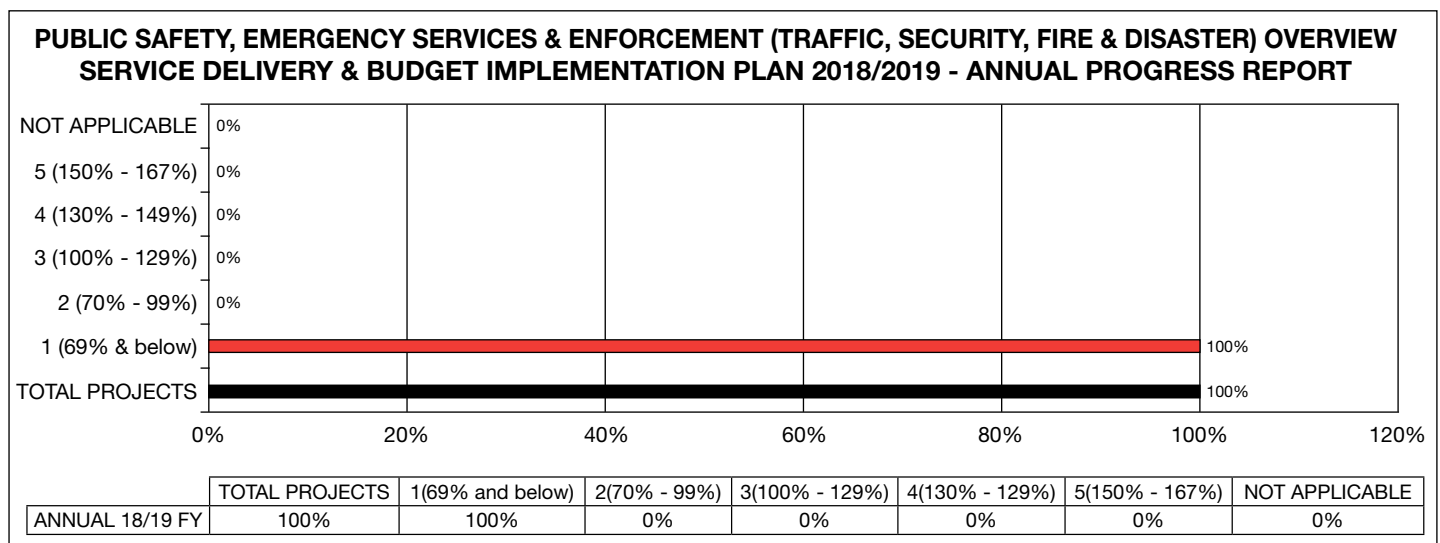
**1 PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT (TRAFFIC, SECURITY, FIRE & DISASTER) OVERVIEW**

- 1.1 TOTAL PROJECTS: 11
- 1.1.1 OPERATING PROJECTS 10
- 1.1.2 CAPITAL PROJECTS 1

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



**2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                   |                 |                                                                |                     |                                                                                                       |      |                                                                                                                                     |                                                                                                                                        |                                                                                                                                                 |                                                                                                                                                 |                                                             |               |                                           |                      |                                                                                                        |
|--------------------------------------------------------------------------------|---------------|---------------------------------------------------|-----------------|----------------------------------------------------------------|---------------------|-------------------------------------------------------------------------------------------------------|------|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------|-------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------|
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE                                     | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME           | PROJECT                                                                                               | WARD | BASELINE / STATUS Q10                                                                                                               | MEASURABLE OBJECTIVE                                                                                                                   | ANNUAL TARGET / OUTPUT                                                                                                                          | PERFORMANCE MEASURE                                                                                                                             | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |               |                                           |                      |                                                                                                        |
|                                                                                |               |                                                   |                 |                                                                |                     |                                                                                                       |      |                                                                                                                                     |                                                                                                                                        |                                                                                                                                                 |                                                                                                                                                 | ANNUAL TARGET                                               | ANNUAL ACTUAL | ACTUAL ANNUAL (1-2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                                     |
| E                                                                              | E3            | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | PS, ES & E01    | NKPA 1 - MUNICIPAL TRANSFORMATION & Organizational DEVELOPMENT | TRAFFIC MANAGEMENT  | Road Safety, Alcohol, Drug and Substance abuse campaign                                               | All  | 168 Road Safety awareness sessions conducted                                                                                        | Number of road safety awareness sessions conducted by the 30th of June 2019                                                            | 168 x Number of road safety awareness sessions conducted by the 30th of June 2019                                                               | 232 x Number of road safety awareness sessions conducted by the 30th of June 2019                                                               | 5 (150% - 167%)                                             | N/A           | N/A                                       | N/A                  | School Road Safety & Education Report                                                                  |
| A                                                                              | A1            | 1 - BUILDING A CAPABLE & MENTAL MUNCIPALITY       | PS, ES & E02    | NKPA 1 - MUNICIPAL TRANSFORMATION & Organizational DEVELOPMENT | SECURITY AUDIT      | Fire Arm Audit                                                                                        | N/A  | Fire arm audit conducted in Compliance with Fire Arms Controls Act                                                                  | Number of Fire Arm Audits Conducted in Compliance with Fire Arms Controls Act by the 30th of June 2019                                 | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2019                                                | 4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2019                                                | 3 (100% - 129%)                                             | N/A           | N/A                                       | N/A                  | Monthly Fire Arm Audit Report                                                                          |
| A                                                                              | A1            | 1 - BUILDING A CAPABLE & MENTAL MUNCIPALITY       | PS, ES & E03    | NKPA 1 - MUNICIPAL TRANSFORMATION & Organizational DEVELOPMENT | SECURITY TRAINING   | Fire Arm Training for all municipal fire arm holders                                                  | N/A  | Fire Arm Training/Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019                            | Number of Fire Arm Training/Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019                     | 2 x Fire Arm Training/Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019                                    | 1 x Fire Arm Training/Refresher Course for all municipal fire arm holders conducted by the 30th of June 2019                                    | 1 (69% & below)                                             | N/A           | N/A                                       | N/A                  | Service level agreement for shooting range to be signed by (Municipal Manager as from: 1 November 2018 |
| A                                                                              | A1            | 1 - BUILDING A CAPABLE & MENTAL MUNCIPALITY       | PS, ES & E04    | NKPA 1 - MUNICIPAL TRANSFORMATION & Organizational DEVELOPMENT | DISASTER MANAGEMENT | Implementation of the Approved Disaster management plan/strategy                                      | All  | Quarterly Disaster Management Advisory Forums facilitated by the 30th of June 2018                                                  | Number of quarterly Disaster Management Advisory Forums meetings facilitated by the 30th of June 2019                                  | 4 x quarterly Disaster Management Advisory Forums meetings facilitated by the 30th of June 2019                                                 | 4 x quarterly Disaster Management Advisory Forums meetings facilitated by the 30th of June 2019                                                 | 3 (100% - 129%)                                             | N/A           | N/A                                       | N/A                  | N/A                                                                                                    |
| B                                                                              | B1            | 1 - BUILDING A CAPABLE & MENTAL MUNCIPALITY       | PS, ES & E05    | NKPA 2 - BASIC SERVICE DELIVERY                                | DISASTER MANAGEMENT | Implementation of the Approved Disaster management plan/strategy                                      | All  | Recommended turnaround time of 6 hours to respond to disaster related incidents reported according to the Approved DM plan/strategy | Turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019 | 24 Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019 | 45 Hours turn around time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2019 | 2 (70% - 99%)                                               | N/A           | N/A                                       | N/A                  | INCIDENT REPORT/BENEFICIARY LIST                                                                       |
| A                                                                              | A2            | 1 - BUILDING A CAPABLE & MENTAL MUNCIPALITY       | PS, ES & E06    | NKPA 1 - MUNICIPAL TRANSFORMATION & Organizational DEVELOPMENT | DISASTER MANAGEMENT | Disaster management Review of Disaster Management Plan as per the national disaster management centre | All  | Organs of state obligated to develop a disaster management plan to the Disaster Management Act, 2002                                | Reviewed Disaster Management Plan prepared and submitted to SMC for approval by Council by the 31st of December 2018                   | Reviewed Disaster Management Plan prepared and submitted to SMC for approval by Council by the 31st of December 2018                            | Reviewed Disaster Management Plan prepared and submitted to SMC for approval by Council by the 31st of December 2018                            | N/A                                                         | N/A           | N/A                                       | N/A                  | S.M.C. RESOLUTION                                                                                      |
| E                                                                              | E3            | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | PS, ES & E07    | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION                | DISASTER MANAGEMENT | Awareness Campaigns                                                                                   | All  | (8) Number of awareness campaigns conducted by the 30th of June 2018                                                                | Number of Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 31st of June 2019                             | 12 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 31st of June 2019                                           | 12 x Disaster awareness Campaigns (1 campaign per high risk areas) conducted by the 31st of June 2019                                           | 3 (100% - 129%)                                             | N/A           | N/A                                       | N/A                  | ATTENDANCE REGISTER, M.H.R. FORM                                                                       |
| E                                                                              | E3            | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | PS, ES & E08    | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION                | Fire & Rescue       | Major Hazards Premises Visitations by PSDM                                                            | All  | 46 Major Hazard Premises Visitations conducted by the 30th of June 2018                                                             | Number of Major hazard Visitations conducted by the 30th of June 2019                                                                  | 46 Major Hazard Visitations conducted by the 30th of June 2019                                                                                  | 45 Major Hazard Visitations conducted by the 30th of June 2019                                                                                  | 2 (70% - 99%)                                               | N/A           | N/A                                       | N/A                  | Daily schedule                                                                                         |
| E                                                                              | E3            | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | PS, ES & E09    | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION                | FIRE & RESCUE       | Fire & Rescue fire prevention inspections                                                             | All  | 814 fire prevention inspections conducted by the 30th of June 2018                                                                  | Number of fire prevention inspections conducted by the 30th of June 2019                                                               | 800 x fire prevention inspections conducted by the 30th of June 2019                                                                            | 834 fire inspections conducted by the 30th of June 2019                                                                                         | 3 (100% - 129%)                                             | N/A           | N/A                                       | N/A                  | Daily schedules                                                                                        |
| B                                                                              | B1            | 1 - BUILDING A CAPABLE & MENTAL MUNCIPALITY       | PS, ES & E 10   | NKPA 2 - BASIC SERVICE DELIVERY                                | FIRE & RESCUE       | Acquisition of 4x4 Airport fire engine                                                                | All  | Lack of reserve airport fire engine for compliance                                                                                  | 1 x AIRPORT fire engine purchased in accordance to SACAA standard by 31st of May 2019                                                  | 0 x AIRPORT fire engine purchased in accordance to SACAA standard by the 31st of May 2019                                                       | 0 x AIRPORT fire engine purchased in accordance to SACAA standard by the 31st of May 2019                                                       | 1 (69% & below)                                             | N/A           | N/A                                       | N/A                  | REQUEST BUDGET IN NEW FINANCIAL YEAR                                                                   |





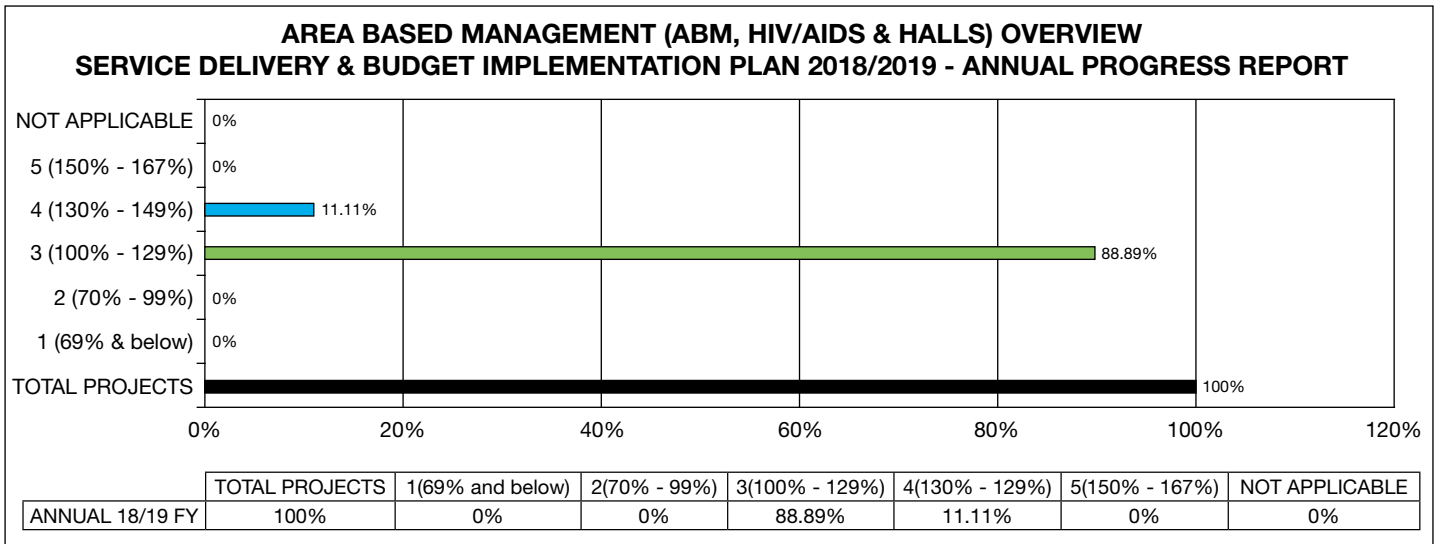
**AREA BASED MANAGEMENT (ABM, HIV/AIDS & HALLS) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 AREA BASED MANAGEMENT (ABM, HIV/AIDS & HALLS) OVERVIEW**

- 1.1 TOTAL PROJECTS: 9**
- 1.1.1 OPERATING PROJECTS 9**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | ODS REFERENCE      | SDBIP REFERENCE | KEY PERFORMANCE AREA                            | PROGRAMME                                                                  | PROJECT                                                       | WARD | BASELINE / STATUS QUO                                                                              | MEASURABLE OBJECTIVE                                                                                                                                                                                                                                   | ANNUAL TARGET / GET / OUTPUT                                                                                                                                                                                                                                 | PERFORMANCE MEASURE                                                                                                                                                                                                                                    | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                    |                      |                    | SOURCE DOCUMENT                    |                                             |
|-------|---------------|--------------------|-----------------|-------------------------------------------------|----------------------------------------------------------------------------|---------------------------------------------------------------|------|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------|----------------------|--------------------|------------------------------------|---------------------------------------------|
|       |               |                    |                 |                                                 |                                                                            |                                                               |      |                                                                                                    |                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                        | ANNUAL ACTUAL                                               | ACTUAL (1,2,3,4,5, No. Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |                                    | Time-frame TO IMPLEMENT CORRECTIVE MEASURES |
|       |               |                    |                 |                                                 |                                                                            |                                                               |      |                                                                                                    |                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                        |                                                             |                                    |                      |                    |                                    |                                             |
| E     | E2            | 2 - BACK TO BASICS | ABM 01          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation                                                       | Complaints referral                                           | All  | All community complaints forwarded to customer services and departments within 2 days in 2018/2019 | Community complaints referred to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2019                                                                                                         | Turnaround time 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 2019                                                                                      | 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 2019                                                                                                | 3 (100% - 129%)                                             | N/A                                | N/A                  | Complaints File    |                                    |                                             |
| E     | E1            | 2 - BACK TO BASICS | ABM 02          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation                                                       | Community Based Planning                                      | 1-39 | All wards development plan will be reviewed.                                                       | 1 ward plan for 20 identified wards of council reviewed and submitted to SMC by the 28th of February 2019                                                                                                                                              | Number of ward plans reviewed and submitted to SMC                                                                                                                                                                                                           | 1 ward plan for 20 identified wards of council reviewed and submitted to SMC by the 28th of February 2019                                                                                                                                              | 3 (100% - 129%)                                             | N/A                                | N/A                  | Ward plan file     |                                    |                                             |
| E     | E2            | 2 - BACK TO BASICS | ABM 03          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation                                                       | Conduct IDP/ Budget needs surveys                             | All  | 5 zones Survey conducted 2016/17                                                                   | 1 x IDP/ Budget needs Izimbizo Survey conducted in each of the 5 Zones of Council by the 31st of December 2018                                                                                                                                         | Number of IDP/ Budget needs Izimbizo Surveys conducted in each of the 5 Zones of Council                                                                                                                                                                     | 1 x IDP/ Budget needs Izimbizo Survey conducted in each of the 5 Zones of Council by the 31st of December 2018                                                                                                                                         | 3 (100% - 129%)                                             | N/A                                | N/A                  | Registers          |                                    |                                             |
| E     | E2            | 2 - BACK TO BASICS | ABM 04          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Effective mechanisms, processes and procedures for Community Participation | Strengthening formal linkage with LAC ( Local Aids Council)   | All  | No strong structural/ formal linkage with Local Aids Council                                       | 4 X Quarterly OSS functionality reports produced and submitted to LAC by the 30th of June 2019                                                                                                                                                         | Number of quarterly OSS functionality reports produced and submitted to LAC                                                                                                                                                                                  | 4 X Quarterly OSS functionality reports produced and submitted to LAC by the 30th of June 2019                                                                                                                                                         | 3 (100% - 129%)                                             | N/A                                | N/A                  | N/A                | LAC Report                         |                                             |
| E     | E3            | 2 - BACK TO BASICS | ABM 05          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation                                                       | Implement the public participation policy                     | All  | Public participation presented to all new 37 ward committees in 2018                               | 1 x public participation policy presentation conducted for each of the new 39 ward committees of council by the 31st of March 2019                                                                                                                     | Number of public participation policy presentations conducted for each of the new 39 ward committees of council by the 31st of March 2019                                                                                                                    | 1 x public participation policy presentation conducted for each of the new 39 ward committees of council by the 31st of March 2019                                                                                                                     | 3 (100% - 129%)                                             | N/A                                | N/A                  | N/A                | Audit File                         |                                             |
| E     | E1            | 2 - BACK TO BASICS | ABM 06          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Public Participation                                                       | Ward Audits                                                   | All  | Existing ward audits                                                                               | 4 x quarterly ward audit reports prepared and submitted to OMC on Audits conducted in each of the 39 wards in order to identify ward based service delivery challenges and forwarded to relevant business units for actioning by the 30th of June 2019 | Number of quarterly ward audit reports prepared and submitted to OMC on Audits conducted in each of the 39 wards in order to identify ward based service delivery challenges and forwarded to relevant business units for actioning by the 30th of June 2019 | 4 x quarterly ward audit reports prepared and submitted to OMC on Audits conducted in each of the 39 wards in order to identify ward based service delivery challenges and forwarded to relevant business units for actioning by the 30th of June 2019 | 3 (100% - 129%)                                             | N/A                                | N/A                  | N/A                | Audit File                         |                                             |
| E     | E1            | 2 - BACK TO BASICS | ABM 07          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | War Rooms                                                                  | Support Established war rooms                                 | All  | 34 Established War Rooms                                                                           | 12 x monthly reports produced and submitted to OMC on the functioning of OSS & established war rooms by the 30th of June 2019                                                                                                                          | Number of monthly reports produced and submitted to OMC on the functioning of OSS & established war rooms by the 30th of June 2019                                                                                                                           | 12 x monthly reports produced and submitted to OMC on the functioning of OSS & established war rooms by the 30th of June 2019                                                                                                                          | 3 (100% - 129%)                                             | N/A                                | N/A                  | OSS File           |                                    |                                             |
| E     | E2            | 2 - BACK TO BASICS | ABM 08          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | HIV/AIDS & SOCIAL SERVICES                                                 | Ward visits to support HIV/AIDS groups                        | All  | 216 Ward visits to support HIV/AIDS groups by the 30th of June 2018                                | 216 Ward visits to support HIV/AIDS groups by the 30th of June 2019                                                                                                                                                                                    | Number of ward visits conducted to support HIV/AIDS groups                                                                                                                                                                                                   | 216 Ward visits to support HIV/AIDS groups by the 30th of June 2019                                                                                                                                                                                    | 3 (100% - 129%)                                             | N/A                                | N/A                  | N/A                | HIV/AIDS & Social Service Register |                                             |
| E     | E2            | 2 - BACK TO BASICS | ABM 09          | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | HIV/AIDS & SOCIAL SERVICES                                                 | Ward visits to support HIV/AIDS and Social Support Programmes | All  | 420 HIV/AIDS and Social support programmes to be coordinated by the 30th of June 2018              | 420 HIV/AIDS and Social support programmes to be coordinated by the 30th of June 2019                                                                                                                                                                  | Number of HIV/AIDS and Social support programmes to be coordinated by the 30th of June 2019                                                                                                                                                                  | 605 HIV/AIDS and Social Support Programmes coordinated by the 30th of June 2019                                                                                                                                                                        | 4 (130% - 149%)                                             | N/A                                | N/A                  | N/A                | HIV/AIDS & Social Service Register |                                             |

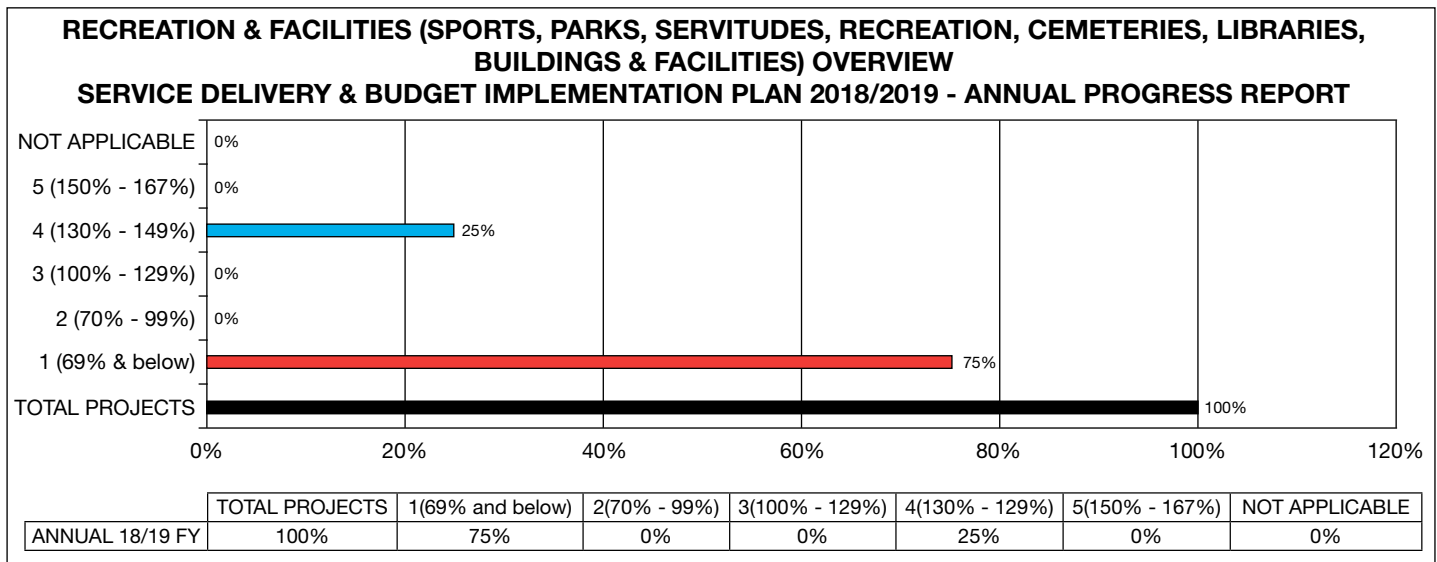
## RECREATION & FACILITIES (SPORTS, PARKS, SERVITUDES, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

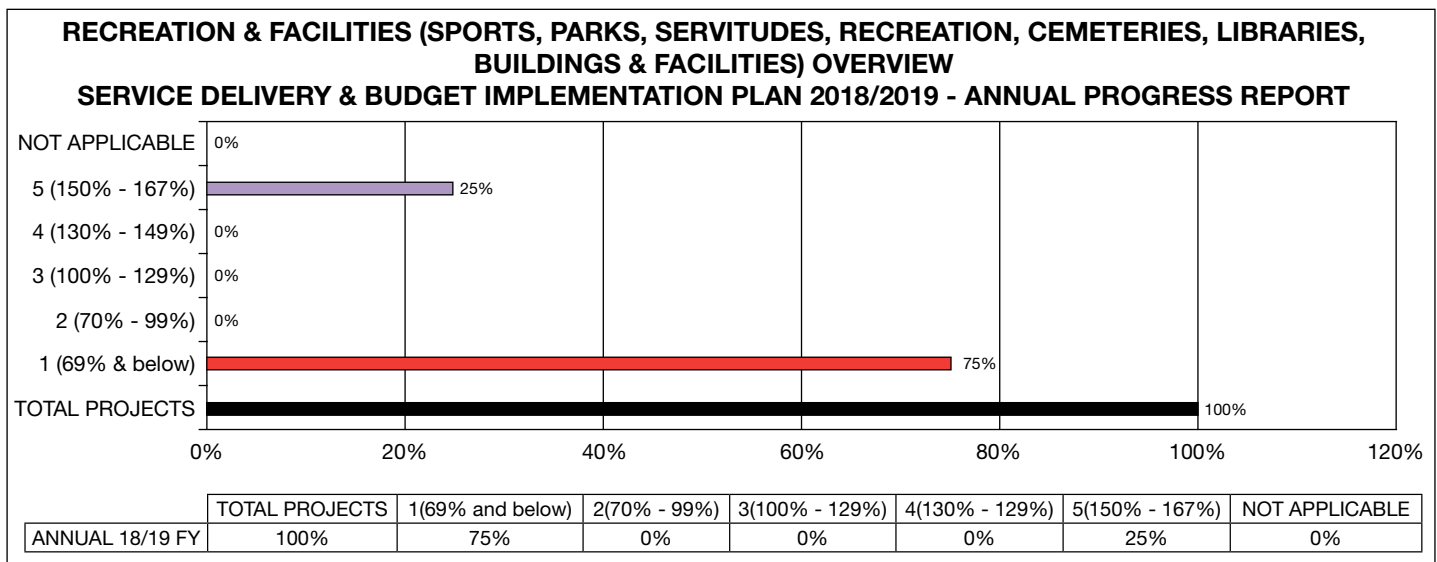
### 1 RECREATION & FACILITIES (SPORTS, PARKS, SERVITUDES, RECREATION, CEMETERIES, LIBRARIES, BUILDINGS & FACILITIES) OVERVIEW

- 1.1 TOTAL PROJECTS: 8
- 1.1.1 OPERATING PROJECTS 4
- 1.1.2 CAPITAL PROJECTS 4

### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



### 2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE                                    | ISOBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME                           | PROJECT                                                                        | WARD                                      | BASELINE / STATUS QUO                                                                                        | MEASURABLE OBJECTIVE                                                                                                                                                                                                      | ANNUAL TARGET GET / OUTPUT                                                                                                                                                                                                  | PERFORMANCE MEASURE                                                                                                                                                                                                       | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                    |                                    |                                                                                                                                                                                                |                                                                                                                                            | SOURCE DOCUMENT |                                             |                                          |
|-------|---------------|--------------------------------------------------|------------------|---------------------------------|-------------------------------------|--------------------------------------------------------------------------------|-------------------------------------------|--------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------|------------------------------------------|
|       |               |                                                  |                  |                                 |                                     |                                                                                |                                           |                                                                                                              |                                                                                                                                                                                                                           |                                                                                                                                                                                                                             |                                                                                                                                                                                                                           | ANNUAL ACTUAL                                                                                                  | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                           | CORRECTIVE MEASURE                                                                                                                         |                 | Time-frame TO IMPLEMENT CORRECTIVE MEASURES |                                          |
|       |               |                                                  |                  |                                 |                                     |                                                                                |                                           |                                                                                                              |                                                                                                                                                                                                                           |                                                                                                                                                                                                                             |                                                                                                                                                                                                                           |                                                                                                                |                                    |                                                                                                                                                                                                |                                                                                                                                            |                 |                                             | ANNUAL TARGET                            |
| B     | B1            | 2 - BACK TO BASICS                               | R & F 01         | NKPA 2 - BASIC SERVICE DELIVERY | Grass Cutting - Municipal Wards     | Grass cutting on verges, open spaces and parks                                 | 10 to 38                                  | 3 cuts in 29 wards per grass cutting season                                                                  | Grass cut once per month in 29 wards as per grass cutting schedule (September 2018 - May 2019) with a tractor utilising a slash-mower for open spaces, sports-grounds and any verge over 2 meters by the 31st of May 2019 | Number of wards Grass cut once per month in a grass cutting schedule (September 2018 - May 2019) with a tractor utilising a slash-mower for open spaces, sports-grounds and any verge over 2 meters by the 31st of May 2019 | Grass cut once per month in 29 wards as per grass cutting schedule (September 2018 - May 2019) with a tractor utilising a slash-mower for open spaces, sports-grounds and any verge over 2 meters by the 31st of May 2019 | Grass cut in 29 wards utilising a slash-mower with minor challenges                                            | 1 (69% & below)                    | Challenges with slash-mower and constant break-downs of tractors                                                                                                                               | Repair slash-mower and tractors, budget for the purchase of 9 slash-mowers in 2109/2020 financial year to be implemented in September 2019 | 30-Sep-19       | Grass-cutting status                        |                                          |
| B     | B1            | 2 - BACK TO BASICS                               | R & F 02         | NKPA 2 - BASIC SERVICE DELIVERY | Grass Cutting - Islands and Gardens | Grass cutting and landscaping of islands, municipal gardens and main entrances | ALL                                       | 10 islands and 10 main entrances into CBD maintained monthly as per maintenance schedule by the 30 June 2019 | 10 islands and 10 main entrances into CBD maintained monthly as the CBD maintained monthly                                                                                                                                | Number of islands and main entrances into CBD maintained monthly as the CBD maintained monthly                                                                                                                              | 5 islands and 5 main entrances into CBD maintained                                                                                                                                                                        | 5 islands and 5 main entrances into CBD maintained                                                             | 1 (69% & below)                    | Late delivery of brush-cutters                                                                                                                                                                 | New delivery of 50 Brushcutters to be implemented in new financial year 2019/2010                                                          | 30-Sep-19       | Maintenance schedules                       |                                          |
| B     | B1            | 7 - GROWING A LEARNING CITY AND CITY OF LEARNING | R & F 03         | NKPA 2 - BASIC SERVICE DELIVERY | Grass Cutting - Libraries           | Grass cutting at municipal libraries                                           | 7, 12, 13, 23, 27, 31, 32, 34, 35, 36, 37 | Grass cut at 11 libraries every month as per the grass cutting schedule                                      | Grass cut at 11 libraries every month as per the grass cutting schedule by 30 June 2019                                                                                                                                   | Number of Libraries that have grass cut every month as per the grass cutting schedule                                                                                                                                       | Grass cut at 11 libraries every month as per the grass cutting schedule by 30 June 2019                                                                                                                                   | Grass cut at 11 libraries every month as per the grass cutting schedule by 30 June 2019                        | 1 (69% & below)                    | Late delivery of brush-cutters                                                                                                                                                                 | New delivery of 50 Brushcutters to be implemented in new financial year 2019/2010                                                          | 30-Sep-19       | Maintenance Schedules                       |                                          |
| B     | B2            | 7 - GROWING A LEARNING CITY AND CITY OF LEARNING | R & F 04         | NKPA 2 - BASIC SERVICE DELIVERY | Grass Cutting - Libraries           | Purchase of Library Material                                                   | 7, 12, 13, 23, 27, 31, 32, 34, 35, 36, 37 | 35 278 Books purchased and received                                                                          | 3000 x Library Books purchased and received by 30 April 2019                                                                                                                                                              | Number of Library Books purchased and received                                                                                                                                                                              | 12 745 purchased in June 2019 and 24 669 purchased for the year.                                                                                                                                                          | 12 745 purchased in June 2019 and 24 669 purchased for the year.                                               | 4 (130% - 149%)                    | Cannot project savings at the beginning of the financial year and the business plan stipulates that all savings remaining in the budget must be utilised for book buying in the fourth quarter | N/A                                                                                                                                        | N/A             | N/A                                         | Invoices, Delivery Notes, Orders         |
| B     | B1            | 2 - BACK TO BASICS                               | R & F 05         | NKPA 2 - BASIC SERVICE DELIVERY | Parks & Recreation                  | Purchase of modified containers/park homes (change rooms/toilet facilities)    | 27                                        | NIL                                                                                                          | 2 x modified containers/park homes (change rooms/toilet facilities) purchased and delivered by the 30th of June 2019                                                                                                      | Number of Containers Purchased                                                                                                                                                                                              | 1 Modified Container delivered.                                                                                                                                                                                           | 1 Modified Container delivered.                                                                                | 1 (69% & below)                    | Shortage of funding                                                                                                                                                                            | Mid-term budget                                                                                                                            | N/A             | N/A                                         | Invoice                                  |
| B     | B1            | 2 - BACK TO BASICS                               | R & F 06         | NKPA 2 - BASIC SERVICE DELIVERY | Parks & Recreation                  | Purchase new Machinery and Equipment                                           | 27, 29                                    | NIL                                                                                                          | Purchase new Machinery and Equipment (100 Brushcutters, 10 CHAINSAWS, 3 POLE PRUNERS)                                                                                                                                     | Number of new Machinery and Equipment (100 Brushcutters, 10 CHAINSAWS, 3 POLE PRUNERS) purchased by the 30th of June 2019                                                                                                   | Number of new Machinery and Equipment (100 Brushcutters, 10 CHAINSAWS, 3 POLE PRUNERS) purchased by the 30th of June 2019                                                                                                 | Purchase new Machinery and Equipment (100 Brushcutters, 10 CHAINSAWS, 3 POLE PRUNERS) by the 30th of June 2019 | 1 (69% & below)                    | N/A                                                                                                                                                                                            | N/A                                                                                                                                        | N/A             | N/A                                         | Orders, re-allocation form               |
| B     | B1            | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY           | R & F 09         | NKPA 2 - BASIC SERVICE DELIVERY | Upgrading Swimming Pools            | Upgrading Buchanan Swimming Pool                                               | 27                                        | NIL                                                                                                          | Full Upgrade of Buchanan Swimming Pool completed by the 30th of June 2019                                                                                                                                                 | Date of completion of Buchanan Swimming Pool upgrading                                                                                                                                                                      | Full Upgrade of Buchanan Swimming Pool completed by the 30th of June 2019                                                                                                                                                 | Upgrade of Buchanan Swimming Pool for not completed                                                            | 1 (69% & below)                    | Report submitted late for approval SS 72 of 2015 not approved by BAC                                                                                                                           | Mid-term review for 2019/2020                                                                                                              | N/A             | N/A                                         | BOCs, Letter of award                    |
| B     | B1            | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY           | R & F 10         | NKPA 2 - BASIC SERVICE DELIVERY | Parks & Recreation                  | Fencing Blisley Valley Nature Reserve                                          | 18,24                                     | NIL                                                                                                          | Fencing of Blisley Valley Nature Reserve completed by the 30th of June 2019                                                                                                                                               | Date of completion of fencing of Blisley Valley Nature Reserve by the 30th of June 2019                                                                                                                                     | Fencing of Blisley Valley Nature Reserve completed by the 30th of June 2019                                                                                                                                               | Completed in December 2019, Contract SS 72 of 2015                                                             | 5 (150% - 167%)                    | N/A                                                                                                                                                                                            | N/A                                                                                                                                        | N/A             | N/A                                         | Invoices, Orders, Completion Certificate |

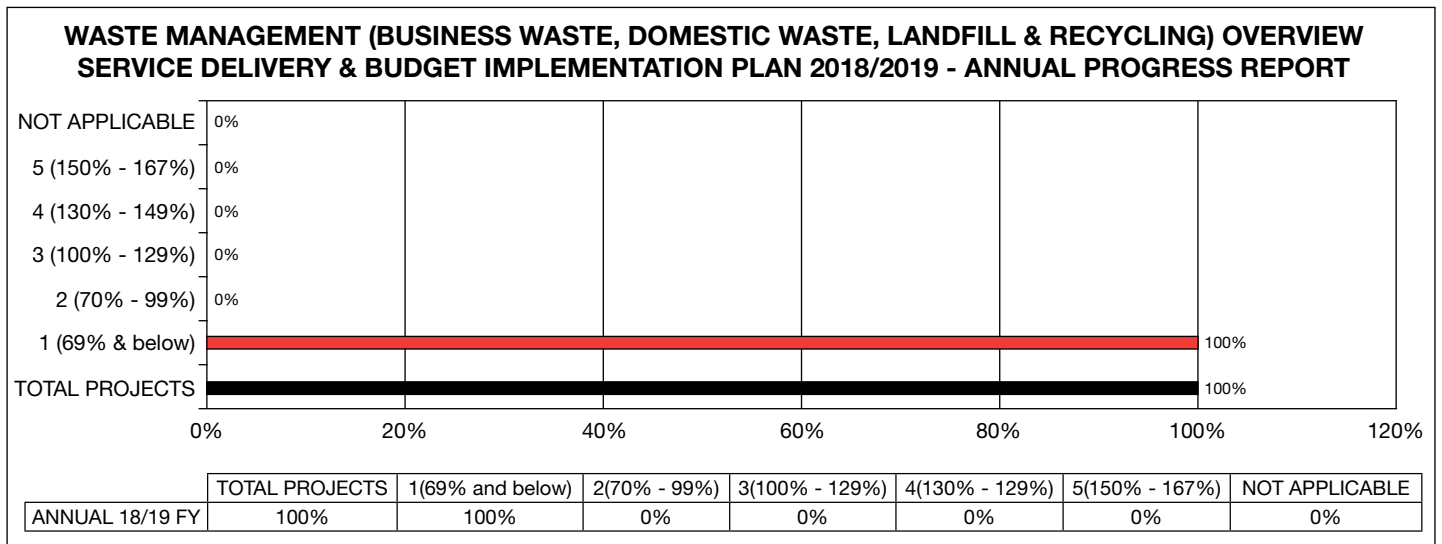
**WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) OVERVIEW**

- 1.1 TOTAL PROJECTS: 2
- 1.1.1 OPERATING PROJECTS 2
- 1.1.2 CAPITAL PROJECTS 0

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR    |               |                    |                 |                                 |                  |                                       |         |                                                                                 |                                                                                        |                                                                                        |                                       |                                                             |                                            |                                                     |                                                     |                                             |                    |
|-----------------------------------------------------------------------------------|---------------|--------------------|-----------------|---------------------------------|------------------|---------------------------------------|---------|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------|--------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|---------------------------------------------|--------------------|
| BUSINESS UNIT: COMMUNITY SERVICES                                                 |               |                    |                 |                                 |                  |                                       |         |                                                                                 |                                                                                        |                                                                                        |                                       |                                                             |                                            |                                                     |                                                     |                                             |                    |
| SUB UNIT: WASTE MANAGEMENT (BUSINESS WASTE, DOMESTIC WASTE, LANDFILL & RECYCLING) |               |                    |                 |                                 |                  |                                       |         |                                                                                 |                                                                                        |                                                                                        |                                       |                                                             |                                            |                                                     |                                                     |                                             |                    |
| INDEX                                                                             | IDP REFERENCE | CDS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME        | PROJECT                               | WARD    | BASELINE / STATUS QUO                                                           | MEASURABLE OBJECTIVE                                                                   | ANNUAL TARGET / GET / OUTPUT                                                           | PERFORMANCE MEASURE                   | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                            |                                                     |                                                     |                                             |                    |
|                                                                                   |               |                    |                 |                                 |                  |                                       |         |                                                                                 |                                                                                        |                                                                                        |                                       | ANNUAL ACTUAL                                               | ACTUAL (1,2,3,4,5, Net Applicable)         | REASON FOR DEVIATION                                | CORRECTIVE MEASURE                                  | Time-frame TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT    |
| B                                                                                 | B1            | 2 - BACK TO BASICS | WM 01           | NKPA 2 - BASIC SERVICE DELIVERY | Waste Management | SMME's Refuse Collection - Vulindlela | 1 to 39 | NIL                                                                             | Refuse collection in all 5 zones of the Msunduzi Municipality by the 30th of June 2019 | Refuse collection in all 5 zones of the Msunduzi Municipality by the 30th of June 2019 | Number of skip zones refuse collected | 7 500 000                                                   | 1 (69% & below)                            | Funds re-allocated due to time constraints          | Restart the process in the 2019/2020 financial year | 2019/Dec/31                                 | Re-allocation Form |
| B                                                                                 | B1            | 2 - BACK TO BASICS | WM 02           | NKPA 2 - BASIC SERVICE DELIVERY | Waste Management | Repairs completed on skip bins        | ALL     | 100% Repairs completed on 24 skip bins (various sizes) by the 30th of June 2018 | 24 skip bins repaired (various sizes) and or replaced by the 30th of June 2019         | Number of skip bins repaired (various sizes) and or replaced by the 30th of June 2019  | 1 500 000                             | 1 (69% & below)                                             | Funds re-allocated due to time constraints | Restart the process in the 2019/2020 financial year | 30/Feb/2020                                         | Re-allocation Form                          |                    |

## ANNEXURE I

### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT - INFRASTRUCTURE SERVICES

#### INFRASTRUCTURE SERVICES OVERVIEW

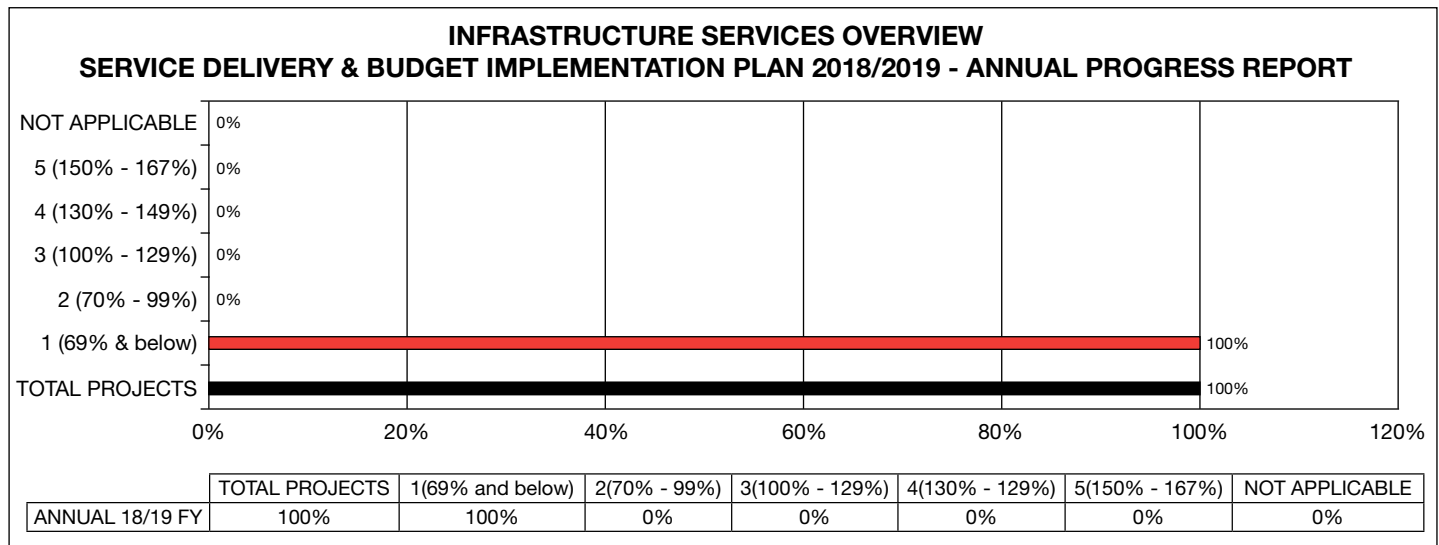
#### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

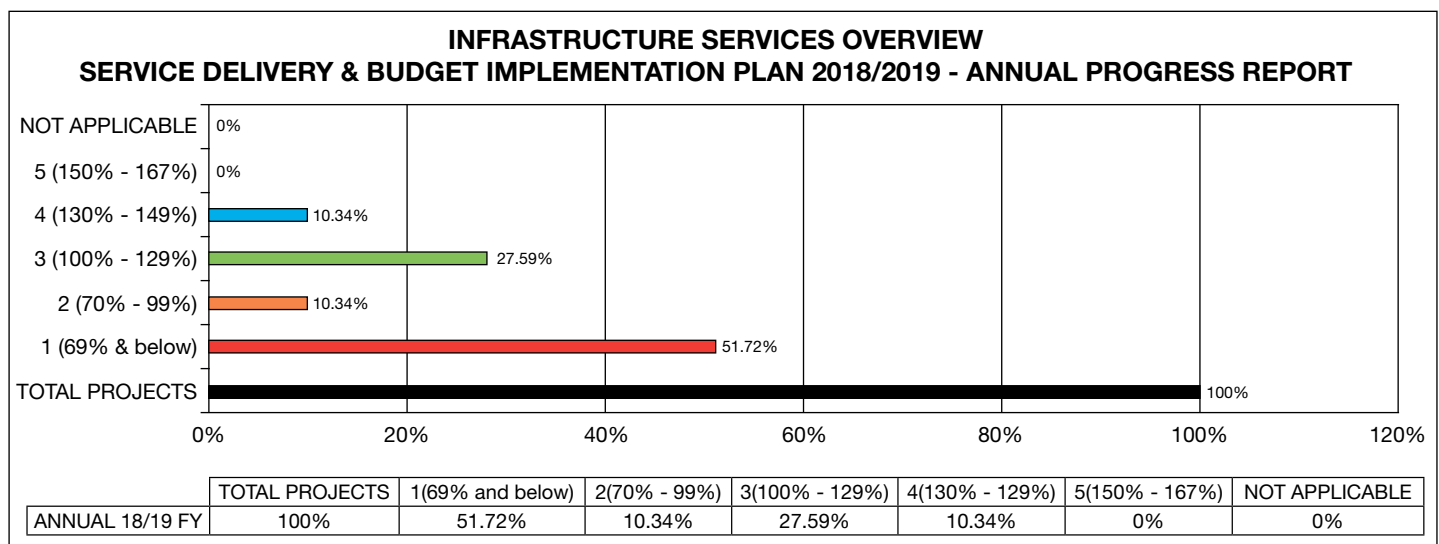
#### 1 INFRASTRUCTURE SERVICES OVERVIEW

|       |                    |    |
|-------|--------------------|----|
| 1.1   | TOTAL PROJECTS:    | 31 |
| 1.1.1 | OPERATING PROJECTS | 2  |
| 1.1.2 | CAPITAL PROJECTS   | 29 |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



#### 2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| NO       | BUSINESS UNIT                                                 | SUB UNIT                                                                      | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET                                                                                          | SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL ACTUAL   |                                                                         | REASON FOR DEVIATION                                                                                                                                                                   | CORRECTIVE MEASURE |                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                       |
|----------|---------------------------------------------------------------|-------------------------------------------------------------------------------|---------------------------|-------------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | PROJECT                                                                   | ANNUAL TARGET                                                           |                                                                                                                                                                                        |                    |                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                       |
| 3        | INFRASTRUCTURE SERVICES                                       | WATER & SANITATION                                                            | 0                         | 21                      | 21                    | 13                                                                                                                                         | W & S 02                                                                  | MIG - SEWER PIPES UNIT H                                                | Site Establishment and 0.2 km of sewer pipe installed by the 30 June 2019                                                                                                              | 1 (69% & below)    | Changes to scope of works, therefore a delay in submission to BSC. Tender needed to be cancelled once settlement agreement was signed.                                   | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter.                                                                                                                                                                                                                                        |                                                                                                                                                       |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 03                                                                  | MIG - SEWER PIPES AZALEA - PHASE 3                                      | 0.5 km of new water pipeline installed by the 30 June 2019                                                                                                                             | 1 (69% & below)    | Changes to scope of works, therefore a delay in submission to BSC. Phase 1 could not be completed due to a dispute with contractor.                                      | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter.                                                                                                                                                                                                                                        |                                                                                                                                                       |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 04                                                                  | MIG - FLUMINATION OF CONSERVANCY TANKS (SEWER)                          | 1km of new sewer pipeline installed by 31 December 2018. Provisional appointment of service provider by 30 June 2019                                                                   | 2 (70% - 99%)      | Not approved initially at Bid Spec. Bid Spec did not sit for 4 weeks thereafter after original submission. Awaiting Bid Spec sitting.                                    | Awaiting Bid Spec sitting                                                                                                                                                                                                                                                                                  |                                                                                                                                                       |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 05                                                                  | MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER) | 0.2 km sewer pipeline constructed by 30 June 2019                                                                                                                                      | 1 (69% & below)    | 0 km sewer pipeline not constructed by 30 June 2019.                                                                                                                     | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                                                                                                                                                                                        | Awaiting BEC sitting.                                                                                                                                 |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 06                                                                  | MIG - SHENSTONE AMBLETON SANITATION SYSTEM                              | Construction: 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Adjudication Report completed and submitted and provisional acceptance not completed by 30 June 2019. | 2 (70% - 99%)      | 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Adjudication Report completed and submitted and provisional acceptance not completed by 30 June 2019. | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                                                                                                                                                                                        | Awaiting Bid Spec sitting                                                                                                                             |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 07                                                                  | MIG - REDUCTION OF NON REVENUE WATER                                    | Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) by the 30th of June 2019                                                                                               | 2 (70% - 99%)      | Reduced Total Water Losses to 28.8% in Wards 1 to 38 (in total) by the 30th of June 2019                                                                                 | Drop in domestic sales and increase in bulk water purchases                                                                                                                                                                                                                                                | Non-revenue water implementation plan running for the next 5 years. Consultant has been appointed                                                     |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 09                                                                  | MIG - SERVICE MIDBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (WATER) | 0.5 km of new water pipeline installed by 30 June 2019                                                                                                                                 | 1 (69% & below)    | 0 km of new water pipeline installed by 30 June 2019.                                                                                                                    | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                                                                                                                                                                                        | Awaiting BEC sitting.                                                                                                                                 |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 10                                                                  | MIG - COPESVILLE RESERVOIR                                              | 100% of Bulk earthworks completed by 30 June 2019                                                                                                                                      | 1 (69% & below)    | 0% of Bulk earthworks completed by 30 June 2019.                                                                                                                         | There were delays in transferring the land from Human Settlements to Msunduzi municipality and therefore the tender could not be awarded.                                                                                                                                                                  | FastTrack tender evaluation.                                                                                                                          |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 11                                                                  | MIG - BASIC SANITATION VIP TOILETS                                      | 1200 x VIPs constructed by the 30th of June 2019                                                                                                                                       | 1 (69% & below)    | 790 x VIPs constructed by the 30th of June 2019.                                                                                                                         | BAC Report submitted and approved however required full council resolution to proceed with the remainder of the VIPs. Further delays can be attributed to a ward that refused to have VIPs installed. Difficulties with tender evaluation as tenderers did not submit adequate information for evaluation. | Awaiting resolution full council resolution                                                                                                           |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 18                                                                  | CNL - SANITATION PUMP STATIONS                                          | 3 x Sanitation Pump Stations upgraded by the 28 February 2019                                                                                                                          | 1 (69% & below)    | 0 x Sanitation Pump Stations upgraded by the 28 February 2019                                                                                                            | Funding has been reallocated.                                                                                                                                                                                                                                                                              | N/A                                                                                                                                                   |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 19                                                                  | CNL - ED 2 AND ED 4 SYSTEM UPGRADE                                      | 1 x control valve purchased by the 30 June 2019                                                                                                                                        | 1 (69% & below)    | 1 x control valve not purchased by the 30 June 2019                                                                                                                      | Unforeseen hardware conditions encountered on site resulting in delays.                                                                                                                                                                                                                                    | Engineers have proposed an alternate solution.                                                                                                        |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | W & S 20                                                                  | CNR - REHABILITATION OF WATER INFRASTRUCTURE                            | 22km of water pipe replaced and refurbishment of two pump stations completed by 30 June 2019                                                                                           | 1 (69% & below)    | 0% completion of Reinforcement for the first lift by 30 June 2019                                                                                                        | The appointment of the subcontractor took longer than anticipated. Soil conditions was not conducive for base layer.                                                                                                                                                                                       | Revise program in conjunction with cashflows with contractor.                                                                                         |
|          |                                                               |                                                                               |                           |                         |                       |                                                                                                                                            | R & T 01                                                                  | CNL - TRAFFIC CALMING MEASURES                                          | 30x traffic calming measures in various sites as per approved completion schedule installed by the 30th of June 2019                                                                   | 4                  | 4                                                                                                                                                                        | 1 (69% & below)                                                                                                                                                                                                                                                                                            | Service Provider was appointed on 22nd of February 2019 and work commence in March 2019. Original budget was revised from R500 000.00 to R200 000.00. |
| R & T 02 | CNL - INSTALLATION OF NEW GUARD RAILS (as and when requested) | 0.5km of guard rails installed as and when requested by the 30th of June 2019 | 4                         | 4                       | 1 (69% & below)       | Service Provider was appointed on the 15th of March 2019 on a 7day quotation. Original budget was revised from R500 000.00 to R200 000.00. | Only 0.374km of new guard rails were installed with the available budget. |                                                                         |                                                                                                                                                                                        |                    |                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                       |



| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |                         |                        |                           |                         |                       |                                                   |                            |                                                       |                                                                                             |                                                                                                           |                                                                                                               |                                                            |                                                                                                                       |                                                                                                                                                       |
|--------------------------------------------------------------------------------|-------------------------|------------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|----------------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| INFRASTRUCTURE SERVICES OVERVIEW NARRATIVE                                     |                         |                        |                           |                         |                       |                                                   |                            |                                                       |                                                                                             |                                                                                                           |                                                                                                               |                                                            |                                                                                                                       |                                                                                                                                                       |
| NO                                                                             | BUSINESS UNIT           | SUB UNIT               | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | SERVICE DELIVERY REFERENCE | PROJECT                                               | ANNUAL TARGET                                                                               | ANNUAL ACTUAL                                                                                             | ACTUAL (1,2,3,4,5 Not Applicable)                                                                             | REASON FOR DEVIATION                                       | CORRECTIVE MEASURE                                                                                                    |                                                                                                                                                       |
|                                                                                |                         |                        |                           |                         |                       |                                                   |                            |                                                       |                                                                                             |                                                                                                           |                                                                                                               |                                                            |                                                                                                                       |                                                                                                                                                       |
| 3                                                                              | INFRASTRUCTURE SERVICES | ROADS & TRANSPORTATION |                           |                         |                       |                                                   | R & T 03                   | CNL - PLANT AND EQUIPMENT - (NEW TRAFFIC CONTROLLERS) | 100% of New Traffic Signal Controllers purchased by the 31st of March 2019                  | 0% of New Traffic Signal Controllers purchased by the 30th of June 2019                                   | 1 (69% & below)                                                                                               | Delays in finalising the appointment of Service Providers. | Fast Track the delivery of Traffic Signal Controllers                                                                 |                                                                                                                                                       |
|                                                                                |                         |                        |                           |                         |                       |                                                   | R & T 04                   | CNL - ROAD REHABILITATION - PWS                       | 2500m2 (Equivalent to 2.5km) of municipal roads to be constructed by the 30th of April 2019 | 2500m2 (Equivalent to 2.5km) of municipal roads not constructed                                           | 1 (69% & below)                                                                                               | Delays in finalising the appointment of Service Providers. | Ensure that the contract is in place.                                                                                 |                                                                                                                                                       |
|                                                                                |                         |                        |                           | 0                       | 4                     | 4                                                 | 1                          | ELEC 02                                               | CONSTRUCTION OF 132KV POWERLINE FOR EASTWOOD SUB STATION BY 30th JUNE 2019                  | CONSTRUCTION OF 132KV POWERLINE FOR EASTWOOD SUB STATION BY 30th JUNE 2019                                | NO CONSTRUCTION OF 132KV POWERLINE FOR EASTWOOD SUB STATION BY 30th JUNE 2019                                 | 1 (69% & below)                                            | There were no responsive tenders and the tender had to be re-advertised. Delays in the finalization of Bid Processes. | Procurement Process in progress. Bid Evaluation Committee report has served at Bid adjudication Committee and awaiting appointment of the contractor. |
|                                                                                |                         |                        |                           | 2                       | 0                     | 2                                                 | 2                          | MW 01                                                 | Vehicle and plant service                                                                   | 840 x Council vehicles and plant serviced by the 30th of June 2019                                        | 503 x Council vehicles and plant serviced by the 30th of June 2019                                            | 1 (69% & below)                                            | Shortages of Funds, suppliers account are on hold due to non payment                                                  | Ensure suppliers are paid on time, and ensure vehicles that were                                                                                      |
|                                                                                |                         |                        |                           |                         |                       |                                                   |                            | MW 02                                                 | Average turnaround time on repairs (in days)                                                | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2019 | 30 days turnaround time not achieved on council vehicles and plant repairs completed by the 30th of June 2019 | 1 (69% & below)                                            | Plant vehicles requires parts that take longer than 30days                                                            | 60days Turnaround time to be implemented to include vehicles that take longer than 30days to service                                                  |
| <b>TOTAL</b>                                                                   |                         |                        | <b>2</b>                  | <b>29</b>               | <b>31</b>             | <b>20</b>                                         |                            |                                                       |                                                                                             |                                                                                                           |                                                                                                               |                                                            |                                                                                                                       |                                                                                                                                                       |

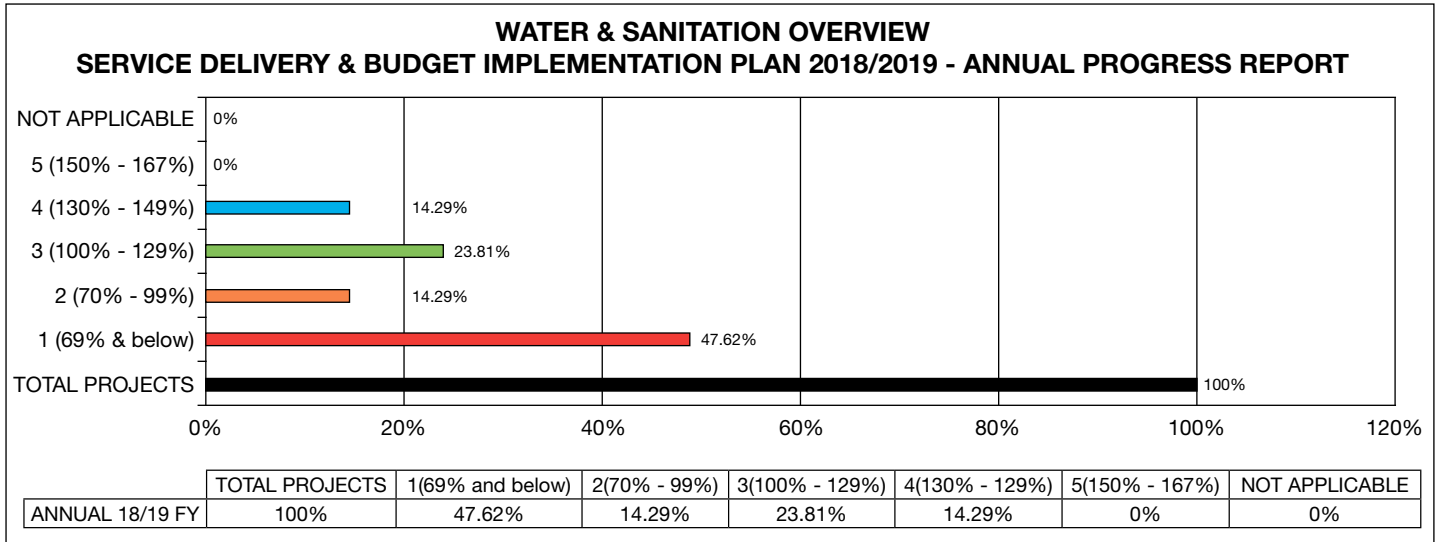
**WATER & SANITATION OVERVIEW**  
**SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 WATER & SANITATION OVERVIEW**

|              |                           |           |
|--------------|---------------------------|-----------|
| <b>1.1</b>   | <b>TOTAL PROJECTS:</b>    | <b>21</b> |
| <b>1.1.1</b> | <b>OPERATING PROJECTS</b> | <b>0</b>  |
| <b>1.1.2</b> | <b>CAPITAL PROJECTS</b>   | <b>21</b> |

**2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                    |                 |                                 |            |                                                                                                                              |                                                |                                                                           |                                                                                                                                                            |                                                                                                                                    |                                                                                                                                                                          |                                                                                                              |                                                                                                                                               |                                                                     |                      |                                                                        |                                                                      |
|--------------------------------------------------------------------------------|---------------|--------------------|-----------------|---------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|----------------------|------------------------------------------------------------------------|----------------------------------------------------------------------|
| INDEX                                                                          | IDP REFERENCE | ODS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME  | PROJECT                                                                                                                      | WARD                                           | BASELINE / STATUS QOQ                                                     | MEASURABLE OBJECTIVE                                                                                                                                       | ANNUAL TARGET / OUTPUT                                                                                                             | PERFORMANCE MEASURE                                                                                                                                                      | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                  |                                                                                                                                               |                                                                     |                      | SOURCE DOCUMENT                                                        |                                                                      |
|                                                                                |               |                    |                 |                                 |            |                                                                                                                              |                                                |                                                                           |                                                                                                                                                            |                                                                                                                                    |                                                                                                                                                                          | ANNUAL TARGET                                                                                                | ANNUAL ACTUAL                                                                                                                                 | ACTUAL ANNUAL (1-2,3,4,5, Not Applicable)                           | REASON FOR DEVIATION |                                                                        | CORRECTIVE MEASURE                                                   |
| B                                                                              | B1            | 2 - BACK TO BASICS | W & S 01        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | CRR - REHABILITATION OF SANITATION INFRASTRUCTURE<br>MIG - REHABILITATION OF SANITATION INFRASTRUCTURE                       | 15, 19, 16, 30, 35, 32, 33, 26, 25, 29, 31, 28 | Five (5) stream crossings completed.                                      | 100% of stream crossings completed by 30 April 2019. Site Establishment and 0.2 km of sewer pipe installed by the 30 June 2019.                            | 100% of 10 stream crossings completed by 30 April 2019. Site Establishment and 0.2 km of sewer pipe installed by the 30 June 2019. | Percentage of stream crossings                                                                                                                                           | 100% of 10 stream crossings completed by 30 June 2019. 0.414 km of sewer pipe installed by the 30 June 2019. | 4 (100%)<br>-1 (49%)                                                                                                                          | N/A                                                                 | N/A                  | N/A                                                                    | Progress Report showing percentage and pipe length installed.<br>N/A |
| B                                                                              | B1            | 2 - BACK TO BASICS | W & S 02        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SEWER PIPES UNIT H<br>MIG - SEWER PIPES UNIT H                                                                         | 16                                             | 2.21 km of new sewer pipe installed and approval of BOQ and Bid Document. | Site Establishment and 0.2 km of sewer pipe installed by the 30 June 2019                                                                                  | Km of new sewer pipe installed                                                                                                     | Site Establishment and 0.2 km of sewer pipe installed by the 30 June 2019                                                                                                | 1 (69% & below)                                                                                              | Changes to scope of works, therefore a delay in submission to BSC. Tender needed to be cancelled once settlement agreement was signed.        | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter. | 2 Months             | Bid Spec Report, BAC Resolution, Settlement Agreement                  |                                                                      |
| B                                                                              | B1            | 2 - BACK TO BASICS | W & S 03        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SEWER PIPES AZALEA - PHASE 3<br>MIG - SEWER PIPES AZALEA - PHASE 2                                                     | 10                                             | 6 km of new sewer pipe installed by the 30th of June 2018                 | 0.5 km of new sewer water pipeline installed by the 30 June 2019                                                                                           | Km of new sewer pipe installed                                                                                                     | R 4,343,758<br>0 km of new water pipeline installed by the 30 June 2019.                                                                                                 | 1 (69% & below)                                                                                              | Changes to scope of works, therefore a delay in submission to BSC. Phase 1 could not be completed due to a dispute with contractor.           | Submission of Bid Spec Report to BSC. Awaiting BSC approval letter. | N/A<br>2 months      | N/A<br>Bid Spec Report, Contractors Core-spondence, Consultants Report |                                                                      |
| B                                                                              | B1            | 2 - BACK TO BASICS | W & S 04        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - ELIMINATION OF CONSERVANCY TANKS (SEWER)<br>MIG - SERVICE MIDDLEBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER) | 21                                             | 1.4 km of new sewer pipe installed and tested.                            | 1 km of new sewer pipeline installed by 31 December 2018. Provisional appointment of service provider by 30 June 2019                                      | Km of new sewer pipes constructed                                                                                                  | R 1,819,000<br>1 km of new sewer pipeline installed by 31 December 2018. Provisional appointment of service provider by 30 June 2019                                     | 2 (70% - 99%)                                                                                                | Not approved initially at Bid Spec. Bid Spec did not set for 4 weeks thereafter after original submission. Awaiting Bid Spec sitting          | Awaiting Bid Spec sitting                                           | N/A<br>2 months      | N/A<br>Bid Spec Report                                                 |                                                                      |
| B                                                                              | B1            | 2 - BACK TO BASICS | W & S 05        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SERVICE MIDDLEBLOCK ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)                                                   | 15, 35, 19                                     | 0.8 km of new sewer pipe constructed.                                     | 0.2 km sewer pipeline constructed by 30 June 2019                                                                                                          | Km of new sewer pipe constructed.                                                                                                  | R 5,927,563<br>0 km sewer pipeline not constructed by 30 June 2019.                                                                                                      | 1 (69% & below)                                                                                              | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee. BEC Report submitted by end of June 2019. | Awaiting BEC sitting.                                               | 2 months             | Bid Spec Report                                                        |                                                                      |
| B                                                                              | B1            | 2 - BACK TO BASICS | W & S 06        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - SHENSTONE AMBLETON SANITATION SYSTEM<br>MIG - SHENSTONE AMBLETON SANITATION SYSTEM                                     | 18, 13                                         | 1.3 km of new sewer pipe constructed.                                     | Construction: 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Adjudication Report completed and provisional acceptance by 30 June 2019. | Km of new sewer pipe constructed.                                                                                                  | R 330,000<br>Construction: 1.3 km of new sewer pipeline installed by 30 May 2019. Design: Bid Report completed and submitted and provisional acceptance by 30 June 2019. | 2 (70% - 99%)                                                                                                | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                           | Awaiting Bid Spec sitting                                           | 2 months             | Progress report and Bid Spec Report                                    |                                                                      |

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME  | PROJECT                                                                | WARD     | BASELINE / STATUS QUO                                                                 | MEASURABLE OBJECTIVE                                                                      | ANNUAL TARGET GET / OUTPUT                                                                | PERFORMANCE MEASURE | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                                                                           |                                                                                                   |                    | SOURCE DOCUMENT             |                                             |
|-------|---------------|--------------------|-----------------|---------------------------------|------------|------------------------------------------------------------------------|----------|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------------|-----------------------------|---------------------------------------------|
|       |               |                    |                 |                                 |            |                                                                        |          |                                                                                       |                                                                                           |                                                                                           |                     | ANNUAL ACTUAL                                               | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                        | REASON FOR DEVIATION                                                                              | CORRECTIVE MEASURE |                             | Time-frame TO IMPLEMENT CORRECTIVE MEASURES |
|       |               |                    |                 |                                 |            |                                                                        |          |                                                                                       |                                                                                           |                                                                                           |                     |                                                             |                                                                                                                                           |                                                                                                   |                    |                             |                                             |
| B     | B2            | 2 - BACK TO BASICS | W & S 07        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | MIG - REDUCTION OF NON REVENUE WATER                                   | 10 to 37 | Total Water losses for the 2016-2017 financial year projected at 28.9%.               | Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) by the 30th of June 2019  | Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) by the 30th of June 2019  | R 920,000           | 2 (700% - 99%)                                              | Drop in domestic sales and increase in bulk water purchases has been appointed                                                            | Non-revenue water implementation plan running for the next 5 years. Consultant has been appointed | 2 months           | IWA Water Balance           |                                             |
| B     | B1            | 2 - BACK TO BASICS | W & S 08        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - ELIMINATION OF CONSERVANCY PANS (WATER)                          | 21       | 0.3 km of new water pipeline installed.                                               | 0.3 km of new water pipeline constructed. Installed by 30 September 2018                  | 0.3 km of new water pipeline installed by 30 September 2018                               | N/A                 | 3 (100% - 129%)                                             | N/A                                                                                                                                       | N/A                                                                                               | N/A                | Progress Report             |                                             |
| B     | B1            | 2 - BACK TO BASICS | W & S 09        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | MIG - SERVICE ERADICATION IN SOBANTU, ASHDOWN & IMBALI (SEWER)         | 15, 19   | 3 km of new water pipeline installed.                                                 | 0.5 km of new water pipeline installed                                                    | 0.5 km of new water pipeline installed by 30 June 2019                                    | N/A                 | 1 (69% & below)                                             | Delays in obtaining Bid Spec approval due to additional information required by Bid Spec Committee.                                       | Awaiting BEC sitting.                                                                             | 2 months           | BEC Report                  |                                             |
| B     | B1            | 2 - BACK TO BASICS | W & S 10        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | MIG - COPEVILLE RESERVOIR CNL - REHABILITATION OF WATER INFRASTRUCTURE | N/A      | Completion of Designs                                                                 | 100% of Bulk earthworks completed by 30 June 2019                                         | 100% of Bulk earthworks completed by 30 June 2019                                         | R 1,328,216         | N/A                                                         | N/A                                                                                                                                       | N/A                                                                                               | N/A                | N/A                         |                                             |
| B     | B1            | 2 - BACK TO BASICS | W & S 11        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - BASIC SANITATION VIP TOILETS                                     | 1 to 9   | 1380 x VIPs constructed                                                               | 1200 x VIPs constructed by the 30 June 2019                                               | 1200 x VIPs constructed by the 30th of June 2019                                          | R 800,000           | 1 (69% & below)                                             | There were delays in transferring the land from Human Settlements to Msunduzi municipality and therefore the tender could not be awarded. | N/A                                                                                               | 2 months           | Draft Bid Evaluation Report |                                             |
| B     | B1            | 2 - BACK TO BASICS | W & S 12        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | MIG - MASTER SANITATION                                                | All      | Master Plan completed however backlogs are required to be updated for ward 38 and 39. | 1 x Completed Sanitation master plan approved through council structures by 31 March 2019 | 1 x Completed Sanitation master plan approved through council structures by 31 March 2019 | R 12,129,133        | 3 (100% - 129%)                                             | N/A                                                                                                                                       | N/A                                                                                               | N/A                | N/A                         | N/A                                         |
| B     | B1            | 2 - BACK TO BASICS | W & S 13        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | MIG - MASTER WATER PLANNING                                            | All      | Final Phase 2 of Draft Water Master Plan Completed by 30th of June 2018               | 1 x Completed Water master plan approved through council structures by 31 March 2019      | 1 x Completed Water master plan approved through council structures by 31 March 2019      | R 896,514           | 3 (100% - 129%)                                             | N/A                                                                                                                                       | N/A                                                                                               | N/A                | N/A                         | Council Resolution                          |

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                    |                 |                                 |            |                                             |                                |                                                                    |                                                                                               |                                                           |                                                                                                                                      |                                                             |               |                                                                                                                      |                                                               |                                  |                                                                                                |
|--------------------------------------------------------------------------------|---------------|--------------------|-----------------|---------------------------------|------------|---------------------------------------------|--------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------------------------------|
| INDEX                                                                          | IDP REFERENCE | ODS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME  | PROJECT                                     | WARD                           | BASELINE / STATUS QOQ                                              | MEASURABLE OBJECTIVE                                                                          | ANNUAL TARGET GET / OUTPUT                                | PERFORMANCE MEASURE                                                                                                                  | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |               |                                                                                                                      |                                                               | SOURCE DOCUMENT                  |                                                                                                |
|                                                                                |               |                    |                 |                                 |            |                                             |                                |                                                                    |                                                                                               |                                                           |                                                                                                                                      | ANNUAL TARGET                                               | ANNUAL ACTUAL | ACTUAL ANNUAL 2018/2019 (1-23.45, Not Applicable)                                                                    | REASON FOR DEVIATION                                          |                                  | CORRECTIVE MEASURE                                                                             |
| B                                                                              | B2            | 2 - BACK TO BASICS | W & S 14        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | CNL- RESERVOIR FENCING                      | 15, 10, 17, 18                 | No adequate fencing at core reservoirs.                            | 4 x Reservoirs fenced by the 30 June 2019                                                     | Number of Reservoirs fenced                               | 4 x Reservoirs fenced by the 30th of April 2019.                                                                                     | 4 (130% -149%)                                              | N/A           | N/A                                                                                                                  | N/A                                                           | Progress Report, Purchase order. |                                                                                                |
| B                                                                              | B2            | 2 - BACK TO BASICS | W & S 15        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | CNL- TELEMETRY AND CONTROL UPGRADES         | 15, 10, 17, 18, 14             | 47 sites currently have Telemetry on site.                         | 3 new telemetry sites upgraded by 30 June 2019.                                               | Number installed                                          | R 1,347,478<br>3 New Telemetry Sites upgraded by the 30th June 2019.                                                                 | 3 (100% - 129%)                                             | N/A           | N/A                                                                                                                  | N/A                                                           | Invoices and delivery notes      |                                                                                                |
| B                                                                              | B2            | 2 - BACK TO BASICS | W & S 16        | NKPA 2 - BASIC SERVICE DELIVERY | VEHICLES   | CNL- VEHICLES                               | N/A                            | Reduce hiring charges.                                             | 5 x vehicles purchased by the 28 February 2019.                                               | Number of vehicles purchased                              | R 487,024<br>5 x vehicles purchased by the 31 December 2018.                                                                         | 4 (130% -149%)                                              | N/A           | N/A                                                                                                                  | N/A                                                           | Delivery Notes and Invoices      |                                                                                                |
| B                                                                              | B2            | 2 - BACK TO BASICS | W & S 17        | NKPA 2 - BASIC SERVICE DELIVERY | PLANT      | CNL- PLANT AND EQUIPMENT                    | 35,25,36                       | Inadequate equipment to undertake core maintenance                 | 1 x Jack Hammers, 2 x generators, 2 x power saws, 1 x Chainsaw and 2 Brush-cutters purchased  | Number purchased                                          | R 1,187,396<br>1 x Jack Hammers, 2 x generators, 2 x power saws, 1 x Chainsaw and 2 Brush-cutters purchased by the 28 February 2019. | 3 (100% - 129%)                                             | N/A           | N/A                                                                                                                  | N/A                                                           | Delivery Notes and Invoices      |                                                                                                |
| B                                                                              | B2            | 2 - BACK TO BASICS | W & S 18        | NKPA 2 - BASIC SERVICE DELIVERY | Sanitation | CNL- SANITATION PUMP STATIONS               | 35,25,36                       | Pump Stations currently in poor working condition                  | 3 x Sanitation Pump Stations upgraded by the 28 February 2019.                                | Number of Sanitation Pump Stations upgraded               | 0 x Sanitation Pump Stations upgraded by the 28 February 2019                                                                        | 1 (69% & below)                                             | N/A           | Difficulties with tender evaluation as tenders did not submit adequate information for evaluation.                   | BEC report submitted. Awaiting BEC sitting and approval.      | 2 months                         | BEC Report                                                                                     |
| B                                                                              | B2            | 2 - BACK TO BASICS | W & S 19        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | CNL- ED 2 AND ED 4 SYSTEM UPGRADE           | 14, 21, 11, 10, 16, 18, 13, 17 | No adequate control of Reservoir flows                             | 1 x control valve purchased by the 30 June 2019                                               | Date 1 x control valve purchased                          | R 0<br>0 x control valve purchased by the 30 June 2019                                                                               | 1 (69% & below)                                             | N/A           | Funding has been reallocated.                                                                                        | N/A                                                           | N/A                              | N/A                                                                                            |
| B                                                                              | B2            | 2 - BACK TO BASICS | W & S 20        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | CRR- REHABILITATION OF WATER INFRASTRUCTURE | 12, 17, 18, 22, 20, 28, 31, 11 | Increasing Trend of water burst pipes due to aging infrastructure. | 2.2km of water pipe replaced and refurbishment of two pump stations completed by 30 June 2019 | km of pipe replaced & number of pump stations refurbished | R 900,000<br>0.7 km of water pipe replaced and refurbishment of two pump stations completed by 30 June 2019                          | 1 (69% & below)                                             | N/A           | Untersseen hardrock conditions encountered on site resulting in delays.                                              | Engineers have proposed an alternate solution.                | 2 months                         | Completion certificates for 3 pump stations. Email from contractor. Minutes from site meeting. |
| B                                                                              | B1            | 2 - BACK TO BASICS | W & S 21        | NKPA 2 - BASIC SERVICE DELIVERY | Water      | MMWG - BASIC WATER SUPPLY                   | 1 to 9                         | 3.2 km of water pipeline constructed.                              | 100% completion of Reinforcement for the first lift by 30 June 2019                           | % Completion of Reinforcement for the first lift          | R 7,124,106<br>0% completion of Reinforcement for the first lift by 30 June 2019                                                     | 1 (69% & below)                                             | N/A           | The appointment of the subcontractor took longer than anticipated. Soil conditions was not conducive for base layer. | Revise program in conjunction with cashflows with contractor. | 2 months                         | Progress Report, Minutes of meeting.                                                           |
|                                                                                |               |                    |                 |                                 |            |                                             |                                |                                                                    |                                                                                               |                                                           | R 40,000,000                                                                                                                         | N/A                                                         | N/A           | N/A                                                                                                                  | N/A                                                           | N/A                              | N/A                                                                                            |

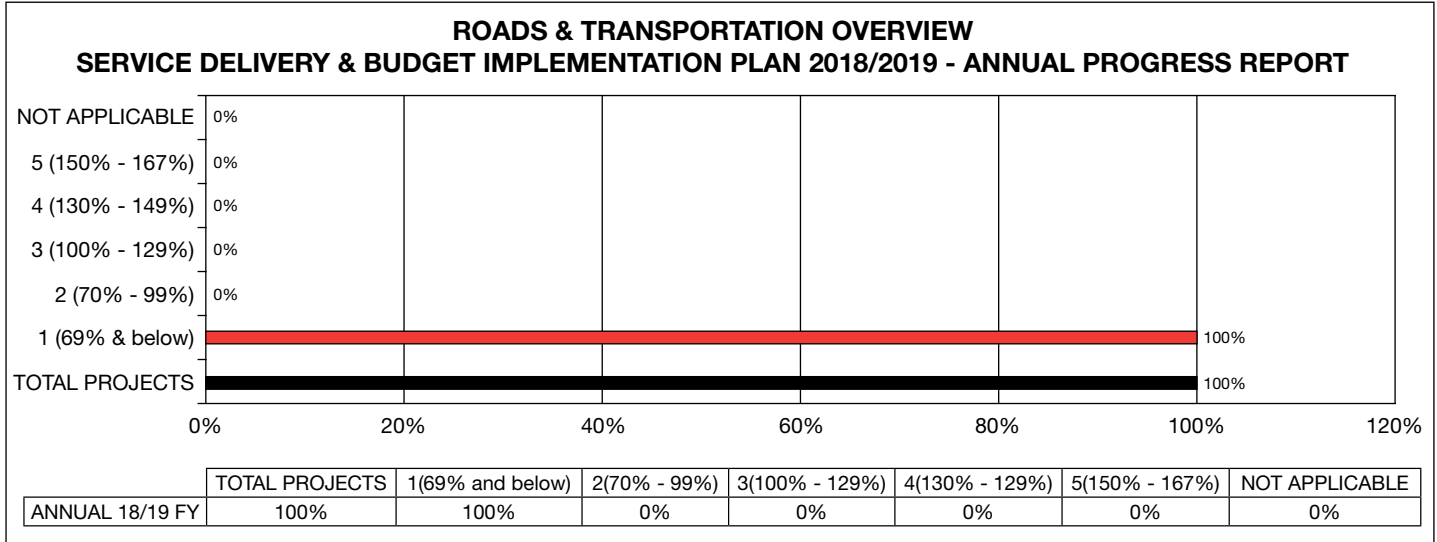
**ROADS & TRANSPORTATION OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 ROADS & TRANSPORTATION OVERVIEW**

- 1.1 TOTAL PROJECTS: 4**
- 1.1.1 OPERATING PROJECTS 0**
- 1.1.2 CAPITAL PROJECTS 4**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                    |                 |                                 |                                   |                                                               |      |                                                        |                                                                                                                                                           |                                                                                                                                                           |                                                                                                                                                |                                                                                                                      |                                                                                                                      |                                                                                                                                             |                                                                                                                                                        |                                                                                           |                 |                                                                         |
|--------------------------------------------------------------------------------|---------------|--------------------|-----------------|---------------------------------|-----------------------------------|---------------------------------------------------------------|------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------|-------------------------------------------------------------------------|
| INDEX                                                                          | IDP REFERENCE | ODS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME                         | PROJECT                                                       | WARD | BASELINE / STATUS QOQ                                  | MEASURABLE OBJECTIVE                                                                                                                                      | ANNUAL TARGET / OUTPUT                                                                                                                                    | PERFORMANCE MEASURE                                                                                                                            | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                          |                                                                                                                      |                                                                                                                                             |                                                                                                                                                        |                                                                                           |                 |                                                                         |
|                                                                                |               |                    |                 |                                 |                                   |                                                               |      |                                                        |                                                                                                                                                           |                                                                                                                                                           |                                                                                                                                                | ANNUAL ACTUAL                                                                                                        | ACTUAL ANNUAL (1-2,3,4,5; Not Applicable)                                                                            | REASON FOR DEVIATION                                                                                                                        | CORRECTIVE MEASURE                                                                                                                                     | Time frame TO IMPLEMENT CORRECTIVE MEASURES                                               | SOURCE DOCUMENT |                                                                         |
| B                                                                              | B2            | 2 - BACK TO BASICS | R & T 01        | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY                       | CNL - TRAFFIC CALMING MEASURES                                | 1-37 | Unsafe sites                                           | 30 x traffic calming measures installed in various sites as per approved traffic calming implementation schedule                                          | 30 x traffic calming measures in various sites as per approved completion schedule installed by the 30th of June 2019                                     | Number of traffic calming measures installed in various sites as per approved traffic calming implementation schedule by the 30th of June 2019 | 30x traffic calming measures in various sites as per approved completion schedule installed by the 30th of June 2019 | 13x traffic calming measures in various sites as per approved completion schedule installed by the 30th of June 2019 | 1 (69% & below)                                                                                                                             | Service Provider was appointed on 22nd of February 2019 and work commenced in March 2019. Original budget was revised from R500 000,00 to R200 000,00. | The unit needs to consider available resources and budget prior to the setting of targets | 19/20 FY        | Completion certificate.                                                 |
| B                                                                              | B2            | 2 - BACK TO BASICS | R & T 02        | NKPA 2 - BASIC SERVICE DELIVERY | GUARD RAILS INSTALLATION          | CNL - INSTALLATION OF NEW GUARD RAILS (as and when requested) | VAR  | Unsafe sites                                           | 0.5km of guard rails installed as and when requested by the 30th of June 2019                                                                             | 0.5km of guard rails installed as and when requested by the 30th of June 2019                                                                             | km of Guard Rails installed as and when requested                                                                                              | 0.374km of guard rails installed as and when requested by the 30th of June 2019                                      | 1 (69% & below)                                                                                                      | Service Provider was appointed on the 15th of March 2019 on a 7 day quotation. Original budget was revised from R500 000,00 to R200 000,00. | The unit needs to consider available resources and budget prior to the setting of targets                                                              | N/A                                                                                       | 19/20 FY        | Completion certificate.                                                 |
| B                                                                              | B2            | 2 - BACK TO BASICS | R & T 03        | NKPA 2 - BASIC SERVICE DELIVERY | ROAD SAFETY                       | CNL - PLANT AND EQUIPMENT - (NEW TRAFFIC CONTROLLERS)         | 1-37 | Old traffic signal controllers                         | 100% of New Traffic Signal Controllers purchased by the 31st of March 2019                                                                                | 100% of New Traffic Signal Controllers purchased by the 31st of March 2019                                                                                | % of New Traffic Signal Controllers purchased                                                                                                  | 0% of New Traffic Signal Controllers purchased by the 31st of March 2019                                             | 1 (69% & below)                                                                                                      | Delays in finalising the appointment of Service Providers. 5 were purchased by the 30th of June 2019.                                       | The unit needs to consider available resources and budget prior to the setting of targets                                                              | N/A                                                                                       | 19/20 FY        | Invoices for the 5 traffic controllers indicating before 30th June 2019 |
| B                                                                              | B2            | 2 - BACK TO BASICS | R & T 04        | NKPA 2 - BASIC SERVICE DELIVERY | UPGRADING OF ROADS INTO BLACK TOP | CNL - ROAD REHABILITATION - PMS                               | 1-37 | Inadequate preventative maintenance in Municipal roads | 2500m2 (equivalent to 2.5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 30th of April 2019 | 2500m2 (equivalent to 2.5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 30th of April 2019 | m2 (equivalent to 5km) of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion)                      | 0m2 (Equivalent to 0km) of municipal roads constructed by the 30th of April 2019                                     | 1 (69% & below)                                                                                                      | Delays in finalising the appointment of Service Providers.                                                                                  | The unit needs to consider available resources and budget prior to the setting of targets                                                              | N/A                                                                                       | 30-Sep-19       | Contract Document                                                       |

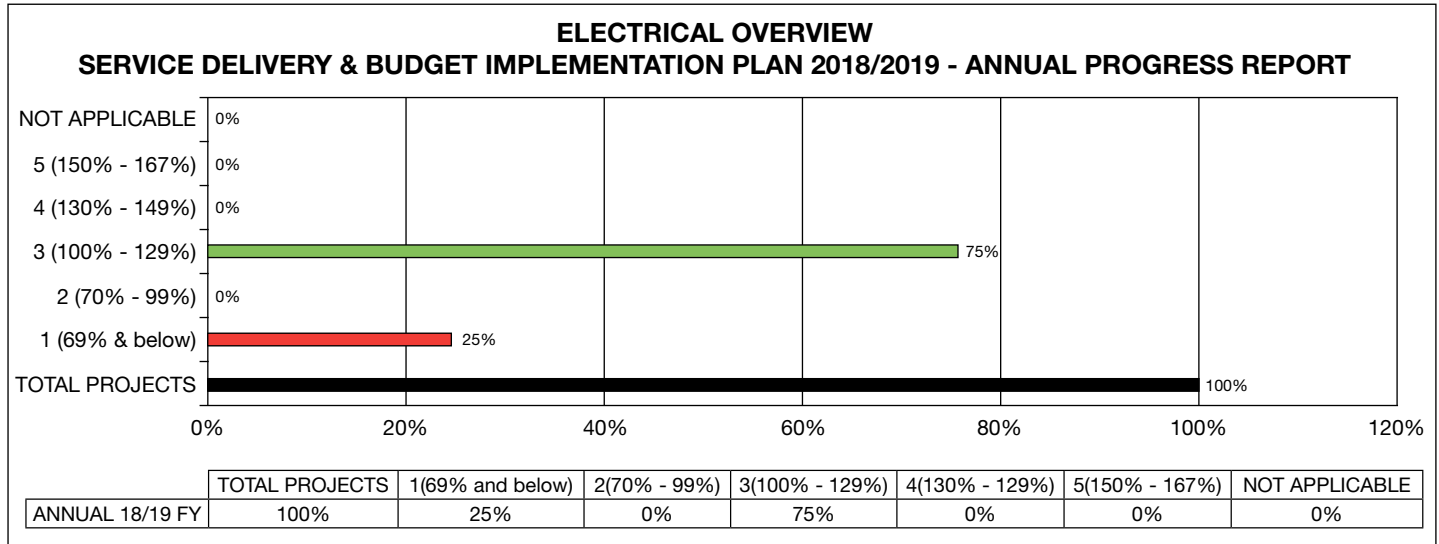
**ELECTRICITY OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 ELECTRICITY OVERVIEW**

- 1.1 TOTAL PROJECTS: 4**
- 1.1.1 OPERATING PROJECTS 0**
- 1.1.2 CAPITAL PROJECTS 4**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**





| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                         |                 |                                 |                                   |                                    |                                    |                       |                                                                                       |                                                                                                        |                     |                                                             |                                                                                                                       |                                                                                                                                                       |                                                         |                                                                        |
|--------------------------------------------------------------------------------|---------------|-----------------------------------------|-----------------|---------------------------------|-----------------------------------|------------------------------------|------------------------------------|-----------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------------|
| INDEX                                                                          | IDP REFERENCE | ODS REFERENCE                           | SD/PI REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME                         | PROJECT                            | WARD                               | BASELINE / STATUS QUO | MEASURABLE OBJECTIVE                                                                  | ANNUAL TARGET / OUTPUT                                                                                 | PERFORMANCE MEASURE | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                                                       |                                                                                                                                                       |                                                         | SOURCE DOCUMENT                                                        |
|                                                                                |               |                                         |                 |                                 |                                   |                                    |                                    |                       |                                                                                       |                                                                                                        |                     | ANNUAL ACTUAL                                               | REASON FOR DEVIATION                                                                                                  | CORRECTIVE MEASURE                                                                                                                                    | Time-frame TO IMPLEMENT CORRECTIVE MEASURES             |                                                                        |
|                                                                                |               |                                         |                 |                                 |                                   |                                    |                                    |                       |                                                                                       |                                                                                                        |                     |                                                             |                                                                                                                       |                                                                                                                                                       |                                                         |                                                                        |
| B                                                                              | B2            | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | ELEC 01         | NKPA 2 - BASIC SERVICE DELIVERY | PUBLIC LIGHTING                   | HIGH MAST LIGHTS INSTALLATION      | 1, 2, 3, 4, 5, 6, 7, 8, 9, 38 & 39 | 22 HIGH MASTS         | 20 X HIGH MASTS LIGHTS TO BE ERECTED AND COMMISSIONED                                 | 20 X HIGH MASTS LIGHTS TO BE ERECTED AND COMMISSIONED by the 30th of June 2019                         | 5 400 000           | 3 (100% - 129%)                                             | N/A                                                                                                                   | N/A                                                                                                                                                   | N/A                                                     | Commissioning Certificate and Close Out Report                         |
| B                                                                              | B2            | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | ELEC 02         | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132kv REHABILITATION PLAN | CONSTRUCTION OF 132KV POWERLINE    | 34                                 | NIL                   | CONSTRUCTION OF 132KV POWERLINE FOR EASTWOOD SUB STATION                              | CONSTRUCTION OF 132KV POWERLINE FOR EASTWOOD SUB STATION BY 30th JUNE 2019                             |                     | 1 (69% & below)                                             | There were no responsive tenders and the tender had to be re-advertised. Delays in the finalization of Bid Processes. | Procurement Process in progress, Bid Evaluation Committee report has served at Bid adjudication Committee and awaiting appointment of the contractor. | Project to be implemented during 2019/20 financial year | Bid Evaluation Committee Agenda and Bid Adjudication Committee Agenda. |
| B                                                                              | B2            | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | ELEC 04         | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132kv REHABILITATION PLAN | INSTALL UN-DERGROUND MV CABLES     | 34                                 | NIL                   | INSTALLATION OF 13MVA CIRCUIT BETWEEN EASTWOOD PRILLA SUBSTATION                      | INSTALLATION OF 13MVA CIRCUIT BETWEEN EASTWOOD PRILLA SUBSTATION by 30 JUNE 2019                       | 6 000 000           | 3 (100% - 129%)                                             | N/A                                                                                                                   | N/A                                                                                                                                                   | N/A                                                     | N/A                                                                    |
| B                                                                              | B2            | 3 - IMPROVED INFRA-STRUCTURE EFFICIENCY | ELEC 05         | NKPA 2 - BASIC SERVICE DELIVERY | NETWORK 132kv REHABILITATION PLAN | PURCHASE OF 11KV CAPITAL EQUIPMENT | 27                                 | NIL                   | 2 X 40MVA POWER TRANSFORMERS TO BE PURCHASED AND DELIVERED FOR PINE STREET SUBSTATION | 2 X 40MVA POWER TRANSFORMERS TO BE PURCHASED AND DELIVERED FOR PINE STREET SUBSTATION BY 31 MARCH 2019 | 4 000 000           | 3 (100% - 129%)                                             | N/A                                                                                                                   | N/A                                                                                                                                                   | N/A                                                     | N/A                                                                    |

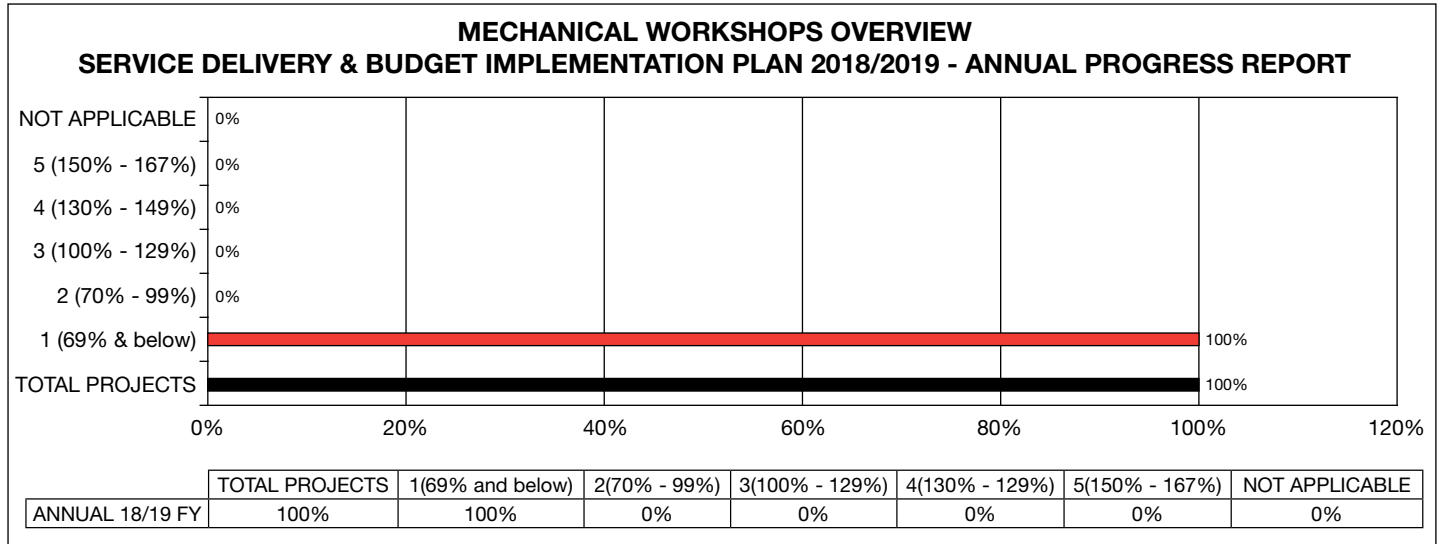
**MECHANICAL WORKSHOPS OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 MECHANICAL WORKSHOPS OVERVIEW**

|              |                           |          |
|--------------|---------------------------|----------|
| <b>1.1</b>   | <b>TOTAL PROJECTS:</b>    | <b>2</b> |
| <b>1.1.1</b> | <b>OPERATING PROJECTS</b> | <b>2</b> |
| <b>1.1.2</b> | <b>CAPITAL PROJECTS</b>   | <b>0</b> |

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE                                       | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA                         | PROGRAMME                                 | PROJECT                                      | WARD | BASELINE / STATUS QUO                                          | MEASURABLE OBJECTIVE                                                            | ANNUAL TARGET GET / OUTPUT                                                                                | PERFORMANCE MEASURE                                                     | PERFORMANCE REPORTING 2018/2019 FY – ANNUAL PROGRESS REPORT        |                                                                       |                                                                                                      |                                            | SOURCE DOCUMENT |                                                   |
|-------|---------------|-----------------------------------------------------|-----------------|-------------------------------------------------------|-------------------------------------------|----------------------------------------------|------|----------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------|---------------------------------------------------|
|       |               |                                                     |                 |                                                       |                                           |                                              |      |                                                                |                                                                                 |                                                                                                           |                                                                         | ANNUAL ACTUAL                                                      | REASON FOR DEVIATION                                                  | CORRECTIVE MEASURE                                                                                   | Timeframe TO IMPLEMENT CORRECTIVE MEASURES |                 |                                                   |
|       |               |                                                     |                 |                                                       |                                           |                                              |      |                                                                |                                                                                 |                                                                                                           |                                                                         |                                                                    |                                                                       |                                                                                                      |                                            |                 | ACTUAL ANNUAL 2018/2019 (12.5.45; Not Applicable) |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | MW 01           | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Preventative maintenance                  | Vehicle and plant service                    | ALL  | 26 X Council vehicles and plant serviced on the month May 2018 | 840 x Council vehicles & plant to be serviced                                   | 840 x Council vehicles and plant serviced by the 30th of June 2019                                        | Number of Council vehicles & plant serviced                             | 503 X Council vehicles and plant serviced by the 30th of June 2019 | Shortages of Funds, suppliers account are on hold due to non payment  | Ensure suppliers are paid on time, and ensure vehicles that were                                     | 1 (69% & below)                            | 1-Jul-19        | Monthly Progress Report, Backlog report           |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | MW 02           | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Enhance Infrastructure services processes | Average turnaround time on repairs (in days) | ALL  | 0                                                              | 30 days turnaround time achieved on council vehicle and plant repairs completed | 30 days turnaround time achieved on council vehicles and plant repairs completed by the 30th of June 2019 | Turnaround time achieved on council vehicle and plant repairs completed | N/A                                                                | Plant vehicles requires parts that take longer than 30days to service | 60days Turnaround time to be implemented to include vehicles that take longer than 30days to service | 1 (69% & below)                            | 1-Jul-19        | Monthly Progress Report, Backlog report           |
|       |               |                                                     |                 |                                                       |                                           |                                              |      |                                                                |                                                                                 | 1,707,328                                                                                                 |                                                                         | N/A                                                                | N/A                                                                   | N/A                                                                                                  | N/A                                        | N/A             | N/A                                               |

## ANNEXURE J

### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT - SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

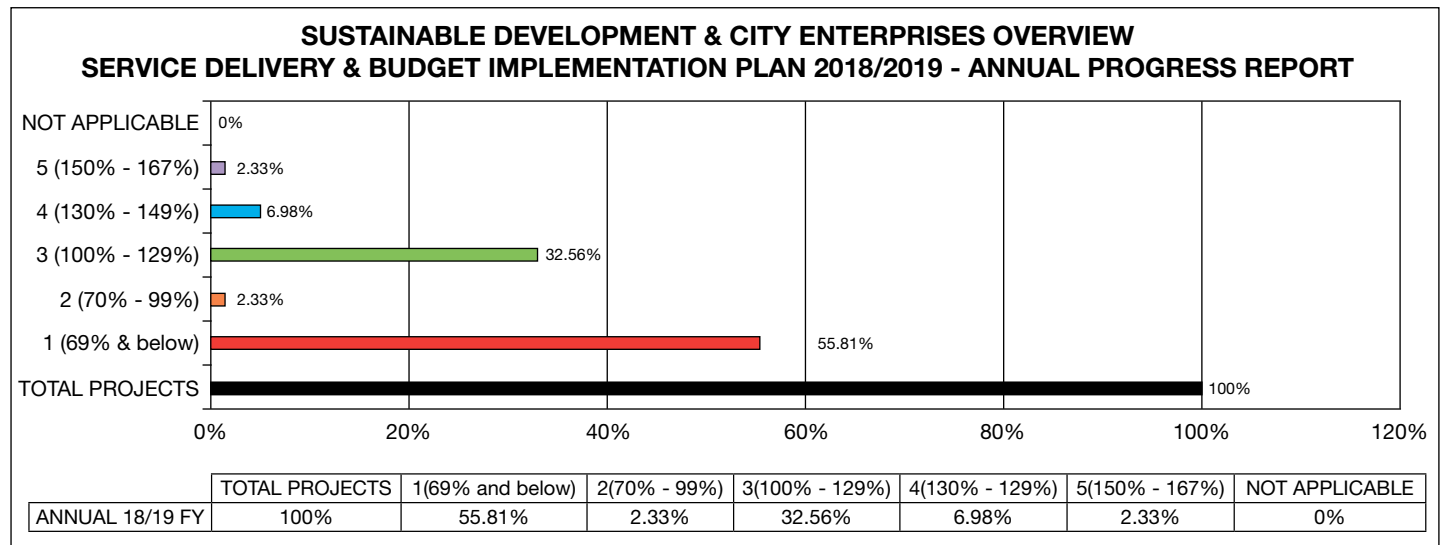
#### SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

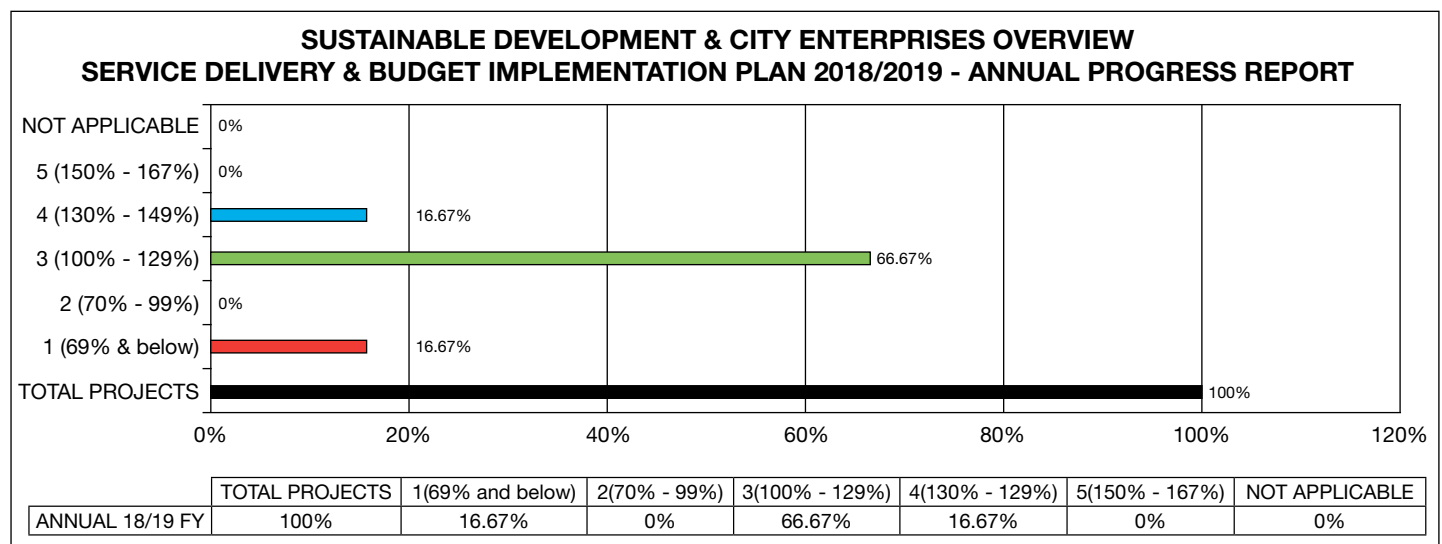
#### 1 SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW

|       |                           |           |
|-------|---------------------------|-----------|
| 1.1   | <b>TOTAL PROJECTS:</b>    | <b>49</b> |
| 1.1.1 | <b>OPERATING PROJECTS</b> | <b>43</b> |
| 1.1.2 | <b>CAPITAL PROJECTS</b>   | <b>6</b>  |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



#### 2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |                                                                                                        |                                                                               |                          |                        |                      |                                                  |                                                                         |                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------|------------------------|----------------------|--------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NO                                                                             | BUSINESS UNIT                                                                                          | SUB UNIT                                                                      | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL ACTUAL |                                                                                                                                                    | REASON FOR DEVIATION                                                                                                                                                                                                                                                                                                                                                                                             | CORRECTIVE MEASURE                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                       |
|                                                                                |                                                                                                        |                                                                               |                          |                        |                      |                                                  | PROJECT                                                                 | ANNUAL TARGET                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                       |
|                                                                                |                                                                                                        | SDBI/ REFERENCE                                                               |                          |                        |                      |                                                  | ACTUAL (1,2,3,4,5, Not Applicable)                                      |                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                       |
| 4                                                                              | SUSTAINABLE DEVELOPMENT & CITY ENTITIES                                                                | DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) | 0                        | 2                      | 2                    | 1                                                |                                                                         | Detailed designs for Edendale Town Centre - Civic Building & Sky Bridge completed by the 30th June 2019                                            | Detailed designs for Edendale Town Centre - Civic Building & Sky Bridge were not completed                                                                                                                                                                                                                                                                                                                       | National Treasury through a letter received in Feb 2019 requested that detailed feasibility studies be undertaken first.                                                                                                                                                             | ToRs for the appointment of Consultant to do feasibility studies have been submitted to SCM. Engineering work will only commence once the feasibility studies have been concluded and approved by National Treasury.                                                                                                                  |
|                                                                                | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVD) | TP & EM 01                                                                    | 4                        | 2                      | 6                    | 2                                                |                                                                         | Draft Local Area Plan for submission to SMC by the 30th of June 2019                                                                               | Draft Status Quo report was submitted to SMC on 01 July 2019                                                                                                                                                                                                                                                                                                                                                     | The appointment of Service Provider was not done in time                                                                                                                                                                                                                             | This has been rectified in the new SDBIP                                                                                                                                                                                                                                                                                              |
|                                                                                | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (ENVIRONMENTAL HEALTH)                                        | TP & EM 02                                                                    |                          |                        |                      |                                                  |                                                                         | Spatial Development Framework (ISDF) Review                                                                                                        | Draft Status Quo Report was submitted to SMC on 25 June 2019                                                                                                                                                                                                                                                                                                                                                     | "The appointment of Service Provider was not done in time                                                                                                                                                                                                                            | This has been rectified in the new SDBIP                                                                                                                                                                                                                                                                                              |
|                                                                                | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (ENVIRONMENTAL HEALTH)                                        | N/A                                                                           | 0                        | 1                      | 1                    | 0                                                |                                                                         | N/A                                                                                                                                                | N/A                                                                                                                                                                                                                                                                                                                                                                                                              | N/A                                                                                                                                                                                                                                                                                  | N/A                                                                                                                                                                                                                                                                                                                                   |
|                                                                                | HUMAN SETTLEMENTS                                                                                      | HS 01                                                                         | 32                       | 0                      | 32                   | 22                                               |                                                                         | Obtain MEC funding approval for Ethenbeni Integrated Residential Development Programme (Mixed Housing Typologies) Stage 1 by the 30th of June 2019 | The MEC approval has not yet been granted for the project and the DoHS has advised the Municipality that a progress report regarding the MEC funding application will be drafted and submitted to the municipality for clarity on the submission.                                                                                                                                                                | Target not achieved due to changes in the operations and processes of DoHS which are causing delays.                                                                                                                                                                                 | DoHS to fast-track submission for stage 1 funding application and include the item in the next Technical Evaluation Committee (Agenda).                                                                                                                                                                                               |
|                                                                                |                                                                                                        | HS 02                                                                         |                          |                        |                      |                                                  |                                                                         | Final Housing Sector Plan submitted to Full Council for approval by the 30th of June 2019                                                          | Draft Housing Sector Plan was presented at a Technical Workshop held on the 22 May 2019. Comments and inputs received will be taken into account in the Final Housing Sector Plan. The Public participation engagements commenced and the Draft HSP was presented to Ward Councilors for Edendale area on the 21 June 2019 and the SPLUMA application has been submitted to the Town Planning Unit for approval. | Target not achieved due to the delay in meeting the various departments due to the availability of individuals. The Technical Workshop attendance was poor.                                                                                                                          | Individual Departmental meeting to be conducted. Public Participation and engagements with Ward councillors meeting is scheduled for 5 July 2019.                                                                                                                                                                                     |
|                                                                                |                                                                                                        | HS 04                                                                         |                          |                        |                      |                                                  |                                                                         | Signal Hill Housing Project                                                                                                                        | Approved Town Planning Application by 30 June 2019                                                                                                                                                                                                                                                                                                                                                               | The application is still on the assessment stage and will be approved once assessment and advertisement has been concluded.                                                                                                                                                          | To follow up with the Planning Unit on the assessment progress.                                                                                                                                                                                                                                                                       |
|                                                                                |                                                                                                        | HS 09                                                                         |                          |                        |                      |                                                  |                                                                         | Verification of Occupancy of Council Flats                                                                                                         | 100% of Council rental stock verified to have occupancy by the correct tenants by the 30th of June 2019                                                                                                                                                                                                                                                                                                          | Not all council rental stock verified to have correct occupancy due to the unavailability of tenants                                                                                                                                                                                 | To ensure ALL council rental stock is verified as per approved verification schedule                                                                                                                                                                                                                                                  |
|                                                                                |                                                                                                        | HS 20                                                                         |                          |                        |                      |                                                  |                                                                         | Khalanyoni                                                                                                                                         | Final Environmental Assessment for Khalanyoni submitted to EDTEA by 30 June 2019                                                                                                                                                                                                                                                                                                                                 | Final Environmental Assessment for Khalanyoni not submitted to EDTEA by 30 June 2019                                                                                                                                                                                                 | To follow up with the IAP on progress of the Environmental Application and progress with comments.                                                                                                                                                                                                                                    |
|                                                                                |                                                                                                        | HS 21                                                                         |                          |                        |                      |                                                  |                                                                         | Kwa30                                                                                                                                              | Final Environmental Assessment for Kwa30 submitted to EDTEA by 30 June 2019                                                                                                                                                                                                                                                                                                                                      | Final Environmental Assessment for Kwa30 not submitted to EDTEA by 30 June 2019                                                                                                                                                                                                      | To follow up with the IAP on progress of the Environmental Application and progress with comments.                                                                                                                                                                                                                                    |
|                                                                                |                                                                                                        | HS 25                                                                         |                          |                        |                      |                                                  |                                                                         | Signal Hill                                                                                                                                        | SPLUMA application for Signal Hill submitted to the Municipality for assessment and approval by the 30th of June 2019                                                                                                                                                                                                                                                                                            | SPLUMA application for Signal Hill not submitted to the Municipality for assessment and approval by the 30th of June 2019                                                                                                                                                            | To ensure the IA undertakes the WULA process in order for Phase 2 of the project to commence                                                                                                                                                                                                                                          |
|                                                                                |                                                                                                        | HS 26                                                                         |                          |                        |                      |                                                  |                                                                         | Herewood                                                                                                                                           | Signing of Tripartite agreement contract for Herewood by the HOD, City Manager and Implementing Agent not completed by the 30th of June 2019. According to DoHS project monitor, the contract is still being drafted by contracts division, and the Municipality will be advised once has been finalised.                                                                                                        | Target not achieved due to delays at DoHS contracts section. A request was forwarded to the municipality that there be an agreement drafted and signed by both parties (municipality & IA) and submitted to DoHS as part of required documents for drafting of Tripartite agreement. | DoHS to FastTrack drafting of contract.                                                                                                                                                                                                                                                                                               |
|                                                                                |                                                                                                        | HS 27                                                                         |                          |                        |                      |                                                  |                                                                         | Bhobhono/Masomini                                                                                                                                  | Obtain MEC funding approval for Bhobhono/Masomini Stage 1 by the 30th of June 2019                                                                                                                                                                                                                                                                                                                               | MEC funding approval for Bhobhono/Masomini Stage 1 not obtained by the 30th of June 2019                                                                                                                                                                                             | A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality to advise on progress of the application. Further monthly engagements have been proposed to eliminate delays. |

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR                        |                                         |                   |                          |                        |                      |                                                  |                |                                                              |                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                            |                                    |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------|--------------------------|------------------------|----------------------|--------------------------------------------------|----------------|--------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                                                            |                                         |                   |                          |                        |                      |                                                  |                |                                                              |                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                            |                                    |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                       |
| NO                                                                                                    | BUSINESS UNIT                           | SUB UNIT          | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | ANNUAL ACTUAL  |                                                              |                                                                                                                                                                                                                                                                                                                                                            | CORRECTIVE MEASURE                                                                                                                                                                                                                                                                                                                                         |                                    |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                       |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | SDBP REFERENCE | PROJECT                                                      | ANNUAL TARGET                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                            | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                       |
| 4                                                                                                     | SUSTAINABLE DEVELOPMENT & CITY ENTITIES | HUMAN SETTLEMENTS |                          |                        |                      |                                                  | HS 28          | Caluza/Smero                                                 | Obtain MEC funding approval for Caluza/Smero Stage 1 by the 30th of June 2019                                                                                                                                                                                                                                                                              | MEC funding approval for Caluza/Smero Stage 1 not obtained by the 30th of June 2019                                                                                                                                                                                                                                                                        | 1 (69% & below)                    | Further information has been requested by DoHS, however the information was received months later after the submission was made to DoHS for Stage 1 approval. Which has resulted in delays in the approval of Stage 1 funding application.                          | A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality to advise on progress of the application. Further monthly engagements have been proposed to eliminate delays. |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 29          | Snatching Phase 1                                            | Request for TEC recommendation in order to prepare monthly progress report to OMC was not achieved. A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality for clarity on the submission. | Request for TEC recommendation in order to prepare monthly progress report to OMC was not achieved. A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality for clarity on the submission. | 1 (69% & below)                    | The DoHS had requested further clarity and more documentation with regards to the submission.                                                                                                                                                                       | DoHS to FastTrack submission for stage 1 funding application and include the item in the next Technical Evaluation Committee (Agenda).                                                                                                                                                                                                |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 33          | Willowfountain EE Phase 1                                    | 10 x Housing Units for Willowfountain EE Phase 1 completed by the 30 June 2019                                                                                                                                                                                                                                                                             | 0 x Housing Units for Willowfountain EE Phase 1 completed.                                                                                                                                                                                                                                                                                                 | 1 (69% & below)                    | Municipality awaiting the contract from the provincial DoHS                                                                                                                                                                                                         | To follow up with DoHS with regards to contract                                                                                                                                                                                                                                                                                       |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 34          | Wirewall Rectification Project                               | 140 x Houses completed for Wirewall Rectification Project by the 30th of June 2019                                                                                                                                                                                                                                                                         | 20 units have been completed and 18 units are at practical completion.                                                                                                                                                                                                                                                                                     | 1 (69% & below)                    | Turnaround time to sign and process invoices. Locate missing beneficiaries. Amendment of annexure D. Cross Boundaries. Renovations and demolition approvals and contract amendments                                                                                 | Improve turnaround time for invoice signatories, for missing beneficiaries. Conditionation may assist. Relaxation of town planning scheme                                                                                                                                                                                             |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 36          | Lot 182                                                      | 106 x new housing units completed for Lot 182 by the 30th of June 2019                                                                                                                                                                                                                                                                                     | 42 x new housing units completed for Lot 182 by the 30th of June 2019                                                                                                                                                                                                                                                                                      | 1 (69% & below)                    | Contract expired and the contractor stopped working on site, it took almost eight (8) months for contract to be finalized. The site does not have enough space therefore existing structures has to be demolished. Beneficiaries have applied and waiting approval. | The contract has been signed the contract and the anticipated date for completion is 05 June 2020. The IA is preparing record drawing, this is ongoing and HDA are finalizing the transfer of land PSC is handling this issue                                                                                                         |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 37          | Edendale Unit S Phase 8 Ext.                                 | 120 x new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.) by the 30th of June 2019                                                                                                                                                                                                                                                     | 11 x new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.) by the 30th of June 2019                                                                                                                                                                                                                                                      | 1 (69% & below)                    | Slow Performance from the IA since beginning of the year IA requested a written confirmation by the DoHS regarding the 5.4 % escalation. DoHS sent the IA a written confirmation dated 11/6/2019 for the escalation.                                                | IA to produce a revised work programme as per the Monday weekly meeting by the department with set targets as per the MEC intervention. Weekly Monday meetings, a resolution was that the IA must return to site as we have no outstanding request from them.                                                                         |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 38          | Happy Valley Housing project                                 | 20 X New Houses for Happy Valley Housing project to be completed by the 30th of June 2019                                                                                                                                                                                                                                                                  | 0 X New Houses for Happy Valley Housing project completed by the 30th of June 2019                                                                                                                                                                                                                                                                         | 1 (69% & below)                    | The implementing agent proposed some changes in the contract. Awaiting the Implementing Agent to sign the Contract. Awaiting the letter from the legal department to advise on the matter of contract amendment.                                                    | The Municipality to arrange a meeting with the IA to discuss the matter.                                                                                                                                                                                                                                                              |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 39          | Site 11 Housing project                                      | 20 X New Houses for Site 11 Housing project to be completed by the 30th of June 2019                                                                                                                                                                                                                                                                       | 0 X New Houses for Site 11 Housing project completed. Site clearance has been done on the sites with no complications. NHBRC Enrolment has been approved.                                                                                                                                                                                                  | 1 (69% & below)                    | There was a delay in the approval of NHBRC Enrolment and house plan approval.                                                                                                                                                                                       | Follow up with NHBRC approval. Resubmit the amended house plan for approval.                                                                                                                                                                                                                                                          |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 40          | Thamboville Housing project                                  | 20 X New Houses for Thamboville Housing project to be completed by the 30th of June 2019                                                                                                                                                                                                                                                                   | 0 X New Houses for Thamboville Housing project completed. Site clearance has been done on the sites with no complications. NHBRC Enrolment has been approved.                                                                                                                                                                                              | 1 (69% & below)                    | There was a delay in the approval of NHBRC Enrolment and house plan approval.                                                                                                                                                                                       | Follow up with NHBRC approval. Resubmit the amended house plan for approval.                                                                                                                                                                                                                                                          |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 41          | Glenwood Q-Section Housing project                           | 20 X New Houses for Glenwood Q-Section Housing project to be completed by the 30th of June 2019                                                                                                                                                                                                                                                            | 0 X New Houses for Glenwood Q-Section Housing project completed by the 30th of June 2019                                                                                                                                                                                                                                                                   | 1 (69% & below)                    | The implementing agent proposed some changes in the contract. Awaiting the Implementing Agent to sign the Contract. Awaiting the letter from the legal department to advise on the matter of contract amendment.                                                    | The Municipality to arrange a meeting with the IA to discuss the matter.                                                                                                                                                                                                                                                              |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 42          | Thembalille Housing project                                  | 20 X Houses for Thembalille Housing project completed by the 30th of June 2019                                                                                                                                                                                                                                                                             | 0 X Houses for Thembalille Housing project completed. Contract has been signed and site establishment is in the process.                                                                                                                                                                                                                                   | 1 (69% & below)                    | There is the delay in the NHBRC enrolment application process.                                                                                                                                                                                                      | Follow up on the whereabouts of the application process                                                                                                                                                                                                                                                                               |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 43          | Jika Joe Community Residential Units                         | 100 x Houses units for Jika Joe CRU Housing Project completed by the 30th of June 2019                                                                                                                                                                                                                                                                     | 0 x Houses units for Jika Joe CRU Housing Project completed by the 30th of June 2019                                                                                                                                                                                                                                                                       | 1 (69% & below)                    | The constructor closed the site From end of March due to delay in payment certificate number 6 and 9, they have not recovered the lost time on their programme                                                                                                      | To revise the programme taking to account that the end date wont change, secondly speed up the payment due to service provider                                                                                                                                                                                                        |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | HS 44          | Implementation of the National Housing Needs Register (NHNr) | Capturing of 3000 housing needs by the 30th of June 2019                                                                                                                                                                                                                                                                                                   | Not achieved. Awaiting HR authorization to commence with the new short-listing of candidates and the date for the short-listing exercise. The HR is not responding timeously and not advising on a clear way forward.                                                                                                                                      | 1 (69% & below)                    | The recruitment process of data capturers was disputed by the HR Department as such the project could not start as there were no data capturers to capture the housing needs into the NHNR system.                                                                  | A memorandum was prepared to the GM: Corporate Services detailing the process followed and seeking her advise on the way forward. Various email correspondence has been back and forth to resolve the matter.                                                                                                                         |
|                                                                                                       |                                         |                   |                          |                        |                      |                                                  | T3             | Marketing the city                                           | 100% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar by the 30th of June 2019                                                                                                                                                                                                                                                   | 91% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar by the 30th of June 2019.                                                                                                                                                                                                                                                   | 2 (70% - 99%)                      | Tourism Budget was cut and could not participate in one event (PMB marathon)                                                                                                                                                                                        | A new calendar of events has been developed for 2019/2020                                                                                                                                                                                                                                                                             |
|                                                                                                       |                                         |                   | 7                        | 1                      | 8                    | 1                                                |                |                                                              |                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                            | 43                                 |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                       |
| CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) |                                         |                   |                          |                        |                      | 26                                               |                |                                                              |                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                            |                                    |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                       |
| <b>TOTAL</b>                                                                                          |                                         |                   | <b>43</b>                | <b>6</b>               | <b>49</b>            | <b>26</b>                                        |                |                                                              |                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                            |                                    |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                       |

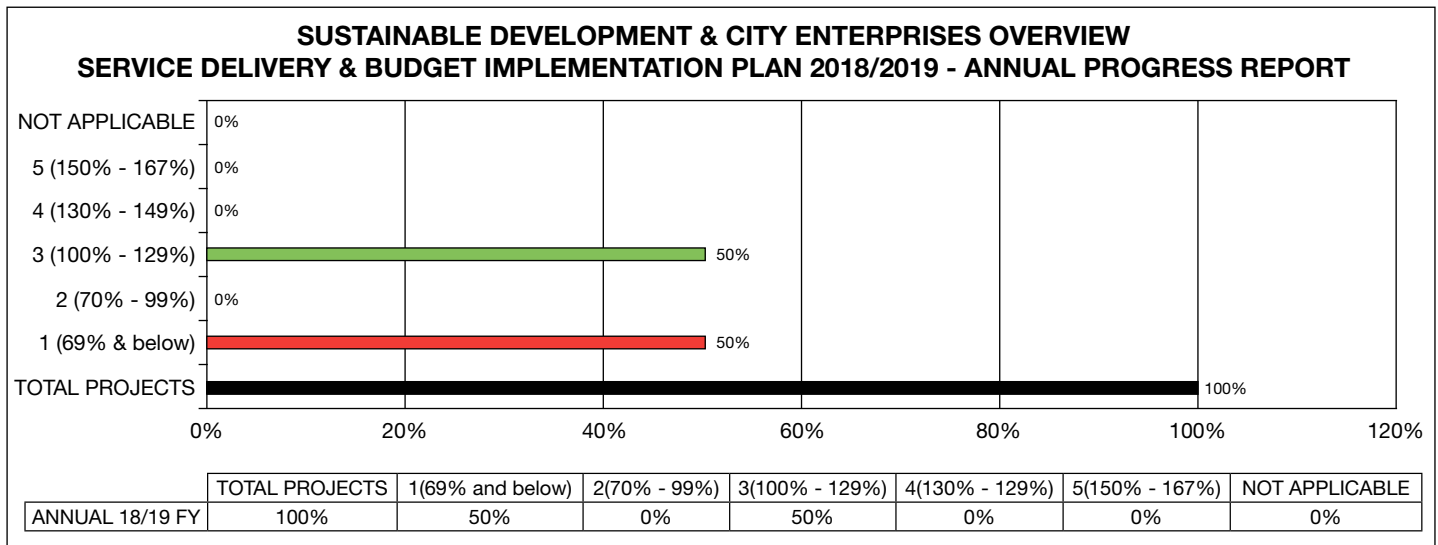
**DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) OVERVIEW**

- 1.1 TOTAL PROJECTS: 2**
- 1.1.1 OPERATING PROJECTS 0**
- 1.1.2 CAPITAL PROJECTS 2**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                  |                 |                                     |                                                    |                                                      |      |                                                |                                                                                                                 |                                                                                                              |                                                                                                         |                                                                                            |                                   |                      |                    |                                             |                                                                                                    |
|--------------------------------------------------------------------------------|---------------|----------------------------------|-----------------|-------------------------------------|----------------------------------------------------|------------------------------------------------------|------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------|----------------------|--------------------|---------------------------------------------|----------------------------------------------------------------------------------------------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                      |               |                                  |                 |                                     |                                                    |                                                      |      |                                                |                                                                                                                 |                                                                                                              |                                                                                                         |                                                                                            |                                   |                      |                    |                                             |                                                                                                    |
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & ECONOMIC DEVELOPMENT                  |               |                                  |                 |                                     |                                                    |                                                      |      |                                                |                                                                                                                 |                                                                                                              |                                                                                                         |                                                                                            |                                   |                      |                    |                                             |                                                                                                    |
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE                    | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA       | PROGRAMME                                          | PROJECT                                              | WARD | BASELINE / STATUS QUO                          | MEASURABLE OBJECTIVE                                                                                            | ANNUAL TARGET / OUTPUT                                                                                       | PERFORMANCE MEASURE                                                                                     | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                |                                   |                      |                    |                                             |                                                                                                    |
|                                                                                |               |                                  |                 |                                     |                                                    |                                                      |      |                                                |                                                                                                                 |                                                                                                              |                                                                                                         | ANNUAL ACTUAL                                                                              | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | Timeframes TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                                                    |
| C                                                                              | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS1             | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Construction of Mt Patridge Road Upgrade             | 22   | Urban Network Strategy and Planning            | 1,2 kms of Mt Patridge Road Upgrade completed                                                                   | 1,2 kms of Mt Patridge Road Upgrade completed by the 30th of September 2018                                  | Mt Patridge Road Upgrade completed and Closed out                                                       | 1,2 kms of Mt Patridge Road Upgrade completed by the 30th of September 2018                | 3 (100% - 129%)                   | N/A                  | N/A                | N/A                                         | Copy of Practical Completion Certificate                                                           |
| C                                                                              | C2            | 5 - GROWING THE REGIONAL ECONOMY | DSS3            | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edenendale Town Centre - Civic Building & Sky Bridge | 22   | Approved Concept document by National Treasury | Detailed designs for Edendale Town Centre - Civic Building & Sky Bridge completed by the 30th of September 2018 | Date Detailed designs for Edendale Town Centre - Civic Building & Sky Bridge completed by the 30th June 2019 | Detailed designs for Edendale Town Centre - Civic Building & Sky Bridge completed by the 30th June 2019 | Detailed designs for Edendale Town Centre - Civic Building & Sky Bridge were not completed | 1 (69% & below)                   | N/A                  | N/A                | N/A                                         | Copy of letter dated February 2019 received from National Treasury on Detailed Feasibility Studies |



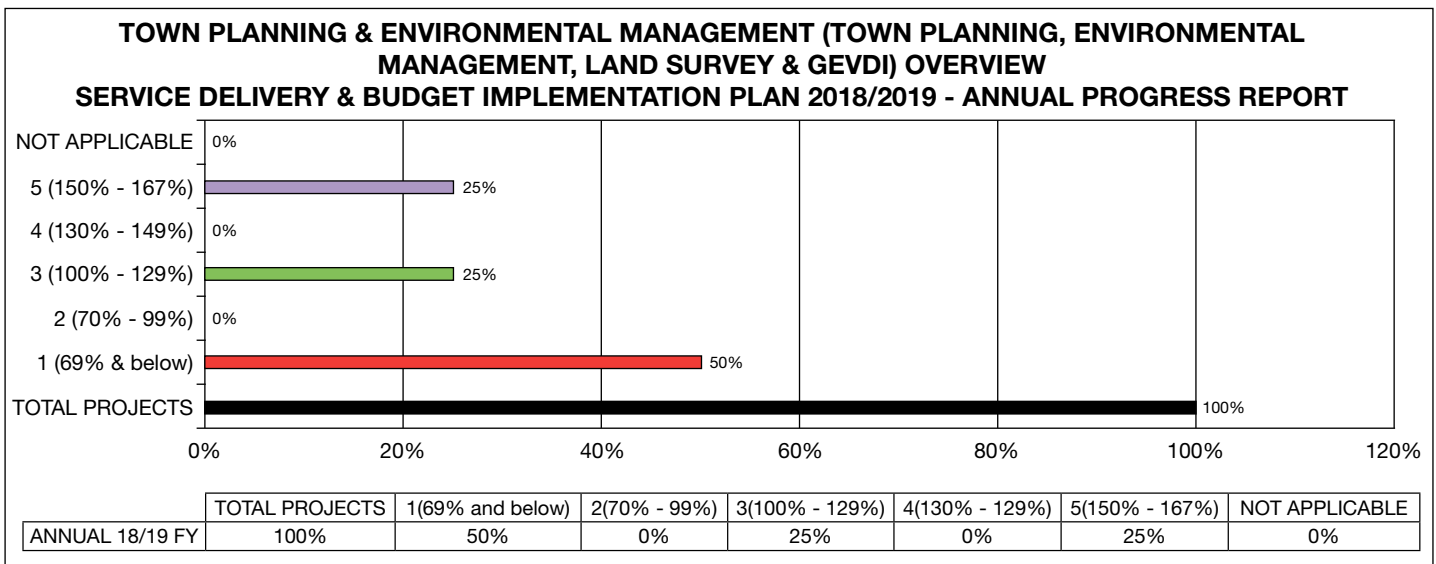
**TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) OVERVIEW**  
**SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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           |     |

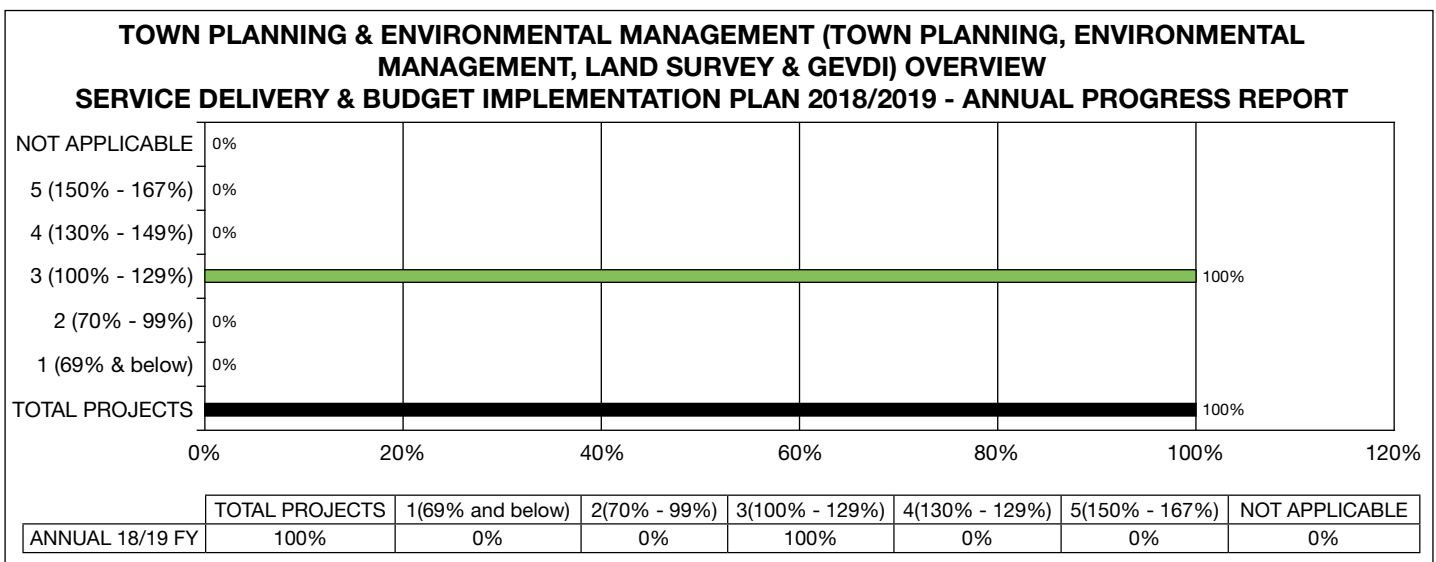
**1 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) OVERVIEW**

- 1.1 TOTAL PROJECTS: 6**
- 1.1.1 OPERATING PROJECTS 4**
- 1.1.2 CAPITAL PROJECTS 2**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



**2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR                                    |               |                                     |                                     |                                          |                                                                                           |                     |                                                                                                                                             |                                                                                                                 |                                                                                                                                     |                                                                                                                                                                     |                                                          |                                          |                    |                                               |                                            |
|-------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------|-------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------|--------------------|-----------------------------------------------|--------------------------------------------|
| INDEX                                                                                                             | IDP REFERENCE | SDBP REFERENCE                      | NATIONAL KEY PERFORMANCE AREA       | PROGRAMME                                | PROJECT                                                                                   | WARD                | STATUS QOQ                                                                                                                                  | MEASURABLE OBJECTIVE                                                                                            | ANNUAL TARGET GET / OUTPUT                                                                                                          | PERFORMANCE MEASURE                                                                                                                                                 | ANNUAL ACTUAL                                            |                                          |                    | SOURCE DOCUMENT                               |                                            |
|                                                                                                                   |               |                                     |                                     |                                          |                                                                                           |                     |                                                                                                                                             |                                                                                                                 |                                                                                                                                     |                                                                                                                                                                     | ANNUAL ACTUAL                                            | REASON FOR DEVIATION                     | CORRECTIVE MEASURE |                                               | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
|                                                                                                                   |               |                                     |                                     |                                          |                                                                                           |                     |                                                                                                                                             |                                                                                                                 |                                                                                                                                     |                                                                                                                                                                     |                                                          |                                          |                    |                                               |                                            |
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                                                         |               |                                     |                                     |                                          |                                                                                           |                     |                                                                                                                                             |                                                                                                                 |                                                                                                                                     |                                                                                                                                                                     |                                                          |                                          |                    |                                               |                                            |
| SUB UNIT: TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) |               |                                     |                                     |                                          |                                                                                           |                     |                                                                                                                                             |                                                                                                                 |                                                                                                                                     |                                                                                                                                                                     |                                                          |                                          |                    |                                               |                                            |
| BASELINE / MEASURABLE OBJECTIVE                                                                                   |               |                                     |                                     |                                          |                                                                                           |                     |                                                                                                                                             |                                                                                                                 |                                                                                                                                     |                                                                                                                                                                     |                                                          |                                          |                    |                                               |                                            |
| F                                                                                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | NKPA 6 - CROSS CUTTING              | Spatial Planning and land administration | Scottsville/Pelham Local Area Plan                                                        | 24, 33,36           | Approved Hierarchy of a Planning Systems and the Spatial Development Framework 2015                                                         | Draft Local Area Plan for submission to SMC by the 30th of June 2019                                            | Date of completion of Draft Local Area Plan for submission to SMC                                                                   | Draft Status Quo report was submitted to SMC on 01 July 2019                                                                                                        | The appointment of Service Provider was not done in time | This has been rectified in the new SDBIP | 2019-July-01       | SMC resolution dated 01 July 2019             |                                            |
| F                                                                                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | NKPA 6 - CROSS CUTTING              | Spatial Planning and land administration | Spatial Development Framework [SDF] Review                                                | ALL                 | Approved Hierarchy of a Planning Systems, Spatial Development Framework 2015 and Cogta Assessment in compliance with Legislative Prescripts | Complete a review of the SDF as per the programme and submit to SMC by the 30th of June 2019                    | Date of completion of SDF Review as per the SDF Programme completed and submitted to SMC                                            | Draft Status Quo Report was submitted to SMC on 25 June 2019                                                                                                        | The appointment of Service Provider was not done in time | This has been rectified in the new SDBIP | 2019-July-01       | SMC report dated 25 June 2019                 |                                            |
| F                                                                                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | NKPA 6 - CROSS CUTTING              | LAND USE MANAGEMENT SYSTEM               | Review Of The Ashburton Town Planning Scheme                                              | 37                  | Ashburton Town Planning Scheme                                                                                                              | Complete Ashburton Town Planning Scheme and submit to SMC For approval                                          | Date Final Draft Ashburton Town Planning Scheme Submitted To SMC For approval by the 31st of December 2018                          | Complete Ashburton Town Planning Scheme Submitted To SMC and approved by Council on 04 October 2018                                                                 | N/A                                                      | N/A                                      | N/A                | Full Council resolution dated 04 October 2018 |                                            |
| F                                                                                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | NKPA 6 - CROSS CUTTING              | LAND USE MANAGEMENT SYSTEM               | Rural Land use and Regulatory Guidelines                                                  | 1-7, 30, 38 and 39. | Existing City Development Strategy, Spatial Development Framework, Local Area Plans.                                                        | Complete a Draft Land Use and Regulatory guidelines and submit to SMC for approval by the 31st of December 2018 | Complete a Draft Land Use and Regulatory guidelines and submit to SMC for approval by the 31st of December 2018                     | The Draft Land Use Policy was approved by SMC on 01 July 2018                                                                                                       | N/A                                                      | N/A                                      | N/A                | SMC resolution dated 01 July 2018             |                                            |
| F                                                                                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | NKPA 6 - CROSS CUTTING              | Gevdi                                    | Edendale Town Center Expropriation as per Addendum and 2020 Business Plan of 5 ha of land | 22                  | Approved Addendum and Land Acquisition Plan by Council                                                                                      | Expropriation of land within the Town Centre as per Addendum and 2020 Business Plan of 5 hectares of land       | Expropriation of land within the Town Centre as per Addendum and 2020 Business Plan of 5 hectares of land by the 31st of March 2019 | Notices to expropriate properties in the Town Centre have been drafted and Sale Agreements with some land owners have been drafted to finalise the purchase of land | N/A                                                      | N/A                                      | N/A                | Draft Notices and Sale Agreements             |                                            |
| C                                                                                                                 | C3            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | GEVDI                                    | Edendale Land Acquisition as per Addendum and 2020 Business Plan of 2 ha of land          | Ward 10-24          | Approved Addendum and Land Acquisition Plan by Council                                                                                      | Acquisition of land as per the Addendum and 2020 Business Plan of 2 hectares of land                            | Acquisition of land as per the Addendum and 2020 Business Plan of 2 hectares of land by the 30th June 2019                          | Properties in Ward 21 have been expropriated as part of the Business Plan                                                                                           | N/A                                                      | N/A                                      | N/A                | Expropriation Report and Exco Resolution      |                                            |

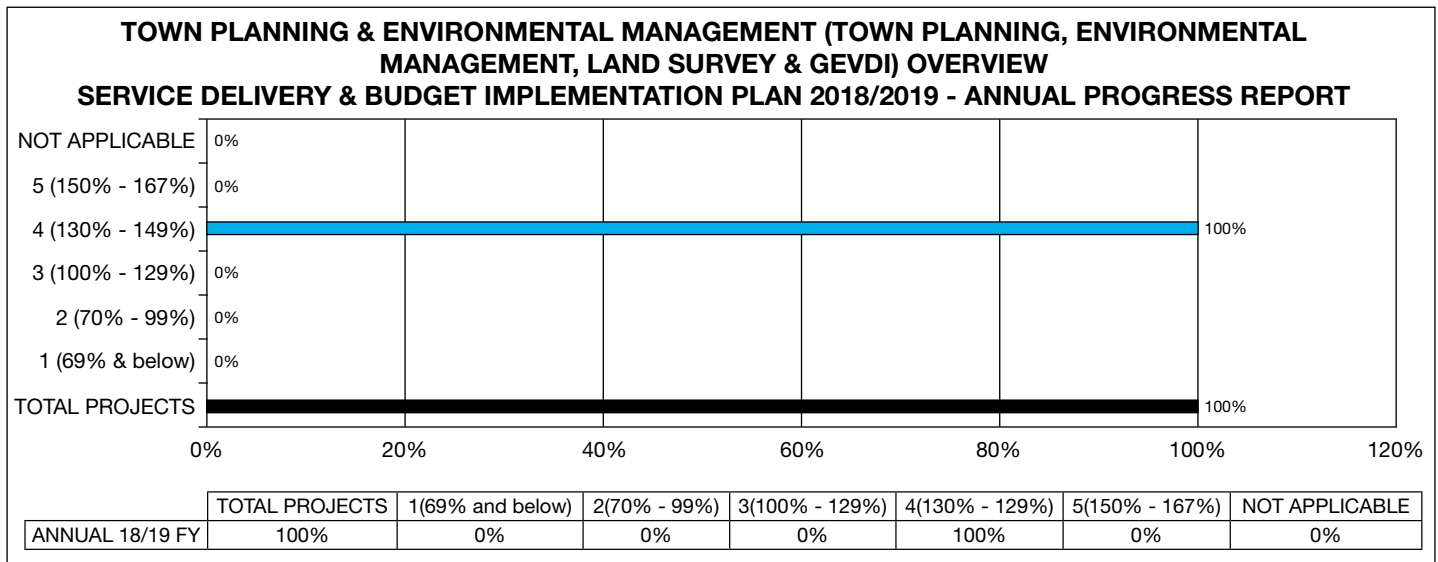
**TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (ENVIRONMENTAL HEALTH) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (ENVIRONMENTAL HEALTH) OVERVIEW**

- 1.1 TOTAL PROJECTS: 1**
- 1.1.1 OPERATING PROJECTS 1**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                    |                 |                               |                                                                      |                        |      |                                                    |                                                                       |                                                                       |                                                                            |                                                                       |                                                                           |                      |                    |                                            |                 |         |
|--------------------------------------------------------------------------------|---------------|--------------------|-----------------|-------------------------------|----------------------------------------------------------------------|------------------------|------|----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------|--------------------|--------------------------------------------|-----------------|---------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                      |               |                    |                 |                               |                                                                      |                        |      |                                                    |                                                                       |                                                                       |                                                                            |                                                                       |                                                                           |                      |                    |                                            |                 |         |
| SUB UNIT: TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (ENVIRONMENTAL HEALTH)      |               |                    |                 |                               |                                                                      |                        |      |                                                    |                                                                       |                                                                       |                                                                            |                                                                       |                                                                           |                      |                    |                                            |                 |         |
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME                                                            | PROJECT                | WARD | BASELINE / STATUS QUO                              | MEASURABLE OBJECTIVE                                                  | ANNUAL TARGET GET / OUTPUT                                            | PERFORMANCE MEASURE                                                        | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT           |                                                                           |                      |                    |                                            |                 |         |
|                                                                                |               |                    |                 |                               |                                                                      |                        |      |                                                    |                                                                       |                                                                       |                                                                            | ANNUAL ACTUAL                                                         | ACTUAL (1,2,3,4,5, Not Applicable)                                        | REASON FOR DEVIATION | CORRECTIVE MEASURE | Timeframe TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |         |
| F                                                                              | F2            | 2 - BACK TO BASICS | EH01            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Air Quality Management | All  | 1 x ACM Shelter purchased by the 30th of June 2018 | 1 x Air Quality Management Station purchased by the 30th of June 2019 | 1 x Air Quality Management Station purchased by the 30th of June 2019 | Date 1 x Air Quality Management Station purchased by the 30th of June 2019 | 1 x Air Quality Management Station purchased by the 30th of June 2019 | 1 x Air Quality Management Station purchased by the 31st of December 2018 | N/A                  | N/A                | N/A                                        | N/A             | Invoice |
|                                                                                |               |                    |                 |                               |                                                                      |                        |      |                                                    |                                                                       |                                                                       |                                                                            | R 1 500 000.00                                                        | N/A                                                                       | N/A                  | N/A                | N/A                                        | N/A             | N/A     |

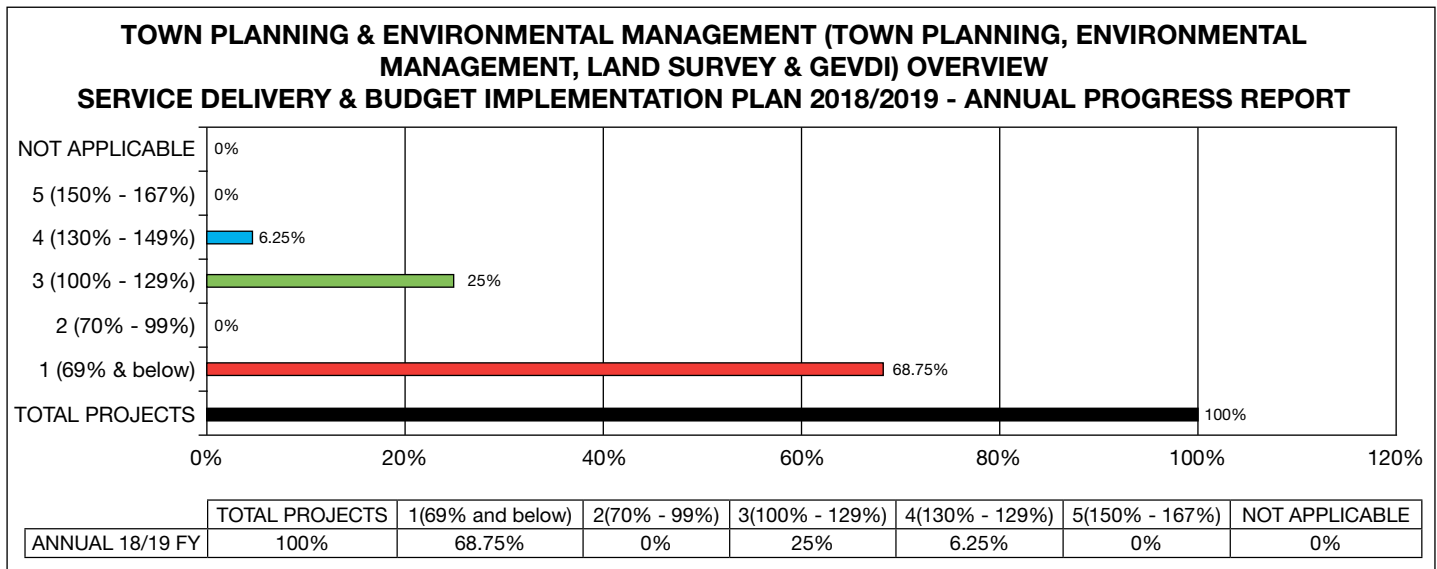
## HUMAN SETTLEMENTS OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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 HUMAN SETTLEMENTS OVERVIEW

|       |                    |    |
|-------|--------------------|----|
| 1.1   | TOTAL PROJECTS:    | 32 |
| 1.1.1 | OPERATING PROJECTS | 32 |
| 1.1.2 | CAPITAL PROJECTS   | 0  |

### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR  
SUB UNIT: HUMAN SETTLEMENTS

| INDEX | IDP REFERENCE | CDS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA                   | PROGRAMME                                                                          | PROJECT   | WARD                                                  | BASELINE / STATUS QUO                                                                                                                              | MEASURABLE OBJECTIVE                                                                                                             | ANNUAL TARGET / GET / OUTPUT                                                                                                                       | PERFORMANCE MEASURE                                                                                                                                                                                                                                                                                                       | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                                                                                                                      |                                                                                                                                                  |                          | SOURCE DOCUMENT                                                    |
|-------|---------------|--------------------|-----------------|-------------------------------------------------|------------------------------------------------------------------------------------|-----------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------------------------|
|       |               |                    |                 |                                                 |                                                                                    |           |                                                       |                                                                                                                                                    |                                                                                                                                  |                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                           | ANNUAL ACTUAL                                               | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                                   | REASON FOR DEVIATION                                                                                                                             | CORRECTIVE MEASURE       |                                                                    |
| F     | F3            | 2 - BACK TO BASICS | HS 01           | NKPA 6 - CROSS CUTTING                          | Ethembeni Integrated Residential Development Programme (Mixed Housing Typologies). | 37        | Pre-feasibility studies were undertaken and completed | Obtain MEC funding approval for Ethembeni Integrated Residential Development Programme (Mixed Housing Typologies) Stage 1 by the 30th of June 2019 | Date Obtained MEC funding approval for Ethembeni Integrated Residential Development Programme (Mixed Housing Typologies) Stage 1 | Obtain MEC funding approval for Ethembeni Integrated Residential Development Programme (Mixed Housing Typologies) Stage 1 by the 30th of June 2019 | The MEC approval has not yet been granted for the project. The DoHS has advised the Municipality that a progress report regarding the MEC funding application will be drafted and submitted to the municipality for clarity on the submission.                                                                            | 1 (69% & below)                                             | Target not achieved due to changes in the process and DoHS which are causing delays.                                                                                                 | DoHS to fast-track submission for stage 1 funding application and include the item in the next Technical Evaluation Committee (Agenda).          | 31-Jul-19                | Minutes/ Attendance register                                       |
| F     | F3            | 2 - BACK TO BASICS | HS 02           | NKPA 6 - CROSS CUTTING                          | Preparation and packaging of the Human Settlements Sector (Policy Document)        | ALL       | Inception Report in Place                             | Final Housing Sector Plan submitted to Full Council for approval by the 30th of June 2019                                                          | Date Final Housing Sector Plan submitted to Full Council for approval                                                            | Final Housing Sector Plan submitted to Full Council for approval by the 30th of June 2019                                                          | Final Housing Sector Plan was presented at a Technical Workshop held on the 22 May 2019. Comments and inputs received will be taken into account in the Final Housing Sector Plan. The Public participation engagements commenced and the Draft HSP was presented to Ward Councilors for Ecedale area on the 21 June 2019 | 1 (69% & below)                                             | Target not achieved due to the delay in meeting the various departmental commitments due to the availability of individuals. The Technical Workshop attendance was poor.             | Individual Departmental meeting to be conducted. Public Participation and Engagements with Ward Councilors meeting is scheduled for 5 July 2019. | 2 months                 | Attendance registers/ appointment letter/ Recovery Plan/Draft HSP  |
| F     | F3            | 2 - BACK TO BASICS | HS 03           | NKPA 6 - CROSS CUTTING                          | Undertaking of detailed studies for Human Settlements sites                        | ALL       | Identified sites for Human Settlements purposes.      | 60% of sites ready for development by the 30th of June 2019                                                                                        | % Of sites ready for development.                                                                                                | 0% of sites ready for development by the 30th of June 2019                                                                                         | 0% of sites ready for development by the 30th of June 2019.                                                                                                                                                                                                                                                               | 1 (69% & below)                                             | The initial target was to make 60% of sites ready for development, due to delays in acquiring top up funding, the business unit ended up doing pre-feasibility studies of all sites. | Due to budgetary constraints the project will be put on hold until such time funding has been sourced.                                           | 19/20 FY mid year report | Final Report of the Studies.                                       |
| F     | F1            | 2 - BACK TO BASICS | HS 04           | NKPA 6 - CROSS CUTTING                          | Undertaking of detailed planning studies.                                          | 26        | Environmental Authorization (ROD) in Place            | Approved Town Planning Application by 30 June 2019                                                                                                 | Approved Town Planning Application                                                                                               | Approved Town Planning Application by 30 June 2019                                                                                                 | The SPLUMA application has been submitted to the Town Planning Unit for approval.                                                                                                                                                                                                                                         | 1 (69% & below)                                             | The application is still on the assessment stage and will be approved once assessment and advertisement has been concluded.                                                          | To follow up with the Planning Unit on the assessment progress.                                                                                  | 31-Jul-19                | Correspondence with Town Planning Unit on progress.                |
| E     | E1            | 2 - BACK TO BASICS | HS 09           | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Municipal Rental Stock                                                             | 25 and 33 | 2015 Audit                                            | 100% of Council rental stock verified to have occupancy by the correct tenants                                                                     | % Of Council rental stock verified to have occupancy by the correct tenants                                                      | 100% of Council rental stock verified to have occupancy by the correct tenants by the 30th of June 2019                                            | 7% of Council rental stock verified to have occupancy by the correct tenants by the 30th of June 2019                                                                                                                                                                                                                     | 1 (69% & below)                                             | Not all council rental stock verified to have correct occupancy due to the unavailability of tenants                                                                                 | To ensure ALL council rental stock is verified as per approved verification schedule                                                             | 30-Sep-19                | Copy of verification Form                                          |
| E     | E1            | 9 - BACK TO BASICS | HS 10           | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Municipal Rental Stock                                                             | 25 and 33 | 8                                                     | 100% of all verified tenants to have signed leases by the 30th of June 2019                                                                        | % Of all verified tenants to have signed leases                                                                                  | 100% of all verified tenants to have signed leases by the 30th of June 2019                                                                        | 3 (100% - 129%)                                                                                                                                                                                                                                                                                                           | N/A                                                         | N/A                                                                                                                                                                                  | N/A                                                                                                                                              | N/A                      | Copy of signed lease agreement                                     |
| E     | E1            | 9 - BACK TO BASICS | HS 11           | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Municipal Rental Stock                                                             | 25 and 33 | 0                                                     | 100% of defaulting tenants to be handed over to Attorneys to implement legal processes                                                             | % Of defaulting tenants to be handed over to Attorneys to implement legal processes                                              | 100% of defaulting tenants to be handed over to Attorneys to implement legal processes by the 30th of June 2019                                    | 3 (100% - 129%)                                                                                                                                                                                                                                                                                                           | N/A                                                         | N/A                                                                                                                                                                                  | N/A                                                                                                                                              | N/A                      | File note for contacting the tenant. Email hand-over to attorneys. |

# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                    |                 |                                                 |                   |                        |      |                                         |                                                                                                                                                   |                                                                                                                                                           |                                                                                                                                                                                                                                                         |                                                             |               |                                                     |                      |                                                                                    |
|--------------------------------------------------------------------------------|---------------|--------------------|-----------------|-------------------------------------------------|-------------------|------------------------|------|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------|-----------------------------------------------------|----------------------|------------------------------------------------------------------------------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                      |               |                    |                 |                                                 |                   |                        |      |                                         |                                                                                                                                                   |                                                                                                                                                           |                                                                                                                                                                                                                                                         |                                                             |               |                                                     |                      |                                                                                    |
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE      | SDRIP REFERENCE | NATIONAL KEY PERFORMANCE AREA                   | PROGRAMME         | PROJECT                | WARD | BASELINE / STATUS QOQ                   | MEASURABLE OBJECTIVE                                                                                                                              | ANNUAL TARGET / OUTPUT                                                                                                                                    | PERFORMANCE MEASURE                                                                                                                                                                                                                                     | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |               |                                                     |                      |                                                                                    |
|                                                                                |               |                    |                 |                                                 |                   |                        |      |                                         |                                                                                                                                                   |                                                                                                                                                           |                                                                                                                                                                                                                                                         | ANNUAL TARGET                                               | ANNUAL ACTUAL | ACTUAL ANNUAL 2018/2019 (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                 |
| B                                                                              | B3            | 2 - BACK TO BASICS | HS 17           | NKPA 2 - BASIC SERVICE DELIVERY                 | HUMAN SETTLEMENTS | Edendale J2 and Quarry | 15   | Environmental Authorization is in place | Signing of Tripartite agreement contract for Edendale J2 & Quarry by the HOD, City Manager and Implementing Agent completed                       | Date Signing of Tripartite agreement contract for Edendale J2 & Quarry by the HOD, City Manager and Implementing Agent completed by the 30th of June 2019 | Signing of Tripartite agreement contract for Edendale J2 & Quarry by the HOD, City Manager and Implementing Agent completed by the 30th of June 2019                                                                                                    | 4 (100% - 149%)                                             | N/A           | N/A                                                 | N/A                  | Signed Tripartite Agreement Contract                                               |
| E                                                                              | E1            | 2 - BACK TO BASICS | HS 18           | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | HUMAN SETTLEMENTS | Edendale Bulwer        | 14   | Environmental Authorization in place    | Follow up with DWS on WULA application for Edendale Bulwer submitted to the Department of Water and Sanitation completed by the 30th of June 2019 | Date Follow up with DWS on WULA application for Edendale Bulwer submitted to the Department of Water and Sanitation completed by the 30th of June 2019    | Follow up with DWS on WULA application for Edendale Bulwer submitted to the Department of Water and Sanitation completed by the 30th of June 2019. The DSW is currently consolidating the comments required for submission to their regional committee. | 3 (100% - 129%)                                             | N/A           | N/A                                                 | N/A                  | Email Correspondences                                                              |
| C                                                                              | C3            | 5 - BACK TO BASICS | HS 20           | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT             | HUMAN SETTLEMENTS | Khalanyoni             | 12   | Approval for Stage 1 in place           | Final Environmental Assessment for Khalanyoni submitted to EDTEA by 30 June 2019                                                                  | Date Final Environmental Assessment for Khalanyoni submitted to EDTEA                                                                                     | Final Environmental Assessment for Khalanyoni not submitted to EDTEA by 30 June 2019                                                                                                                                                                    | 1 (69% & below)                                             | N/A           | N/A                                                 | N/A                  | Correspondence with the Implementing Agent on progress.                            |
| C                                                                              | C3            | 6 - BACK TO BASICS | HS 21           | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT             | HUMAN SETTLEMENTS | Kwa30                  | 10   | Approval for Stage 1 in place           | Final Environmental Assessment for Kwa30 submitted to EDTEA by 30 June 2019                                                                       | Date Final Environmental Assessment for Kwa30 submitted to EDTEA                                                                                          | Final Environmental Assessment for Kwa30 not submitted to EDTEA by 30 June 2019                                                                                                                                                                         | 1 (69% & below)                                             | N/A           | N/A                                                 | N/A                  | Correspondence with the Implementing Agent on progress.                            |
| C                                                                              | C3            | 2 - BACK TO BASICS | HS 24           | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT             | HUMAN SETTLEMENTS | Copesville             | 29   | SPLUMA approval in place                | Draft General Plan for Copesville submitted to the Municipality for assessment by the 30th of June 2019                                           | Date Draft General Plan for Copesville submitted to the Municipality for assessment by the 30th of June 2019                                              | Draft General Plan for Copesville submitted to the Municipality for assessment by the 30th of June 2019. Pegging on site has been concluded, and the Draft SG has been completed                                                                        | 3 (100% - 129%)                                             | N/A           | N/A                                                 | N/A                  | Draft SG Plan/ Correspondence from Surveyor General Office of Submission of the GP |

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA       | PROGRAMME         | PROJECT           | WARD | BASELINE / STATUS QUO                                                 | MEASURABLE OBJECTIVE                                                                                                                     | ANNUAL TARGET / GET / OUTPUT                                                                                                                                                                                                                                                    | PERFORMANCE MEASURE                                                                                                                           | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                       |                      | SOURCE DOCUMENT                       |                    |                                            |
|-------|---------------|--------------------|-----------------|-------------------------------------|-------------------|-------------------|------|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------------|--------------------|--------------------------------------------|
|       |               |                    |                 |                                     |                   |                   |      |                                                                       |                                                                                                                                          |                                                                                                                                                                                                                                                                                 |                                                                                                                                               | ANNUAL TARGET                                               | ANNUAL ACTUAL                                                                                                                                                                                                                                                                        | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                                                                                                                                                                                    | REASON FOR DEVIATION |                                       | CORRECTIVE MEASURE | Timeframe TO IMPLEMENT CORRECTIVE MEASURES |
|       |               |                    |                 |                                     |                   |                   |      |                                                                       |                                                                                                                                          |                                                                                                                                                                                                                                                                                 |                                                                                                                                               |                                                             |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                       |                      |                                       |                    |                                            |
| C     | C3            | 2 - BACK TO BASICS | HS 25           | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | HUMAN SETTLEMENTS | Signal Hill       | 26   | Tripartite Agreement in Place.                                        | SPLUMA application for Signal Hill submitted to the Municipality for assessment and approval by the 30th of June 2019                    | SPLUMA application for Signal Hill submitted to the Municipality for assessment and approval by the 30th of June 2019                                                                                                                                                           | Date SPLUMA application for Signal Hill submitted to the Municipality for assessment and approval by the 30th of June 2019                    | 1 (69% & below)                                             | Phase 2 of the Signal Hill Project is affected by the WULA process that needs to be undertaken prior to submission to the Municipality for assessment and approval.                                                                                                                  | To ensure the IA undertakes the WULA process in order for Phase 2 of the project can commence                                                                                                                                                                                                                                         | 19/20 Financial year | Email Correspondence/ Progress report |                    |                                            |
| B     | B3            | 2 - BACK TO BASICS | HS 26           | NKPA 2 - BASIC SERVICE DELIVERY     | HUMAN SETTLEMENTS | Harewood          | 20   | The Stage 1 funding is in place and Pre-feasibility studies completed | Signing of Tripartite agreement contract for Harewood by the HOD, City Manager and Implementing Agent completed by the 30th of June 2019 | Signing of Tripartite agreement contract for Harewood by the HOD, City Manager and Implementing Agent completed by the 30th of June 2019. According to the contract is still being drafted by contracts division, and the Municipality will be advised once has been finalised. | Date Signing of Tripartite agreement contract for Harewood by the HOD, City Manager and Implementing Agent completed by the 30th of June 2019 | N/A                                                         | Target not achieved due to delays at DoHS contracts section. A request was forwarded to the municipality that there be an agreement drafted and signed by both parties (municipality & IA) and submitted to DoHS as part of required documents for drafting of tripartite agreement. | DoHS to FastTrack drafting of contract.                                                                                                                                                                                                                                                                                               | 31-Jul-19            | N/A                                   |                    |                                            |
| B     | B1            | 2 - BACK TO BASICS | HS 27           | NKPA 2 - BASIC SERVICE DELIVERY     | HUMAN SETTLEMENTS | Bhobhono/Masomini | 20   | Pre-feasibility studies were undertaken and completed                 | Obtain MEC funding approval for Bhobhono/Masomini Stage 1 by the 30th of June 2019                                                       | Obtain MEC funding approval for Bhobhono/Masomini Stage 1 not obtained by the 30th of June 2019                                                                                                                                                                                 | Date Obtained MEC funding approval for Bhobhono/Masomini Stage 1                                                                              | N/A                                                         | Further information has been received by DoHS, however the information was received months later after the submission was made to DoHS for Stage 1 approval. Which has resulted in delays in the approval of Stage 1 funding application.                                            | A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality to advise on progress of the application. Further monthly engagements have been proposed to eliminate delays. | 31-Jul-19            | N/A                                   |                    |                                            |
| B     | B1            | 2 - BACK TO BASICS | HS 28           | NKPA 2 - BASIC SERVICE DELIVERY     | HUMAN SETTLEMENTS | Caluza/Smero      | 20   | Pre-feasibility studies were undertaken and completed                 | Obtain MEC funding approval for Caluza/Smero Stage 1 by the 30th of June 2019                                                            | Obtain MEC funding approval for Caluza/Smero Stage 1 not obtained by the 30th of June 2019                                                                                                                                                                                      | Date Obtained MEC funding approval for Caluza/Smero Stage 1                                                                                   | N/A                                                         | Further information has been received by DoHS, however the information was received months later after the submission was made to DoHS for Stage 1 approval. Which has resulted in delays in the approval of Stage 1 funding application.                                            | A progress meeting was held on the 12th of June 2019 with DoHS to determine progress regarding Stage 1 submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality to advise on progress of the application. Further monthly engagements have been proposed to eliminate delays. | 31-Jul-19            | N/A                                   |                    |                                            |



# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                     |                 |                                                                |                   |                               |      |                                                       |                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                         |                                                                                                   |                                                                                                          |                                                                                              |                      |                              |                                            |
|--------------------------------------------------------------------------------|---------------|---------------------|-----------------|----------------------------------------------------------------|-------------------|-------------------------------|------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------|------------------------------|--------------------------------------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                      |               |                     |                 |                                                                |                   |                               |      |                                                       |                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                         |                                                                                                   |                                                                                                          |                                                                                              |                      |                              |                                            |
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE       | SDRIP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME         | PROJECT                       | WARD | BASELINE / STATUS QDO                                 | MEASURABLE OBJECTIVE                                                                                                                              | ANNUAL TARGET GET / OUTPUT                                                                                                                                                                                                                                                                                                                                                                      | PERFORMANCE MEASURE                                                     | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                       |                                                                                                          |                                                                                              |                      |                              |                                            |
|                                                                                |               |                     |                 |                                                                |                   |                               |      |                                                       |                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                         | ANNUAL TARGET                                                                                     | ANNUAL ACTUAL                                                                                            | ACTUAL ANNUAL 2018/2019 (1,2,3,4,5, Not Applicable)                                          | REASON FOR DEVIATION | CORRECTIVE MEASURE           | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
| A                                                                              | A2            | 2 - BACK TO BASICS  | HS 29           | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | HUMAN SETTLEMENTS | Snatching Phase 1             | 11   | Pre-feasibility studies were undertaken and completed | Technical Evaluation Committee (TEC) Recommendation                                                                                               | Request for TEC recommendation in order to prepare monthly progress report to OMC by the 30th of June 2019                                                                                                                                                                                                                                                                                      | Date of issue of Recommendation by technical Evaluation Committee (TEC) | Request for TEC recommendation to prepare monthly progress report to OMC by the 30th of June 2019 | The DoHS had requested further clarity and more documentation with regards to the submission.            | DoHS to Fast-track 1 funding application in the next technical Evaluation Committee(Agenda). | 31-Jul-19            | Minutes/ Attendance register |                                            |
| A                                                                              | A2            | 2 - BACK TO BASICS  | HS 30           | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | HUMAN SETTLEMENTS | Willowfontein Terminus        | 14   | No Pre-feasibility Studies have been undertaken       | 1 x progress meeting held with the DoHS and HDA to discuss various conditional funding applications within Edendale area by the 30th of June 2019 | 1 x progress meeting held with the DoHS and HDA to discuss various conditional funding applications within Edendale area by the 30th of June 2019. A progress meeting was held on the 12th of June 2019 with DoHS regarding the funding submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality for clarity on the submission.         | N/A                                                                     | N/A                                                                                               | N/A                                                                                                      | N/A                                                                                          | N/A                  | N/A                          |                                            |
| A                                                                              | A2            | 2 - BACK TO BASICS  | HS 31           | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | HUMAN SETTLEMENTS | Snatching Phase 2 (Nhazatshe) | 11   | No Pre-feasibility Studies have been undertaken       | 1 x progress meeting held with the DoHS and HDA to discuss various conditional funding applications within Edendale area by the 30th of June 2019 | 1 x progress meeting held with the DoHS and HDA to discuss various conditional funding applications within Edendale area by the 30th of June 2019. A progress meeting was held on the 12th of June 2019 with DoHS regarding the funding submission. A progress report regarding the submission will be drafted by DoHS and submitted to the municipality for further clarity on the submission. | N/A                                                                     | N/A                                                                                               | N/A                                                                                                      | N/A                                                                                          | N/A                  | N/A                          |                                            |
| B                                                                              | B3            | 18 - BACK TO BASICS | HS 23           | NKPA 2 - BASIC SERVICE DELIVERY                                | Planning          | Glenwood South East Sector    | 37   | Stage 1 Funding in place                              | Draft advert for appointment of IA by the 30th of June 2019                                                                                       | Draft advert prepared by 30th June 2019                                                                                                                                                                                                                                                                                                                                                         | Date of issue of the appointment of the IA                              | Draft advert prepared by 30th June 2019                                                           | The tender advert was published for the appointment of the Agents to package Human Settlements projects. | N/A                                                                                          | N/A                  | N/A                          | N/A                                        |

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                     |                 |                                 |                |                                |                        |                            |                                                                                       |                                                                                           |                                                                                                        |                                                                                                       |                                    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                          |                                            |                                                                     |     |
|--------------------------------------------------------------------------------|---------------|---------------------|-----------------|---------------------------------|----------------|--------------------------------|------------------------|----------------------------|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------------------------------------|-----|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                      |               |                     |                 |                                 |                |                                |                        |                            |                                                                                       |                                                                                           |                                                                                                        |                                                                                                       |                                    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                          |                                            |                                                                     |     |
| SUB UNIT: HUMAN SETTLEMENTS                                                    |               |                     |                 |                                 |                |                                |                        |                            |                                                                                       |                                                                                           |                                                                                                        |                                                                                                       |                                    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                          |                                            |                                                                     |     |
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE       | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME      | PROJECT                        | WARD                   | BASELINE / STATUS QO       | MEASURABLE OBJECTIVE                                                                  | ANNUAL TARGET GET / OUTPUT                                                                | PERFORMANCE MEASURE                                                                                    | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                           |                                    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                          |                                            |                                                                     |     |
|                                                                                |               |                     |                 |                                 |                |                                |                        |                            |                                                                                       |                                                                                           |                                                                                                        | ANNUAL ACTUAL                                                                                         | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                                                      | CORRECTIVE MEASURE                                                                                                                                                                                                                                                                                       | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                     |     |
| B                                                                              | B3            | 18 - BACK TO BASICS | HS 33           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Willowfontein EE Phase 1       | 17                     | 127 Housing Units          | 10 x Housing Units for Willowfontein EE Phase 1 completed                             | Number of Housing Units for Willowfontein EE Phase 1 completed by the 30 June 2019        | 10 x Housing Units for Willowfontein EE Phase 1 completed by the 30 June 2019                          | 0 x Housing Units for Willowfontein EE Phase 1 completed.                                             | 1 (69% & below)                    | Municipality awaiting the contract from the provincial DohS                                                                                                                                                                                                                                               | To follow up with DohS with regards to contract                                                                                                                                                                                                                                                          | 3 Months                                   | Email correspondence Application for funding and Appointment letter |     |
| B                                                                              | B3            | 19 - BACK TO BASICS | HS 34           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Wirewall Rectification Project | 10, 15, 17, 23, 16, 14 | 40 Units Completed         | 140 x Houses completed for Wirewall Rectification Project by the 30th of June 2019    | Number of Houses completed for Wirewall Rectification Project by the 30th of June 2019    | 140 x Houses completed for Wirewall Rectification Project by the 30th of June 2019                     | 20 units have been completed and 18 units are at practical completion.                                | 1 (69% & below)                    | Turnaround time to sign and process invoices. Locate missing beneficiaries. Amendment of annexure D, C, Cross Boundaries. Renovations and demolition approvals and contract amendments                                                                                                                    | Improve turnaround time for invoice signatories, for missing beneficiaries. Condonation may assist. Relaxation of town planning scheme                                                                                                                                                                   | 1 Month                                    | Invoices                                                            |     |
| B                                                                              | B3            | 19 - BACK TO BASICS | HS 35           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Wirewall Rectification Project | 10, 15, 17, 23, 16, 14 | 4 Units Renovated          | 100 x Units Renovated for the Wirewall Rectification Project by the 30th of June 2019 | Number of Units Renovated for the Wirewall Rectification Project by the 30th of June 2019 | 144 x Units Renovated for the Wirewall Rectification Project by the 30th of June 2019                  | N/A                                                                                                   | 4 (130% - 149%)                    | N/A                                                                                                                                                                                                                                                                                                       | N/A                                                                                                                                                                                                                                                                                                      | N/A                                        | N/A                                                                 | N/A |
| B                                                                              | B3            | 20 - BACK TO BASICS | HS 36           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Lot 182                        | 11                     | 27 Housing Units Completed | 106 x new housing units completed for Lot 182                                         | Number of new housing units completed for Lot 182 by the 30th of June 2019                | 106 x new housing units completed for Lot 182 by the 30th of June 2019                                 | 42 x new housing units completed for Lot 182 by the 30th of June 2019                                 | 1 (69% & below)                    | Contract expired and the contractor stopped working on site, it took almost eight (8) months for contract to be finalized. The ongoing and HDA are not finalizing the transfer of land. PSC is space therefore existing structures has to be demolished. Beneficiaries have applied and waiting approval. | The contract has been signed and the anticipated date for completion is 05 June 2020. The IA is preparing record drawing, this is ongoing and HDA are finalizing the transfer of land. PSC is space therefore existing structures has to be demolished. Beneficiaries have applied and waiting approval. | 3 Months                                   | Invoice 17                                                          |     |
| B                                                                              | B3            | 22 - BACK TO BASICS | HS 37           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Edendale Units Phase 8 Ext.    | 10                     | 54 Housing Units completed | 120 x new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.)         | Number of new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.)         | 120 x new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.) by the 30th of June 2019 | 11 x new housing units constructed in ward 10 (Edendale Unit s Phase 8 Ext.) by the 30th of June 2019 | 1 (69% & below)                    | Slow Performance from the IA since beginning of the year IA requested a written confirmation by the DohS regarding the 5.4 % escalation. DohS sent the IA a written confirmation dated 11/6/2019 for the escalation.                                                                                      | IA to produce a revised work programme as per the Monday weekly meeting by the department with set targets as per the MEC intervention. Weekly Monday meetings a resolution was that the IA must return to site as we have no outstanding request from them.                                             | 2 Months                                   | Invoice 78                                                          |     |

# Msunduzi Annual Report 2018/2019

| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                     |                 |                                 |                |                              |      |                                                                                                                       |                                                                                           |                                                                                     |                                                                                           |                                                                                                                                                               |                 |                                                                                                                                                                                                     |                                                                              |                    |                                            |
|--------------------------------------------------------------------------------|---------------|---------------------|-----------------|---------------------------------|----------------|------------------------------|------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|--------------------|--------------------------------------------|
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE       | SDRIP REFERENCE | NATIONAL KEY PERFORMANCE AREA   | PROGRAMME      | PROJECT                      | WARD | BASELINE / STATUS QUO                                                                                                 | MEASURABLE OBJECTIVE                                                                      | ANNUAL TARGET / OUTPUT                                                              | PERFORMANCE MEASURE                                                                       | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                   |                 |                                                                                                                                                                                                     |                                                                              |                    |                                            |
|                                                                                |               |                     |                 |                                 |                |                              |      |                                                                                                                       |                                                                                           |                                                                                     |                                                                                           | ANNUAL TARGET                                                                                                                                                 | ANNUAL ACTUAL   | ACTUAL ANNUAL 2018/2019 (1,2,3,4,5, Not Applicable)                                                                                                                                                 | REASON FOR DEVIATION                                                         | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
| B                                                                              | B3            | 22 - BACK TO BASICS | HS 38           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Happy Valley Housing project | 32   | The beneficiaries were given serviced sites. The houses will be built as additional subsidy, (Consolidation Program). | 20 X New Houses for Happy Valley Housing project to be completed by the 30th of June 2019 | Number of New Houses for Happy Valley Housing project to be completed               | 20 X New Houses for Happy Valley Housing project to be completed by the 30th of June 2019 | 0 X New Houses for Happy Valley Housing project completed by the 30th of June 2019                                                                            | 1 (69% & below) | The implementing agent proposed some changes in the contract. Awaiting the Agent to sign the Contract. Awaiting the letter from the legal department to advise on the matter of contract amendment. | The Municipality to arrange a meeting with the IA to discuss the matter.     | 1 week             | Proposed contract                          |
| B                                                                              | B3            | 22 - BACK TO BASICS | HS 39           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Site 11 Housing project      | 32   | The beneficiaries were given serviced sites. The houses will be built as additional subsidy, (Consolidation Program). | 20 X New Houses for Site 11 Housing project to be completed by the 30th of June 2019      | Number of New Houses for Site 11 Housing project to be completed                    | 20 X New Houses for Site 11 Housing project to be completed by the 30th of June 2019      | 0 X New Houses for Site 11 Housing project completed. Site clearance has been done on the sites with no complications. NHBRC Enrolment has been approved.     | 1 (69% & below) | There was a delay in the approval of NHBRC Enrolment and house plan approval.                                                                                                                       | Follow up with NHBRC approval. Resubmit the amended house plan for approval. | 1 month.           | Copy of NHBRC enrolment.                   |
| B                                                                              | B3            | 22 - BACK TO BASICS | HS 40           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Thamboville Housing project  | 38   | The beneficiaries were given serviced sites. The houses will be built as additional subsidy, (Consolidation Program). | 20 X New Houses for Thamboville Housing project to be completed by the 30th of June 2019  | Number of New Houses for Thamboville Housing project to be completed                | 20 X New Houses for Thamboville Housing project to be completed by the 30th of June 2019  | 0 X New Houses for Thamboville Housing project completed. Site clearance has been done on the sites with no complications. NHBRC Enrolment has been approved. | 1 (69% & below) | There was a delay in the approval of NHBRC Enrolment and house plan approval.                                                                                                                       | Follow up with NHBRC approval. Resubmit the amended house plan for approval. | 1 month.           | Copy of NHBRC enrolment.                   |
| B                                                                              | B3            | 22 - BACK TO BASICS | HS 41           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Glenwood Housing project     | 38   | The beneficiaries were given serviced sites. The houses will be built as additional subsidy, (Consolidation Program). | 20 X New Houses for Glenwood Housing project to be completed by the 30th of June 2019     | Number of New Houses for Glenwood Housing project to be completed                   | 20 X New Houses for Glenwood Housing project to be completed by the 30th of June 2019     | 0 X New Houses for Glenwood Housing project completed by the 30th of June 2019                                                                                | 1 (69% & below) | The implementing agent proposed some changes in the contract. Awaiting the Agent to sign the Contract. Awaiting the letter from the legal department to advise on the matter of contract amendment. | The Municipality to arrange a meeting with the IA to discuss the matter.     | 1 month.           | Proposed contract                          |
| B                                                                              | B3            | 22 - BACK TO BASICS | HS 42           | NKPA 2 - BASIC SERVICE DELIVERY | Implementation | Thembahlile Housing project  | 38   | The beneficiaries were given serviced sites. The houses will be built as additional subsidy, (Consolidation Program). | 20 X Houses for Thembahlile Housing project completed by the 30th of June 2019            | Number of Houses for Thembahlile Housing project completed by the 30th of June 2019 | 20 X Houses for Thembahlile Housing project to be completed by the 30th of June 2019      | 0 X Houses for Thembahlile Housing project completed. Contract has been signed and site establishment is in the process.                                      | 1 (69% & below) | There is the NHBRC enrolment application process.                                                                                                                                                   | Follow up on the whereabouts of the application process.                     | 1 month.           | Geotech Information, Signed contract       |

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE      | SDBIP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME            | PROJECT                                                      | WARD    | BASELINE / STATUS QUO                                | MEASURABLE OBJECTIVE                                                                   | ANNUAL TARGET / GET / OUTPUT                                                           | PERFORMANCE MEASURE                                                                  | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                               |                    | SOURCE DOCUMENT                                                                              |                                            |
|-------|---------------|--------------------|-----------------|----------------------------------------------------------------|----------------------|--------------------------------------------------------------|---------|------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----------------------------------------------------------------------------------------------|--------------------------------------------|
|       |               |                    |                 |                                                                |                      |                                                              |         |                                                      |                                                                                        |                                                                                        |                                                                                      | ANNUAL ACTUAL                                               | ANNUAL ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | REASON FOR DEVIATION                                                                                                                                                                                          | CORRECTIVE MEASURE |                                                                                              | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
|       |               |                    |                 |                                                                |                      |                                                              |         |                                                      |                                                                                        |                                                                                        |                                                                                      |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                               |                    |                                                                                              |                                            |
| B     | B3            | 4 - BACK TO BASICS | HS 43           | NKPA 6 - CROSS CUTTING                                         | Implementation       | Jika Jee Community Residential Units                         | 33      | Infrastructure Services for Phase 1 are 90% Complete | 100 x Houses units for Jika Jee CRU Housing Project completed by the 30th of June 2019 | 100 x Houses units for Jika Jee CRU Housing Project completed by the 30th of June 2019 | 0 x Houses units for Jika Jee CRU Housing Project completed by the 30th of June 2019 | 1 (69% & below)                                             | The constructor closed the site from end of March due to delay in payment certificate number 8 and 9, they have not recovered the lost time on their Programme. Progress on Project is as follows - 32 units completed the brick work, platform 2, sewer is 100% completed and the storm water is 30%. On platform 7 and 8 installation of geogrid (earth reinforcement) 90% completion. • Installation of deck on block 4A,5C,8A and 9D. • On block 7A deck the concrete has been cast, building on the first floor start on 1/07/2019. • Block 3A, foundation has been cast the building is starting on 1/07/2019 | To revise the programme taking to account that the end date won't change, secondly speed up the payment due to service provider                                                                               | 1 month.           | Minutes for Technical meeting No. 20 Progress Report                                         |                                            |
| A     | A1            | 3 - BACK TO BASICS | HS 44           | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Informal Settlements | Implementation of the National Housing Needs Register (NHNR) | Various | No implementation of the NHNR                        | Capturing of 3000 housing needs on the NHNR completed by the 30th of June 2019         | Capturing of 3000 housing needs on the NHNR completed by the 30th of June 2019         | Number of housing needs captured on the NHNR completed                               | 1 (69% & below)                                             | The recruitment process of data capture was disputed by the HR Department as such the project could not start as there were no data captures to capture the housing needs into the NHNR system.                                                                                                                                                                                                                                                                                                                                                                                                                     | A memorandum was prepared to the GM: Corporate Services detailing the process followed and seeking her advise on the way forward. Various email correspondence has been back and forth to resolve the matter. | 2 months           | Copy of memorandum prepared for GM: CS and email correspondence with HR and Legal Department |                                            |

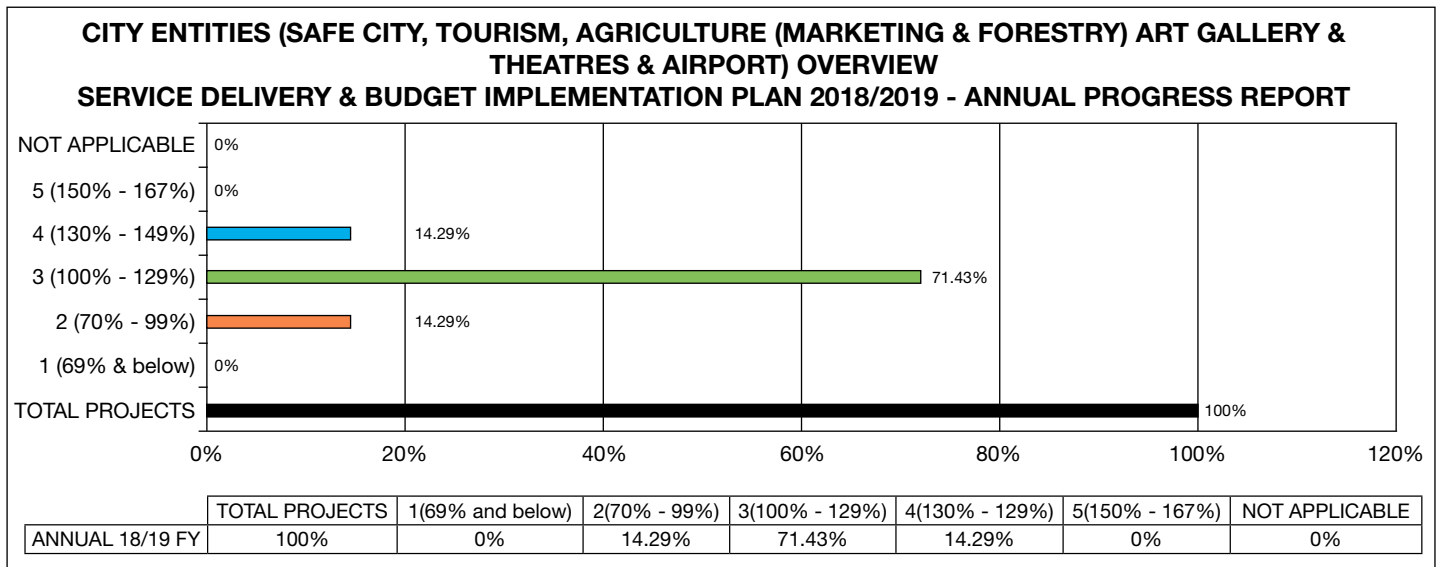
**CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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           |     |

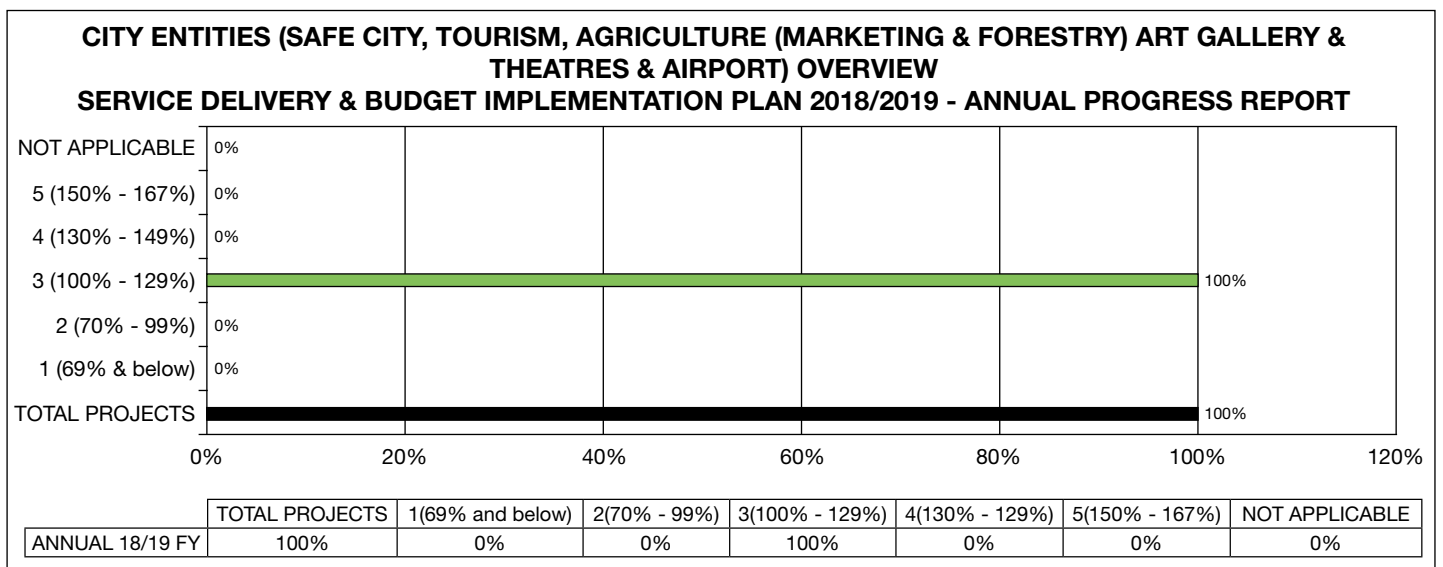
**1 CITY ENTITIES (SAFE CITY, TOURISM, AGRICULTURE (MARKET & FORESTRY), ART GALLERY & THEATRES & AIRPORT) OVERVIEW**

- 1.1 TOTAL PROJECTS: 8**
- 1.1.1 OPERATING PROJECTS 7**
- 1.1.2 CAPITAL PROJECTS 1**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



**2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS**



| SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                         |                  |                                                                |                                                                      |                                                                                      |                                |                                                                         |                                                                                                    |                                                                                                         |                                                                           |                                                                                                          |                 |                                    |                                 |                    |                                                             |                                             |                 |
|--------------------------------------------------------------------------------|---------------|---------------------------------------------------------|------------------|----------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------|------------------------------------|---------------------------------|--------------------|-------------------------------------------------------------|---------------------------------------------|-----------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                      |               |                                                         |                  |                                                                |                                                                      |                                                                                      |                                |                                                                         |                                                                                                    |                                                                                                         |                                                                           |                                                                                                          |                 |                                    |                                 |                    |                                                             |                                             |                 |
| INDEX                                                                          | IDP REFERENCE | CDS REFERENCE                                           | SD/IMP REFERENCE | NATIONAL PERFORMANCE AREA                                      | PROGRAMME                                                            | PROJECT                                                                              | WARD                           | BASELINE / STATUS QUO                                                   | MEASURABLE OBJECTIVE                                                                               | ANNUAL TARGET GET / OUTPUT                                                                              | PERFORMANCE MEASURE                                                       | ANNUAL ACTUAL                                                                                            |                 |                                    |                                 | CORRECTIVE MEASURE | REASON FOR DEVIATION                                        | Time-frame TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|                                                                                |               |                                                         |                  |                                                                |                                                                      |                                                                                      |                                |                                                                         |                                                                                                    |                                                                                                         |                                                                           | ANNUAL TARGET                                                                                            | ANNUAL ACTUAL   | ACTUAL (1,2,3,4,5, No. Applicable) | PERFORMANCE REPORTING 2018/2019 |                    |                                                             |                                             |                 |
| B                                                                              | B2            | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY                  | CE 01            | NKPA 2 - BASIC SERVICE DELIVERY                                | PMB MARKET                                                           | Cold Room Fans                                                                       | 24                             | N/A                                                                     | 12 x installation of cold-room fans completed                                                      | 12 x installation of cold-room fans at the Msunduzi Market completed by the 31st of January 2019        | Number of fans installed                                                  | 12 x installation of cold-room fans at the Msunduzi Market completed by the 31st of January 2019         | 3 (100% - 129%) | N/A                                | N/A                             | N/A                | Invoices and certificate of completion.                     |                                             |                 |
| B                                                                              | B2            | 3 - IMPROVED INFRASTRUCTURE EFFICIENCY                  | CE 02            | NKPA 2 - BASIC SERVICE DELIVERY                                | Airport Fence                                                        | Airport Fence                                                                        | 24                             | None                                                                    | 750m fencing installed at the PMB Airport                                                          | 750m fencing installed at the PMB Airport by 31 January 2019                                            | M fencing installed at the PMB Airport                                    | 750m fencing installed at the PMB Airport by 31 January 2019                                             | 3 (100% - 129%) | N/A                                | N/A                             | N/A                | Invoices and certificate of completion.                     |                                             |                 |
| C                                                                              | C2            | 5 - GROWING THE REGIONAL ECONOMY                        | CE13             | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT                            | Community Outreach Programme                                         | Art Exhibitions: Tatham Art Gallery                                                  | ALL                            | 6 Art Exhibitions completed                                             | 7 Exhibitions completed by the 30th of June 2019                                                   | 7 Msunduzi Art Exhibitions held by the 30th of June 2019                                                | Number of exhibitions held                                                | 10 x Msunduzi Art Exhibitions held by the 30th of June 2019                                              | 4 (130% - 149%) | N/A                                | N/A                             | N/A                | Gallery Outline and invitations                             |                                             |                 |
| C                                                                              | C2            | 5 - GROWING THE REGIONAL ECONOMY                        | T3               | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT                            | TOURISM EVENTS                                                       | Marketing the city                                                                   | N/A                            | Participated in seven events                                            | 100% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar                    | 91% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar by the 30th of June 2019 | % Participation by Msunduzi Tourism                                       | 100% Participation by Msunduzi Tourism as Per approved Msunduzi Events Calendar by the 30th of June 2019 | 2 (70% - 99%)   | N/A                                | N/A                             | N/A                | Pictures and Invoices where applicable                      |                                             |                 |
| A                                                                              | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | T4               | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | TOURISM MENTORSHIP PROGRAMME                                         | 2 x training workshops for tourism businesses facilitated by 31 March 2019 (for who) | N/A                            | One workshop held in 2017-2018                                          | Facilitating training workshops for tourism businesses                                             | 2 x training workshops for tourism businesses facilitated by 31 March 2019                              | Number of training workshops facilitated for existing tourism businesses  | 2 x training workshops for tourism businesses facilitated by 31 March 2019                               | 3 (100% - 129%) | N/A                                | N/A                             | N/A                | Attendance register, Pictures and Invoices where applicable |                                             |                 |
| A                                                                              | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | T5               | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | Tourism Sector Programme                                             | Tourism Forum                                                                        | N/A                            | Three sector events held                                                | 2 x Quarterly Msunduzi tourism sector meetings                                                     | 2 x Quarterly Msunduzi tourism sector meetings by the 31st May 2019                                     | Number of tourism sector meetings hosted                                  | 2 x Quarterly Msunduzi tourism sector meetings by the 31st May 2019                                      | 3 (100% - 129%) | N/A                                | N/A                             | N/A                | Attendance register, Pictures and Invoices where applicable |                                             |                 |
| F                                                                              | F2            | 6 - SERVING AS A PROVINCIAL CAPITAL                     | CE 10            | NKPA 6 - CROSS CUTTING                                         | Crime, Bylaw, Sub Station and Airport monitoring through CCTV Camera | 24 Hour crime watch through CCTV Cameras in areas with CCTV coverage                 | 24, 27, 30, 32, 33, 35, 36, 37 | 169 CCTV Cameras are monitored 24 hours in all areas with CCTV coverage | 169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2019 | 169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2019            | Number of CCTV Cameras monitored 24 hours in all areas with CCTV coverage | 169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2019             | 3 (100% - 129%) | N/A                                | N/A                             | N/A                | Monthly report to SM City Entities                          |                                             |                 |
| C                                                                              | C3            | 5 - GROWING THE REGIONAL ECONOMY                        | CE 10            | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT                            | Forestry Management                                                  | 100% Forestry Management                                                             | ALL                            | N/A                                                                     | 100% Forestry Management as per approved Forestry Business Plan by the 30th of June 2019           | 100% Forestry Management as per approved Forestry Business Plan by the 30th of June 2019                | % of the Plantation Managed                                               | 100% Forestry Management as per approved Forestry Business Plan by the 30th of June 2019                 | 3 (100% - 129%) | N/A                                | N/A                             | N/A                | Monthly report to SM City Entities                          |                                             |                 |

## ANNEXURE 2

### ANNUAL PROGRESS REPORT - OPERATIONAL PLAN 2018/2019 FY

## ANNEXURE A

### OPERATIONAL PLAN 2018/2019 FY - ANNUAL PROGRESS REPORT - OrganisationAL OVERVIEW

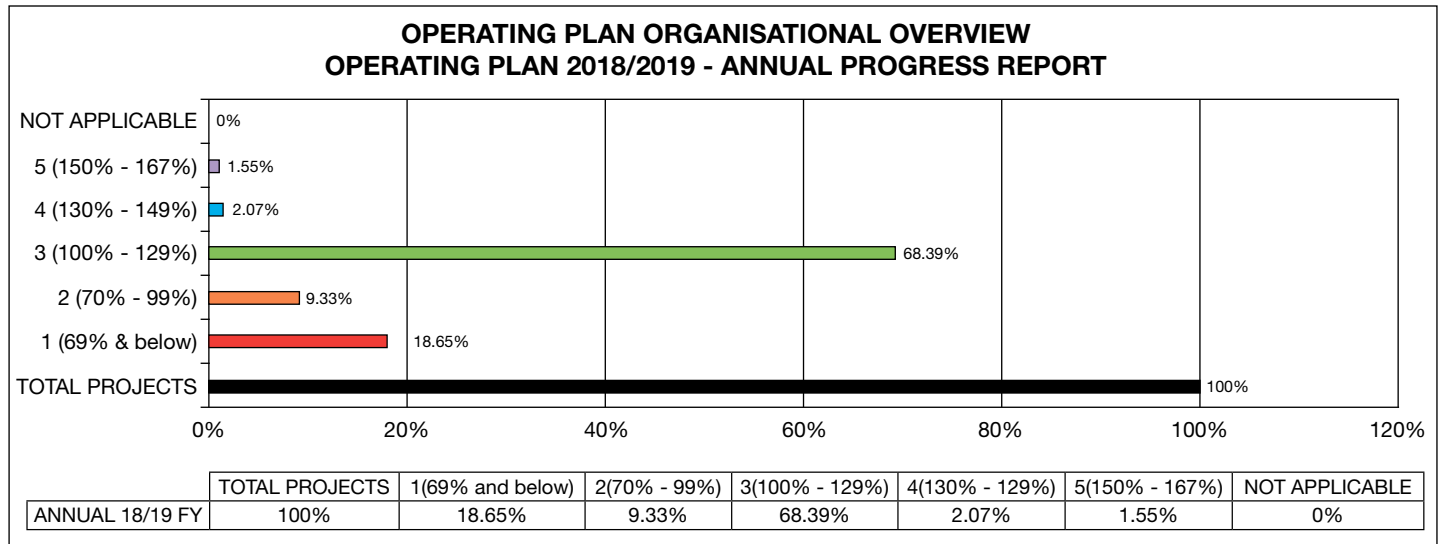
#### OPERATIONAL PLAN ORGANISATIONAL OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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 OPERATIONAL PLAN ORGANISATIONAL OVERVIEW

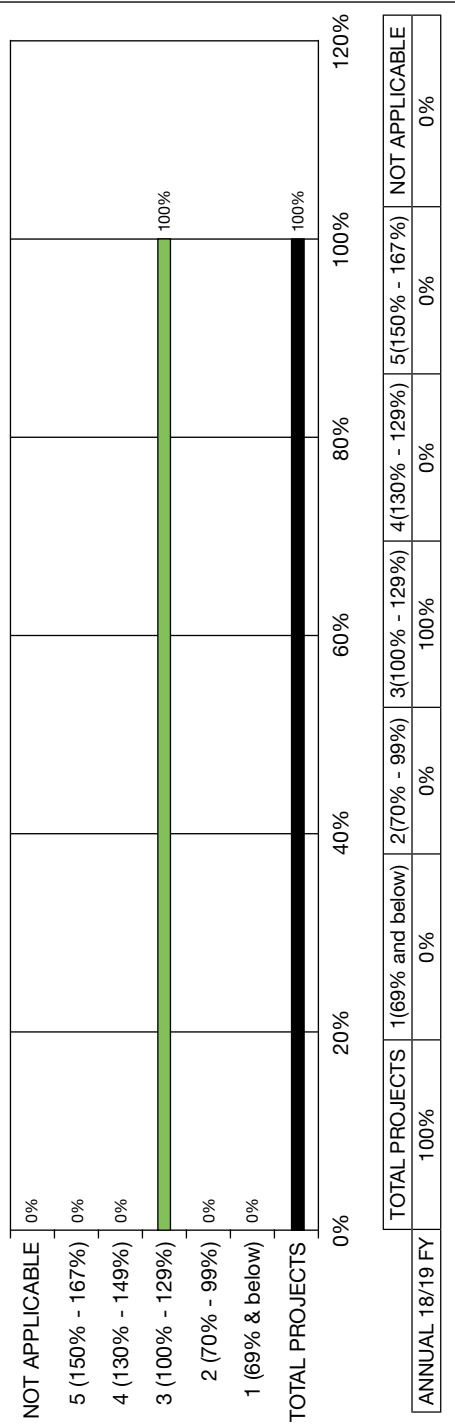
|       |                    |     |
|-------|--------------------|-----|
| 1.1   | TOTAL PROJECTS:    | 195 |
| 1.1.1 | OPERATING PROJECTS | 193 |
| 1.1.2 | CAPITAL PROJECTS   | 2   |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



- 1.2.1 A total of 193 Operating Projects were reported on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.2 18.65% of the projects were reported as having achieved a 1 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.3 9.33% of the projects were reported as having achieved a 2 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.4 68.39% of the projects were reported as having achieved a 3 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.5 2.07% of the projects were reported as having achieved a 4 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.6 1.55% of the projects were reported as having achieved a 5 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 1.2.7 0% of the projects were reported as not applicable due to not having any targets on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT

OPERATING PLAN ORGANISATIONAL OVERVIEW  
OPERATING PLAN 2018/2019 - ANNUAL PROGRESS REPORT



- 2.1.1 A total of 2 Capital Projects were reported on the Operational Plan for the MAY 2019 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.2 0% of the projects were reported as having achieved a 1 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.3 0% of the projects were reported as having achieved a 2 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.4 100% of the projects were reported as having achieved a 3 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.5 0% of the projects were reported as having achieved a 4 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.6 0% of the projects were reported as having achieved a 5 on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT
- 2.1.7 0% of the projects were reported as not applicable due to not having any targets on the Operational Plan for the 2018/2019 ANNUAL PROGRESS REPORT

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |                            |                |                          |                        |                      |                                                |               |                                                   |                                                                                                                                                                                                        |                                                                                                                                                                             |                                    |                                                                                                                                                                                                                                                                |                                                                                                                                     |
|---------------------------------------------------|----------------------------|----------------|--------------------------|------------------------|----------------------|------------------------------------------------|---------------|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| ORGANISATIONAL OVERVIEW NARRATIVE                 |                            |                |                          |                        |                      |                                                |               |                                                   |                                                                                                                                                                                                        |                                                                                                                                                                             |                                    |                                                                                                                                                                                                                                                                |                                                                                                                                     |
| NO                                                | BUSINESS UNIT              | SUB UNIT       | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS TARGET NOT MET OR PARTIALLY MET | OP-REPER-ENCE | PROJECT                                           | ANNUAL TARGET                                                                                                                                                                                          | ANNUAL ACTUAL                                                                                                                                                               | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                           | CORRECTIVE MEASURE                                                                                                                  |
| 1                                                 | OFFICE OF THE CITY MANAGER | INTERNAL AUDIT | 8                        | 0                      | 8                    | 4                                              | IA02          | Implementation of the Annual Audit Plan each year | 100% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19 by the 30th of June 2019                                                                                       | 74.07% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19 by the 30th of June 2019. 20 out of 27 Audits were completed during 2018/2019 FY. | 2 (70% - 99%)                      | Adjustment of the approved audit plan took place after Mid-year 18/19 FY and could not be amended thereafter                                                                                                                                                   | Any subsequent amendment to the approved annual audit plan after mid-year is to be communicated to the Audit Committee for approval |
|                                                   |                            |                |                          |                        |                      |                                                | IA10          | Training and development of Internal Audit staff  | Training plan for Internal Audit Staff developed and submitted to HRD by the 30 June 2019                                                                                                              | HR did not send a request for training needs of Business Units                                                                                                              | 1 (69% & below)                    | HR did not send a request for training needs of Business Units                                                                                                                                                                                                 | Whilst Cost containment is an impediment the plan will be done and submitted to HR by 31 July 2019                                  |
|                                                   |                            |                |                          |                        |                      |                                                | IA11          | Whistle-Blowing Hotline                           | 4 x quarterly reports on cases reported through the whistle blowing hotline prepared and submitted to the Audit Committee within 30 working days after the end of the quarter by the 30th of June 2019 | 2 x quarterly reports on cases of reported through the whistle blowing hotline were prepared and submitted                                                                  | 1 (69% & below)                    | Upon the return of the CAE from suspension in September, he had to catch up on almost 2 and a half years of being out of office. Post of manager Forensics is vacant, activities are currently being conducted by the CAE resulting in conflicting priorities. | 1. Reports have changed from quarterly to monthly<br>2. Filing of the vacant post of Manager Forensic                               |
|                                                   |                            |                |                          |                        |                      |                                                | IA12          | Forensic Investigations                           | 4 x quarterly reports on the status of forensic investigations prepared and submitted to SMC within 30 working days after the end of the quarter by the 30th of June 2019                              | 3 quarterly reports on the status of forensic investigations were prepared and submitted                                                                                    | 2 (70% - 99%)                      | Work overload                                                                                                                                                                                                                                                  | In 2019/20 reports will be submitted as per the operation plan                                                                      |



# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |                                                              |                                                 |                          |                        |                      |                                                  |              |                                                                                                                                                          |                                                                                                                                                          |                                                                                                         |                                                                                                                                                                                                                                                                          |                                                                                                                               |                                                   |
|---------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------|--------------------------|------------------------|----------------------|--------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| ORGANISATIONAL OVERVIEW NARRATIVE                 |                                                              |                                                 |                          |                        |                      |                                                  |              |                                                                                                                                                          |                                                                                                                                                          |                                                                                                         |                                                                                                                                                                                                                                                                          |                                                                                                                               |                                                   |
| ANNUAL PROGRESS REPORT                            |                                                              |                                                 |                          |                        |                      |                                                  |              |                                                                                                                                                          |                                                                                                                                                          |                                                                                                         |                                                                                                                                                                                                                                                                          |                                                                                                                               |                                                   |
| NO                                                | BUSINESS UNIT                                                | SUB UNIT                                        | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | OP-REFERENCE | PROJECT                                                                                                                                                  | ANNUAL TARGET                                                                                                                                            | ANNUAL ACTUAL                                                                                           | ACTUAL (1,2,3,4,5 Not Applicable)                                                                                                                                                                                                                                        | REASON FOR DEVIATION                                                                                                          | CORRECTIVE MEASURE                                |
| 1                                                 | OFFICE OF THE CITY MANAGER                                   | RISK MANAGEMENT                                 | 6                        | 0                      | 6                    | 6                                                | RM04         | Risk Management Plan                                                                                                                                     | Annual Risk Management Plan produced & submitted to the RMC/SMC/Audit Committee by the 30th June 2019                                                    | Annual Risk Management Plan produced not submitted to the RMC/SMC/Audit Committee by the 30th June 2019 | 1 (69% & below)                                                                                                                                                                                                                                                          | The position of the Chief Risk Officer remains vacant despite request in October 2019                                         | Appointment of Chief Risk Officer in October 2019 |
|                                                   |                                                              | RISK MANAGEMENT                                 |                          |                        |                      |                                                  | RM05         | Risk Management Policy                                                                                                                                   | Risk Management Policy reviewed and submitted to SMC by the 30th of April 2019                                                                           | Risk Management Policy was not reviewed and submitted to SMC by the 30th of April 2019                  | 1 (69% & below)                                                                                                                                                                                                                                                          | The position of the Chief Risk Officer remains vacant despite request in October 2019                                         | Appointment of Chief Risk Officer in October 2019 |
|                                                   |                                                              | Comprehensive Risk Register of the municipality |                          |                        |                      |                                                  | IA06         | Updated risk register                                                                                                                                    | Updated risk register submitted to the RMC & SMC by the 30th of June 2019                                                                                | Updated risk register not submitted to the RMC & SMC by the 30th of June 2019                           | 1 (69% & below)                                                                                                                                                                                                                                                          | The position of the Chief Risk Officer remains vacant despite request in October 2019                                         | Appointment of Chief Risk Officer in October 2019 |
|                                                   |                                                              | Effective Risk Management Strategy              |                          |                        |                      |                                                  | IA07         | 1 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC / SMC or to the Audit Committee by the 30th of June 2019        | 0 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC / SMC or to the Audit Committee by the 30th of June 2019        | 1 (69% & below)                                                                                         | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer in October 2019                                                                             |                                                   |
|                                                   |                                                              | Effective Risk Management                       |                          |                        |                      |                                                  | IA08         | 4 x Risk Management reports produced and submitted to RMC & SMC / Audit Committee within 1 month after the end of each quarter by the 30th of April 2019 | 0 x Risk Management reports produced and submitted to RMC & SMC / Audit Committee within 1 month after the end of each quarter by the 30th of April 2019 | 1 (69% & below)                                                                                         | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer in October 2019                                                                             |                                                   |
|                                                   |                                                              | Risk Management Plan                            |                          |                        |                      |                                                  | IA09         | 0 x quarterly reports on Project's Risk/Assurance produced & submitted to the RMC & SMC by the 30th June 2019                                            | 0 x quarterly reports on Project's Risk/Assurance produced & submitted to the RMC & SMC by the 30th June 2019                                            | 1 (69% & below)                                                                                         | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer in October 2019                                                                             |                                                   |
|                                                   | STRATEGIC PLANNING (INTEGRATED DEVELOPMENT PLAN)             | IDP representatives forum                       | 9                        | 0                      | 9                    | 2                                                | IDP04        | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                               | 1 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                               | 1 (69% & below)                                                                                         | Meeting postponed, chairperson not available                                                                                                                                                                                                                             | Chairperson to nominate Rep and ACM to sign invites to the GM's Through his Office                                            |                                                   |
|                                                   | COMMUNICATIONS & IGR                                         | IDP/Mayoral Roadshows                           | 11                       | 0                      | 11                   | 2                                                | IDP07        | 6 x IDP/Mayoral Roadshows facilitated by the 30th April 2019                                                                                             | 5 x IDP/Mayoral Roadshows facilitated by the 30th April 2019                                                                                             | 2 (70% - 99%)                                                                                           | One Meeting was postponed due to none availability of committee members                                                                                                                                                                                                  | Meeting postponed, members transported to the Zonal Izimbizo                                                                  |                                                   |
|                                                   |                                                              | External newsletter                             |                          |                        |                      |                                                  | MKT 04       | 12 x Monthly/Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                           | 8 x monthly/Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                            | 1 (69% & below)                                                                                         | Due to payment delays of the service provider and discrepancies on the appointment letter                                                                                                                                                                                | The corrective measure is not applicable due to the external newsletter being a monthly publication                           |                                                   |
|                                                   |                                                              | Implementation of Batho Pele Principles         |                          |                        |                      |                                                  | MKT 09       | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval by the 31st of August 2018                                        | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval by the 31st of October 2018                                       | 2 (70% - 99%)                                                                                           | Poor planning in respect of setting of targets                                                                                                                                                                                                                           | Business unit to plan targets based on the available resources                                                                |                                                   |
|                                                   | OPERATIONAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT | Level 3 Performance Agreements                  | 13                       | 0                      | 13                   | 2                                                | PMS 10       | All Performance agreements for Managers up to level 3 signed by the 31st of July 2018                                                                    | 23 out of 27 Performance agreements for Managers up to level 3 signed by the 31st of July 2018                                                           | 2 (70% - 99%)                                                                                           | GM Corporate Services raised a query in respect of the signing of the performance agreement as at the beginning of the FY, units were not reporting to her and therefore she could not be accountable. She requested a meeting takes place with the CM to finalise same. | To ensure that the CM has this discussion and presents same from happening in the 19/20 FY                                    |                                                   |
|                                                   |                                                              | S57 performance agreements                      |                          |                        |                      |                                                  | PMS 11       | 6 x signed performance agreements for Managers by the 6th of July 2018                                                                                   | 5 x signed performance agreements for Managers by the 6th of July 2018                                                                                   | 2 (70% - 99%)                                                                                           | GM Corporate Services raised a query in respect of the signing of the performance agreement as at the beginning of the FY, units were not reporting to her and therefore she could not be accountable. She requested a meeting takes place with the CM to finalise same. | To ensure that the CM has this discussion and prevents same from happening in the 19/20 FY                                    |                                                   |
|                                                   | POLITICAL SUPPORT (MPAC OFFICE)                              | Oversight Report                                | 5                        | 0                      | 5                    | 1                                                | MPAC 04      | 6 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                                                 | 3 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                                                 | 1 (69% & below)                                                                                         | 1. April: No meeting set to effect a report being produced. 2. May: No meeting set because there were no agenda items were provided to enable a meeting to sit and a report developed for council.                                                                       | Requesting a continuous flow of reports to committee and on time from other council committees and business units through ACM |                                                   |
| 2                                                 | BUDGET-TREASURY UNIT                                         | TOTAL                                           | 52                       | 0                      | 52                   | 17                                               | N/A          | N/A                                                                                                                                                      | N/A                                                                                                                                                      | N/A                                                                                                     | NOT APPLICABLE                                                                                                                                                                                                                                                           | N/A                                                                                                                           | N/A                                               |
|                                                   |                                                              | BUDGET                                          | 11                       | 0                      | 11                   | 0                                                | N/A          | N/A                                                                                                                                                      | N/A                                                                                                                                                      | N/A                                                                                                     | 2 (70% - 99%)                                                                                                                                                                                                                                                            | Reviewed manuals were submitted late                                                                                          | To obtain SMC resolution                          |
|                                                   |                                                              | PLANNING, IMPLEMENTATION & MONITORING           | 3                        | 0                      | 3                    | 1                                                | EXP 03       | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 31st of March 2019                                                 | Procedure manuals reviewed however not submitted timeously                                                                                               | 2 (70% - 99%)                                                                                           | The collection rate should be higher than 59% for the Month of June which would have resulted in an overall collection rate of 90% at year end. This is being investigated.                                                                                              | Water restriction must be fully implemented and replace all Municipal Flats with prepaid electricity meters                   |                                                   |
|                                                   |                                                              | REVENUE MANAGEMENT                              | 9                        | 0                      | 9                    | 4                                                | REV 03       | 90% Monthly collection rate of current debt by the 30th of June 2019                                                                                     | 87% Monthly collection rate of current debt by the 30th of June 2019                                                                                     | 2 (70% - 99%)                                                                                           | Customers are not paying as expected and also the unbillable accounts which amounts to R40M also contribute to the low collection rate. None restriction of water in Imbali area and unpaid accounts for Vullindela.                                                     | Water restriction must be fully implemented and replace all Municipal Flats with prepaid electricity meters.                  |                                                   |
|                                                   |                                                              | DEBT COLLECTION                                 |                          |                        |                      |                                                  | REV 04       | 10% Monthly collection rate of current debt by the 30th of June 2019                                                                                     | 0% Monthly collection rate of current debt by the 30th of June 2019                                                                                      | 1 (69% & below)                                                                                         |                                                                                                                                                                                                                                                                          |                                                                                                                               |                                                   |

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |                          |                                                                                                     |                           |                         |                       |                                                   |              |                                                                         |                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                     |                                    |                                                                                                                                                                                                                                                                                     |                                                                                                                                                                              |
|---------------------------------------------------|--------------------------|-----------------------------------------------------------------------------------------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|--------------|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ORGANISATIONAL OVERVIEW NARRATIVE                 |                          |                                                                                                     |                           |                         |                       |                                                   |              |                                                                         |                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                     |                                    |                                                                                                                                                                                                                                                                                     |                                                                                                                                                                              |
| ANNUAL PROGRESS REPORT                            |                          |                                                                                                     |                           |                         |                       |                                                   |              |                                                                         |                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                     |                                    |                                                                                                                                                                                                                                                                                     |                                                                                                                                                                              |
| NO                                                | BUSINESS UNIT            | SUB UNIT                                                                                            | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | PROJECT                                                                 | ANNUAL TARGET                                                                                                                                                                                                                                              | ANNUAL ACTUAL                                                                                                                                                                                                                                                                                                       | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                                | CORRECTIVE MEASURE                                                                                                                                                           |
| 2                                                 | BUDGET & TREASURY UNIT   | REVENUE MANAGEMENT                                                                                  |                           |                         |                       |                                                   | REV 05       | Accurate Billing                                                        | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2019                                                                                                                                                                   | 70% of all electricity and water meters read on a monthly basis by the 30th of June 2019                                                                                                                                                                                                                            | 2 (70% - 99%)                      | Changing of readings and system implementation on captured meters also causes the estimation of meters to increase. Slow pace of replacing of faulty meters. Validation staff estimating meters without the code/reasons for estimating)                                            | SAP requires some further developments Faulty meters must also be replaced.                                                                                                  |
|                                                   |                          | SUPPLY CHAIN MANAGEMENT                                                                             | 6                         | 0                       | 6                     | 1                                                 | SCM 02       | Procurement plan submission                                             | 12 x monthly rental stock reports submitted to SMC by the 30th of June 2019                                                                                                                                                                                | 0 x monthly rental stock reports submitted to SMC by the 30th of June 2019                                                                                                                                                                                                                                          | 1 (69% & below)                    | Procurement plan circulated to Business unit, there are delays in terms of response                                                                                                                                                                                                 | The unit considers all resources within the unit prior to setting targets                                                                                                    |
|                                                   |                          | ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE) | 13                        | 0                       | 13                    | 1                                                 | A & LMT12    | Branding of Council vehicles and plant                                  | 100 x Council vehicles and plant to be branded by the end of June 2019                                                                                                                                                                                     | 27 x Council vehicles and plant branded by the end of June 2019                                                                                                                                                                                                                                                     | 1 (69% & below)                    | Contract for Branding expired                                                                                                                                                                                                                                                       | Visits will be conducted to fast track the process                                                                                                                           |
|                                                   |                          | FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT                                                         | 1                         | 0                       | 1                     | 0                                                 | N/A          | N/A                                                                     | N/A                                                                                                                                                                                                                                                        | N/A                                                                                                                                                                                                                                                                                                                 | NOT APPLICABLE                     | N/A                                                                                                                                                                                                                                                                                 | New tender processes in place, in the interim quotes will be requested                                                                                                       |
|                                                   |                          | TOTAL                                                                                               | 2                         | 0                       | 2                     | 0                                                 | N/A          | N/A                                                                     | N/A                                                                                                                                                                                                                                                        | N/A                                                                                                                                                                                                                                                                                                                 | NOT APPLICABLE                     | N/A                                                                                                                                                                                                                                                                                 |                                                                                                                                                                              |
| 3                                                 | INFRA-STRUCTURE SERVICES | PROJECT MANAGEMENT OFFICE                                                                           | 45                        | 0                       | 45                    | 7                                                 | PMO 01       | Monthly programme / project monitoring reports for MIG/OGF/CNL Budget   | 12 x Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to General Manager: Infrastructure Services by the 30th of June 2019                                                                                         | 11 x Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to General Manager: Infrastructure Services by the 30th of June 2019                                                                                                                                                  | 2 (70% - 99%)                      | Poor planning, unrealistic target                                                                                                                                                                                                                                                   | Business unit to ensure that all reports are compiled and submitted as per the approved target                                                                               |
|                                                   |                          |                                                                                                     | 6                         | 0                       | 6                     | 4                                                 | PMO 03       | Administration of payment process and ongoing monitoring                | 100% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO by the 30th of June 2019                                                                                                                   | 31.17% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO by the 30th of June 2019                                                                                                                                                                          | 1 (69% & below)                    | Poor planning, unrealistic target                                                                                                                                                                                                                                                   | Business unit to ensure that all reports are compiled and submitted as per the approved target                                                                               |
|                                                   |                          |                                                                                                     |                           |                         |                       |                                                   | PMO 04       | Support and reporting to MIG (Provincial) and reporting to OGF/CNL EPWP | 12 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 10th of every month by the 30th of June 2019                                                                                                       | 9 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 10th of every month by the 30th of June 2019                                                                                                                                                                 | 2 (70% - 99%)                      | Poor planning, unrealistic target                                                                                                                                                                                                                                                   | Business unit to ensure that all reports are compiled and submitted as per the approved target                                                                               |
|                                                   |                          |                                                                                                     |                           |                         |                       |                                                   | PMO 06       | EPWP programme / project monitoring reports for COGTA                   | 12 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 10th of every month to COGTA by the 30th of June 2019                                                                                                                           | 7 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 10th of every month to COGTA by the 30th of June 2019                                                                                                                                                                                     | 1 (69% & below)                    | Poor planning, unrealistic target                                                                                                                                                                                                                                                   | Business unit to ensure that all reports are compiled and submitted as per the approved target                                                                               |
| 4                                                 | CORPORATE SERVICES       | LEGAL SERVICES                                                                                      | 6                         | 0                       | 6                     | 4                                                 | LGL01        | BYLAWS REVIEW                                                           | 4x SPECIFIED BYLAWS SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Street Trading and Spatial Planning and Land Use Management Bylaws) by the 30th of June 2019                   | Not all 4x SPECIFIED BYLAWS WERE SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, report has been considered and approved for public comment by the Sinc Portfolio, Debt Collection and Credit Control. Bylaw report has been considered and approved by SMC for public comment. | 1 (69% & below)                    | Street Trading: These bylaws will have to be based on any relevant changes to the Informal Trading Policy, user department still to do policy (target not met) Committee, Spunna. Consultation has taken place with town Planning, still requires more attention, (target not met). | Upon the approval of the approved policy Legal to develop bylaws                                                                                                             |
|                                                   |                          |                                                                                                     | 7                         | 0                       | 7                     | 3                                                 | LGL03        | LEGAL REPRESENTATION                                                    | 100% legal briefs dealt with by Legal Services within 10 working days of request and receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019 | 100% legal briefs not dealt with by Legal Services within 10 working days of request and receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019.                                                     | 2 (70% - 99%)                      | 1. Staffing constraints due to vacancies in unit. 2. All briefs could not be attended to in time due to other urgent priorities. 3. Legal services is not at an optimal level.                                                                                                      | Dependency: Staff Constraints                                                                                                                                                |
|                                                   |                          |                                                                                                     |                           |                         |                       |                                                   | LGL04        | LEGAL REPRESENTATION                                                    | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019                                               | 100% of all Contracts requiring Legal drafting and/or inputs not dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019                                                                                                    | 2 (70% - 99%)                      | 1. Staffing constraints due to vacancies in unit. 2. All briefs could not be attended to in time due to other urgent priorities. 3. Legal services is not at an optimal level.                                                                                                      | Dependency: Staff Constraints                                                                                                                                                |
|                                                   |                          | SOUND GOVERNANCE & AUXILIARY SERVICES                                                               | 4                         | 0                       | 4                     | 2                                                 | SAS 02       | Making public Council and Committee                                     | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2019                                                                                                              | 43 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2019                                                                                                                                                                       | 2 (70% - 99%)                      | The Manager: Secretariat was off sick and there was no acting appointment during this time, the schedules where not completed and published                                                                                                                                         | In the event the Manager: Secretariat is off sick, council must take all reasonable steps to ensure someone is appointed to ensure the schedules are completed and published |

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |                                                                |                                                                           |                           |                         |                       |                                                   |              |                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                   |                                                                                                         |                                                                                                                                            |                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
|---------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|--------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ORGANISATIONAL OVERVIEW NARRATIVE                 |                                                                |                                                                           |                           |                         |                       |                                                   |              |                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                   |                                                                                                         |                                                                                                                                            |                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
| ANNUAL PROGRESS REPORT                            |                                                                |                                                                           |                           |                         |                       |                                                   |              |                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                   |                                                                                                         |                                                                                                                                            |                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
| NO                                                | BUSINESS UNIT                                                  | SUB UNIT                                                                  | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP-REFERENCE | PROJECT                                                                                  | ANNUAL TARGET                                                                                                                                                                 | ANNUAL ACTUAL                                                                                                                                                                     | ACTUAL (1,2,3,4,5 Not Applicable)                                                                       | REASON FOR DEVIATION                                                                                                                       | CORRECTIVE MEASURE                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
| 4                                                 | CORPORATE SERVICES                                             | INFORMATION COMMUNICATION TECHNOLOGY                                      |                           |                         |                       |                                                   | SAS 03       | Making public Council and Committee                                                      | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2019                | 11 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2019                    | 2 (70% - 99%)                                                                                           | The Manager: Secretariat was off sick and there was no acting appointment during this time, the schedules were not completed and published | In the event the Manager: Secretariat is off sick, council must take all reasonable steps to ensure someone is appointed to ensure the schedules are completed and published                               |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
|                                                   |                                                                |                                                                           |                           |                         | 4                     | 0                                                 | 4            | 2                                                                                        | ICT04                                                                                                                                                                         | Multi-Function Printer Deployment                                                                                                                                                 | 150 x Multi functional Printers (MFPs) deployed and operational by the 30th of June 2019                | 114 x Multi functional Printers (MFPs) deployed and operational by the 30th of June 2019                                                   | 2 (70% - 99%)                                                                                                                                                                                              | Service Provider not having funding approved to procure the remaining printers. Secondly the Business Unit(s) did not provide the MFP funding available on time. The rolled out of the MFP's done except for the outstanding color printers due to the Service Provider not having funding approved to procure the printers as yet and secondly due to internal BU's not made the MFP funding available on time. | To engage the Samsung to Fast track the funding application with Ithala. Msunduzi to sign off the ceeding letter to Ithala Bank Corp the soonest.                             |
|                                                   |                                                                |                                                                           |                           |                         |                       |                                                   |              | ICT08                                                                                    | Msunduzi Website Improvement & Development                                                                                                                                    | Msunduzi Website updated (Online Payment system) and Fully functional by the 30 June 2019                                                                                         | The Msunduzi Website not updated with Online Payment system                                             | 1 (69% & below)                                                                                                                            | The Msunduzi Website was not updated with Online Payment system due to funding not available and also due to not having SAP consultants to undertake this project as the EOH contract has been terminated. | Fast track the development of the Online Payment system                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                               |
|                                                   |                                                                |                                                                           |                           |                         | 9                     | 0                                                 | 9            | 4                                                                                        | HR 01                                                                                                                                                                         | Coordination of Drafting & Approval of Organisational Workplace Skills Plan                                                                                                       | 1 x Report on the Workplace Skills Plan 18/19, prepared and submitted to SMC by the 30th of April 2019. | A report dated 12 July 2019 has been drafted and submitted to the SMC.                                                                     | 1 (69% & below)                                                                                                                                                                                            | The SD Unit was busy with the development of the 2019/2020 WSP for submission to the LGSETA.                                                                                                                                                                                                                                                                                                                     | Draft and submit report to SMC                                                                                                                                                |
|                                                   |                                                                |                                                                           |                           |                         |                       |                                                   |              |                                                                                          | HR 02                                                                                                                                                                         | Implementation of Workplace Skills Plan 18/19 - Employees per BU                                                                                                                  | 848 employees trained according to the approved 18/19 FY Workplace Skills Plan by the 30th of June 2019 | 361 employees were trained according to the approved 18/19 FY Workplace Skills Plan                                                        | 1 (69% & below)                                                                                                                                                                                            | Delay in appointing training providers due to the funding issues related to cost containment.                                                                                                                                                                                                                                                                                                                    | Not in SD Units control                                                                                                                                                       |
|                                                   |                                                                |                                                                           |                           |                         |                       |                                                   |              |                                                                                          | HR 04                                                                                                                                                                         | Awarding of external bursaries                                                                                                                                                    | 12 x External bursaries awarded by the 30th of June 2019                                                | 0 external Bursaries Awarded.                                                                                                              | 1 (69% & below)                                                                                                                                                                                            | Students did not meet the criteria for the bursaries and some students did not meet the educational institutions requirements.                                                                                                                                                                                                                                                                                   | Review the bursary advert to ensure that students accepted at Educational Institutions apply as some applicants did not even know about the discipline that they applied for. |
|                                                   |                                                                |                                                                           |                           |                         |                       |                                                   |              |                                                                                          | HR 07                                                                                                                                                                         | Implementation of RPL Programme                                                                                                                                                   | 25 x Recognition of Prior Learning Assessments implemented by the 30th of June 2019                     | 0 x Recognition of Prior Learning Assessments Implemented by the 30th of June 2019                                                         | 1 (69% & below)                                                                                                                                                                                            | Delays in terms of finalising the MoU and obtaining assessment approval processes. Awaiting DUT's RPL assessments outcomes.                                                                                                                                                                                                                                                                                      | Follow up with DUT.                                                                                                                                                           |
| 5                                                 | SUSTAINABLE DEVELOPMENT & OTHER ENTERPRISES OVERVIEW NARRATIVE | TOTAL DEVELOPMENT SERVICES, BUSINESS, DEVELOPMENT & ECONOMIC DEVELOPMENT) | 24                        | 0                       | 24                    | 11                                                | DS 9         | Development Facilitation Meetings                                                        | 4 x Quarterly Development Facilitation meetings conducted by the 30th of June 2019                                                                                            | 2 x Development Facilitation Committees (DFC) Meeting conducted. The latest one held on 14 June 2019. SMC report dated 21 June 2019 on DFC meetings facilitated during 2018/2019. | 1 (69% & below)                                                                                         | Poor planning in respect of setting of targets                                                                                             | Business unit to ensure that all meetings are accounted for as per the approved target                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
|                                                   |                                                                |                                                                           | 20                        | 0                       | 20                    | 8                                                 | DS 18        | Ederdale Town Centre: technical Assistance on SPLUMA Planning                            | 1 x Report prepared and submitted to SMC on the Progress made in support of the SPLUMA and Land Development Application for the Ederdale Town Centre by the 30th of June 2019 | 1 x Report prepared and submitted to SMC on the Progress made in support of the SPLUMA and Land Development Application for the Ederdale Town Centre by the 30th of June 2019     | 1 (69% & below)                                                                                         | Poor planning in respect of setting of targets                                                                                             | Business unit to ensure that all reports are compiled and submitted as per the approved target                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
|                                                   |                                                                |                                                                           |                           |                         |                       |                                                   | DS 19        | Ederdale Town Centre Management Plan                                                     | Report prepared and submitted to the Department of Environmental Affairs by the 30th of June 2019                                                                             | Report is currently being finalised and will be submitted once the SPLUMA layout and land acquisition process has been finalised.                                                 | 1 (69% & below)                                                                                         | Addressing DOT comments and expropriation process being undertaken.                                                                        | To finalise SPLUMA layout and expropriation process.                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
|                                                   |                                                                |                                                                           |                           |                         |                       |                                                   | DS 20        | Ederdale Town Centre: Technical Assistance on Environmental Compliance [WULA submission] | Water User License Application prepared & submitted to the relevant Water Authority for the Ederdale Town Centre by the 30th of June 2019                                     | Report is currently being finalised and will be submitted once the SPLUMA layout and land acquisition has been finalised.                                                         | 1 (69% & below)                                                                                         | Addressing DOT comments and expropriation process being undertaken.                                                                        | To finalise SPLUMA layout and expropriation process.                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
|                                                   |                                                                |                                                                           |                           |                         |                       |                                                   | DS 25        | Ederdale Town Centre: Civic Zone                                                         | Submission of Civic Zone ToRs to SCM for the appointment of Engineering Consultants by 30th June 2019                                                                         | Civic zone ToRs prepared for the appointment of Engineering Consultants but not submitted to SCM.                                                                                 | 1 (69% & below)                                                                                         | National Treasury through a letter received in Feb 2019 requested that detailed feasibility studies be undertaken first.                   | ToRs for the appointment of Consultant to do feasibility studies have been submitted to SCM. Engineering work will only commence once the feasibility studies have been concluded.                         |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
|                                                   |                                                                |                                                                           |                           |                         |                       |                                                   | DS 27        | Informal Economy Policy                                                                  | Final Draft situational Analysis for the Informal Economy Policy prepared and submitted to SMC for Approval 30th of June 2019                                                 | Final Draft situational Analysis for the Informal Economy Policy was not submitted to SMC for Approval.                                                                           | 1 (69% & below)                                                                                         | The procurement process took longer. The appointment was only finalised in June 2019.                                                      | The inception meeting will be held in July 2019 and all policy formulation processes will follow.                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                               |

OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR  
ORGANISATIONAL OVERVIEW NARRATIVE

| NO | BUSINESS UNIT                                                 | SUB UNIT                                                                      | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFER-ENCE | PROJECT                                                                                                              | ANNUAL TARGET                                                                                                                                                                                                            | ANNUAL ACTUAL                                                                                                         | ACTUAL (1,2,3,4,5, Not Applicable)                                                                  | REASON FOR DEVIATION                                                                                                                                                                        | CORRECTIVE MEASURE                                                                                                                                     |                                                                                                  |
|----|---------------------------------------------------------------|-------------------------------------------------------------------------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
|    |                                                               |                                                                               |                           |                         |                       |                                                   |               |                                                                                                                      |                                                                                                                                                                                                                          |                                                                                                                       |                                                                                                     |                                                                                                                                                                                             |                                                                                                                                                        |                                                                                                  |
| 5  | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) | 9                         | 0                       | 9                     | 1                                                 | DS 30         | Business license applications received and processed                                                                 | Average of 11 days taken to process Business License applications after date of receipt by the 30th of June 2019                                                                                                         | Average of 11 days taken to process Business License Applications after date of receipt by the 30th June 2019 not met | 2 (70% - 99%)                                                                                       | Business unit not able to confirm date received vs date approved                                                                                                                            | Sub-unit to develop a reporting template that shows date of application and date of approval                                                           |                                                                                                  |
|    |                                                               |                                                                               | 9                         | 0                       | 9                     | 1                                                 | DS 31         | Enforcement of Business Regulations                                                                                  | 520 formal Businesses to be inspected for valid Business Licenses by 30th of June 2019                                                                                                                                   | 347 Formal Businesses were inspected for valid business Licenses by 30th of June 2019                                 | 1 (69% & below)                                                                                     | Business unit not able to confirm number of businesses inspected                                                                                                                            | Sub-unit to develop a reporting template that shows date of business inspection and date approval                                                      |                                                                                                  |
|    |                                                               |                                                                               | 9                         | 0                       | 9                     | 1                                                 | TP & EM 10    | Review of the adopted Msunduzi Environmental Management Framework (EMF) and migration to ARC-10                      | Final refined biodiversity dataset, Final EMF report, public consultation, migration to Arc10 and ACP, public consultation and submission of final revised EMF adoption report submitted to SMC by the 30th of June 2019 | All spatial layers complete except for the biodiversity layer. BAC approved contract extension for 6 months           | 2 (70% - 99%)                                                                                       | Awaiting biodiversity layer from the provincial authority who is undertaking this pro bono                                                                                                  | Contact provincial conservation authority                                                                                                              |                                                                                                  |
|    |                                                               |                                                                               | 6                         | 0                       | 6                     | 2                                                 | BC & LIC 04   | Improve processes for Strategic Applications for all Bilboard or Ground Sign Applications on Council owned property. | 95% of all Bilboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2019                                            | 0% of applications processed by 30th June 2019                                                                        | 1 (69% & below)                                                                                     | The original report for the appointment of a Management company for Bilboards was rejected by BAC                                                                                           | BAC requested the report to be amended for an Audit of all Bilboards by a service provider.                                                            |                                                                                                  |
|    |                                                               |                                                                               | 17                        | 2                       | 19                    | 0                                                 | N/A           | N/A                                                                                                                  | Regulate problem buildings in terms of the Problem Building By-laws and other applicable legislation                                                                                                                     | 2 x Bi-annual reports on the problem buildings in the CBD submitted to SMC by the 30th of June 2019                   | 1 x Bi-annual reports on the problem buildings in the CBD submitted to SMC by the 30th of June 2019 | 1 (69% & below)                                                                                                                                                                             | Relevant department comments were not provided in the report. Waiting comments from departments                                                        | A report is being prepared on progress made on the Problem Buildings to be submitted to SMC.     |
|    |                                                               |                                                                               | 6                         | 0                       | 6                     | 4                                                 | TP & EM 18    | Strategic (Commercial/Industrial) Land Release                                                                       | 100% disposal of 3 Strategic Sites for investment/economic value by 30th of June 2019                                                                                                                                    | We have not 100% disposed off the Strategic sites for investment by 30 June 2019                                      | 1 (69% & below)                                                                                     | BSC report was first submitted 11 June 2018 and have made numerous amendments as per all BSC resolutions, however, there is still no BSC decision                                           | LMO has met with internal legal and external legal firm. The Specification are yet to be confirmed and the target BSC Meeting is on the 30th July 2019 |                                                                                                  |
|    |                                                               |                                                                               | 6                         | 0                       | 6                     | 4                                                 | TP & EM 19    | Release of Residential Vacant Land                                                                                   | 80% disposal process of 50 Residential Sites for Human Settlements completed by the 30th of June 2019                                                                                                                    | The MADC has finally approved the report by 30th May 2019. We have advertised by 30th June 2019                       | 1 (69% & below)                                                                                     | A report to request for the disposal of the Residential sites was first submitted 05 December 2018 due to MADC not meeting quorum, pending legal comments and changes enquire on the report | The report is still required to go to SMC, Portfolio Committee, EXCO, Full Council, BSC, BEC and BAC                                                   |                                                                                                  |
|    |                                                               |                                                                               | 4                         | 0                       | 4                     | 0                                                 | N/A           | N/A                                                                                                                  | Immovable Land Disposal and Acquisition Policy Review and Development completed by the 30th of June 2019                                                                                                                 | 100% Draft reviewed Immovable Land Disposal Policy by 30th June 2019                                                  | 100% Draft reviewed Immovable Land Disposal Policy by 30th June 2019                                | 1 (69% & below)                                                                                                                                                                             | Lack of Human Resource (No staff at all). The 6 Contracts staff's contract was terminated in February 2019                                             | The Draft Policy must be advertised for public comments, amending and report to Council to adopt |
|    |                                                               |                                                                               | 4                         | 0                       | 4                     | 0                                                 | N/A           | N/A                                                                                                                  | Land Invasion Policy Review and Implementation of Anti-land Invasion Strategy                                                                                                                                            | 100% Land Invasion Policy review and implementation of Anti-land Invasion Strategy completed by the 30th of June 2019 | 100% Draft reviewed Anti-land Invasion Policy by 30th June 2019                                     | 1 (69% & below)                                                                                                                                                                             | Lack of Human Resource (No staff at all). The 6 Contracts staff's contract was terminated in February 2019                                             | The Draft Policy must be advertised for public comments, amending and report to Council to adopt |
|    |                                                               |                                                                               | 66                        | 2                       | 68                    | 15                                                | TOTAL         | TOTAL                                                                                                                |                                                                                                                                                                                                                          |                                                                                                                       |                                                                                                     |                                                                                                                                                                                             |                                                                                                                                                        |                                                                                                  |

## ANNEXURE B

### OPERATIONAL PLAN 2018/2019 FY - ANNUAL PROGRESS REPORT - OFFICE OF THE CITY MANAGER

#### OFFICE OF THE CITY MANAGER OVERVIEW

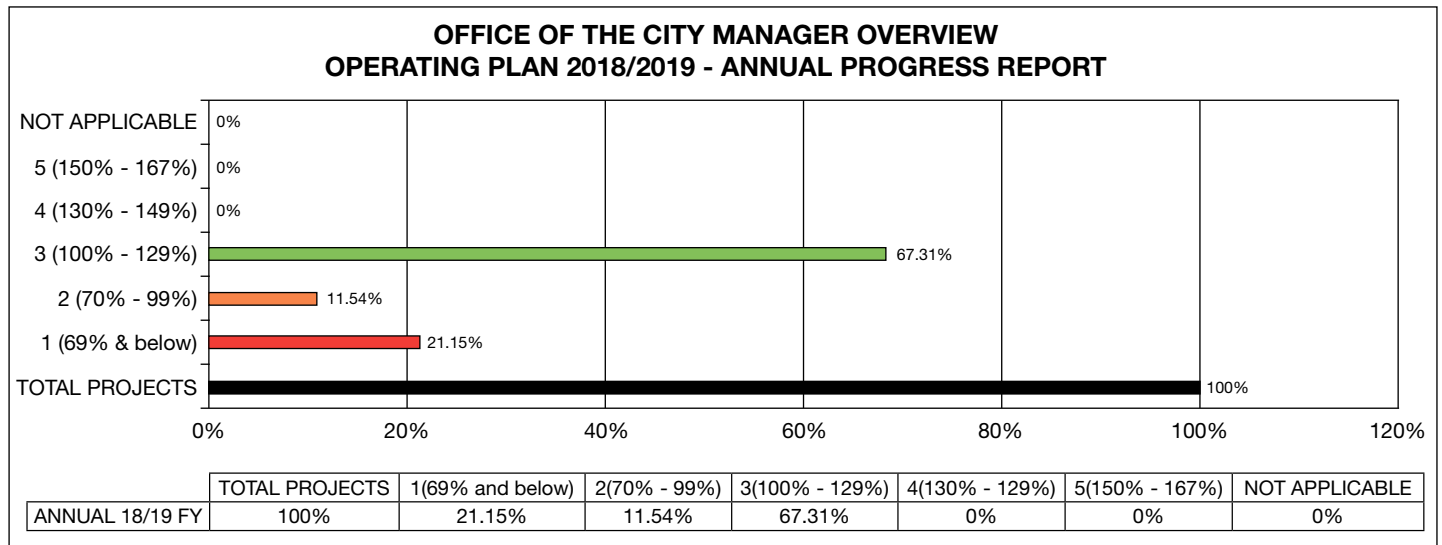
#### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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 OFFICE OF THE CITY MANAGER OVERVIEW

|       |                    |    |
|-------|--------------------|----|
| 1.1   | TOTAL PROJECTS:    | 52 |
| 1.1.1 | OPERATING PROJECTS | 52 |
| 1.1.2 | CAPITAL PROJECTS   | 0  |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR   |                                                                 |                |                           |                         |                       |                                                   |              |                                                  |                                                                                                                                                                                                        |                                                                                                                                                                             |                                    |                                                                                                                                                                                                                                                                          |                                                                                                                                     |
|-----------------------------------------------------|-----------------------------------------------------------------|----------------|---------------------------|-------------------------|-----------------------|---------------------------------------------------|--------------|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| OFFICE OF THE CITY MANAGER OVERVIEW NARRATIVE       |                                                                 |                |                           |                         |                       |                                                   |              |                                                  |                                                                                                                                                                                                        |                                                                                                                                                                             |                                    |                                                                                                                                                                                                                                                                          |                                                                                                                                     |
| OPERATIONAL PLAN 2018/2019 - ANNUAL PROGRESS REPORT |                                                                 |                |                           |                         |                       |                                                   |              |                                                  |                                                                                                                                                                                                        |                                                                                                                                                                             |                                    |                                                                                                                                                                                                                                                                          |                                                                                                                                     |
| NO                                                  | BUSINESS UNIT                                                   | SUB UNIT       | NUMBER OF OPERATING KPI'S | NUMBER OF CAPITAL KPI'S | TOTAL NUMBER OF KPI'S | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | PROJECT                                          | ANNUAL TARGET                                                                                                                                                                                          | ANNUAL ACTUAL                                                                                                                                                               | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                                     | CORRECTIVE MEASURE                                                                                                                  |
| 1                                                   | OFFICE OF THE CITY MANAGER                                      | INTERNAL AUDIT | 8                         | 0                       | 8                     | 4                                                 | IA02         | Implementation of Annual Audit Plan each year    | 100% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19 by the 30th of June 2019                                                                                       | 74.07% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19 by the 30th of June 2019. 20 out of 27 Audits were completed during 2018/2019 FY. | 2 (70% - 99%)                      | Adjustment of the approved audit plan took place after Mid-Year 18/19 and could not be amended thereafter                                                                                                                                                                | Any subsequent amendment to the approved annual audit plan after mid-year is to be communicated to the Audit Committee for approval |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | IA10         | Training and development of Internal Audit staff | Training plan for Internal Audit Staff developed and submitted to HRD by the 30 June 2019                                                                                                              | Training plan for Internal Audit Staff not developed and submitted to HRD by the 30 June 2019                                                                               | 1 (69% & below)                    | HR did not send a request for training needs of Business Units                                                                                                                                                                                                           | Whilst Cost containment is an impediment the plan will be done and submitted to HR by 31 July 2019                                  |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | IA11         | Whistle-Blowing Hotline                          | 4 x quarterly reports on cases reported through the Whistle blowing hotline prepared and submitted to the Audit Committee within 30 working days after the end of the quarter by the 30th of June 2019 | 2 x quarterly reports on cases of reported through the Whistle blowing hotline were prepared and submitted                                                                  | 1 (69% & below)                    | Upon the return of the CAE from suspension in September, he had to catch up on almost 2 and a half years of being out of office. Post of manager Forensics is vacant, activities are currently being conducted by the CAE resulting in conflicting priorities.           | 1. Reports have changed from quarterly to monthly. Filing of the vacant post of Manager Forensic                                    |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | IA12         | Forensic Investigations                          | 4 x quarterly reports on the status of forensic investigations prepared and submitted to SMC within 30 working days after the end of the quarter by the 30th of June 2019                              | 3 quarterly reports on the status of forensic investigations were prepared and submitted                                                                                    | 2 (70% - 99%)                      | Work overload                                                                                                                                                                                                                                                            | In 2019/20 reports will be submitted as per the operation plan                                                                      |
|                                                     | RISK MANAGEMENT                                                 |                | 6                         | 0                       | 6                     | 6                                                 | RM04         | Risk Management Plan                             | Annual Risk Management Plan produced & submitted to the RMC/SMC/Audit Committee by the 30th June 2019                                                                                                  | Annual Risk Management Plan produced not submitted to the RMC/SMC/Audit Committee by the 30th June 2019                                                                     | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | RM05         | Risk Management Policy                           | Risk Management Policy reviewed and submitted to SMC by the 30th of April 2019                                                                                                                         | Risk Management Policy was not reviewed and submitted to SMC by the 30th of April 2019                                                                                      | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | IA06         | Comprehensive Risk Register of the Municipality  | Updated risk register submitted to the RMC & SMC by the 30th of June 2019                                                                                                                              | Updated risk register not submitted to the RMC & SMC by the 30th of June 2019                                                                                               | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | IA07         | Effective Risk Management Strategy               | 1 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC/SMC or to the Audit Committee by the 30th of June 2019                                                        | 0 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC/SMC or to the Audit Committee by the 30th of June 2019                             | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | IA08         | Effective Risk Management                        | 4 x Risk Management reports produced and submitted to RMC & SMC / Audit Committee within 1 month after the end of each quarter by the 30th of April 2019                                               | 0 x Risk Management reports produced and submitted to RMC & SMC / Audit Committee within 1 month after the end of each quarter by the 30th of April 2019                    | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | IA09         | Risk Management Plan                             | 4 x quarterly reports on Project's Risk/Assurance produced & submitted to the RMC & SMC by the 30th June 2019                                                                                          | 0 x quarterly reports on Project's Risk/Assurance produced & submitted to the RMC & SMC by the 30th June 2019                                                               | 1 (69% & below)                    | The position of the Chief Risk Officer remains vacant despite request in October 2019                                                                                                                                                                                    | Appointment of Chief Risk Officer                                                                                                   |
|                                                     | STRATEGIC PLANNING (INTEGRATED DEVELOPMENT PLAN)                |                | 9                         | 0                       | 9                     | 2                                                 | IDP04        | IDP representatives forum                        | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                                                                             | 1 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                                                  | 1 (69% & below)                    | Meeting postponed chairperson not available                                                                                                                                                                                                                              | Chairperson to nominate Rep and ACM to sign invites to the GM's Through his Office                                                  |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | IDP07        | IDP/Mayoral Roadshows                            | 6 x IDP/Mayoral Roadshows facilitated by the 30th April 2019                                                                                                                                           | 5 x IDP/Mayoral Roadshows facilitated by the 30th April 2019                                                                                                                | 2 (70% - 99%)                      | One Meeting was postponed due to none availability of committee members                                                                                                                                                                                                  | Meeting postponed/members transported to the Zonal Izimbizo                                                                         |
|                                                     | COMMUNICATIONS & IGR                                            |                | 11                        | 0                       | 11                    | 2                                                 | MKT 04       | External newsletters                             | 12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                                                                         | 8 x monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                                               | 1 (69% & below)                    | Due to payment delays of the service provider and discrepancies on the appointment letter                                                                                                                                                                                | The corrective measure is not applicable due to the external newsletter being a monthly publication                                 |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | MKT 09       | Implementation of Batho Pele Principles          | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval by the 31st of August 2018                                                                                      | 1 x Report on the reviewed Monitoring tool developed and submitted to SMC for approval by the 31st of August 2018                                                           | 2 (70% - 99%)                      | Poor planning in respect of setting of targets                                                                                                                                                                                                                           | Business unit to plan targets based on the available resources                                                                      |
|                                                     | ORGANISATIONAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT |                | 13                        | 0                       | 13                    | 2                                                 | PMS 10       | Performance Agreements                           | All Performance agreements for Managers up to level 3 signed by the 31st of July 2018                                                                                                                  | 23 out of 27 Performance agreements for Managers up to level 3 signed by the 31st of July 2018                                                                              | 2 (70% - 99%)                      | GM Corporate Services raised a query in respect of the signing of the performance agreement as at the beginning of the FY, units were not reporting to her and therefore she could not be accountable. She requested a meeting takes place with the CM to finalise same. | To ensure that the CM has this discussion and prevents same from happening in the 19/20 FY                                          |
|                                                     |                                                                 |                |                           |                         |                       |                                                   | PMS 11       | S57 performance agreements                       | 6 x signed performance agreements for S56/57 Managers by the 6th of July 2018                                                                                                                          | 5 x signed performance agreements for S56/57 Managers by the 6th of July 2018                                                                                               | 2 (70% - 99%)                      | GM Corporate Services raised a query in respect of the signing of the performance agreement as at the beginning of the FY, units were not reporting to her and therefore she could not be accountable. She requested a meeting takes place with the CM to finalise same. | To ensure that the CM has this discussion and prevents same from happening in the 19/20 FY                                          |
|                                                     | POLITICAL SUPPORT (MPAC OFFICE)                                 |                | 5                         | 0                       | 5                     | 1                                                 | MPAC 04      | Oversight Report                                 | 6 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                                                                                               | 3 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                                                                    | 1 (69% & below)                    | 1. April: No meeting set to effect a report being produced. 2. May: No meeting set because there were no agenda items were provided to enable a meeting to sit and a report developed for council.                                                                       | Requesting a continuous flow of reports to committee and on time from other council committees and business units through ACM       |
|                                                     | <b>TOTAL</b>                                                    |                | <b>52</b>                 | <b>0</b>                | <b>52</b>             | <b>17</b>                                         |              |                                                  |                                                                                                                                                                                                        |                                                                                                                                                                             |                                    |                                                                                                                                                                                                                                                                          |                                                                                                                                     |

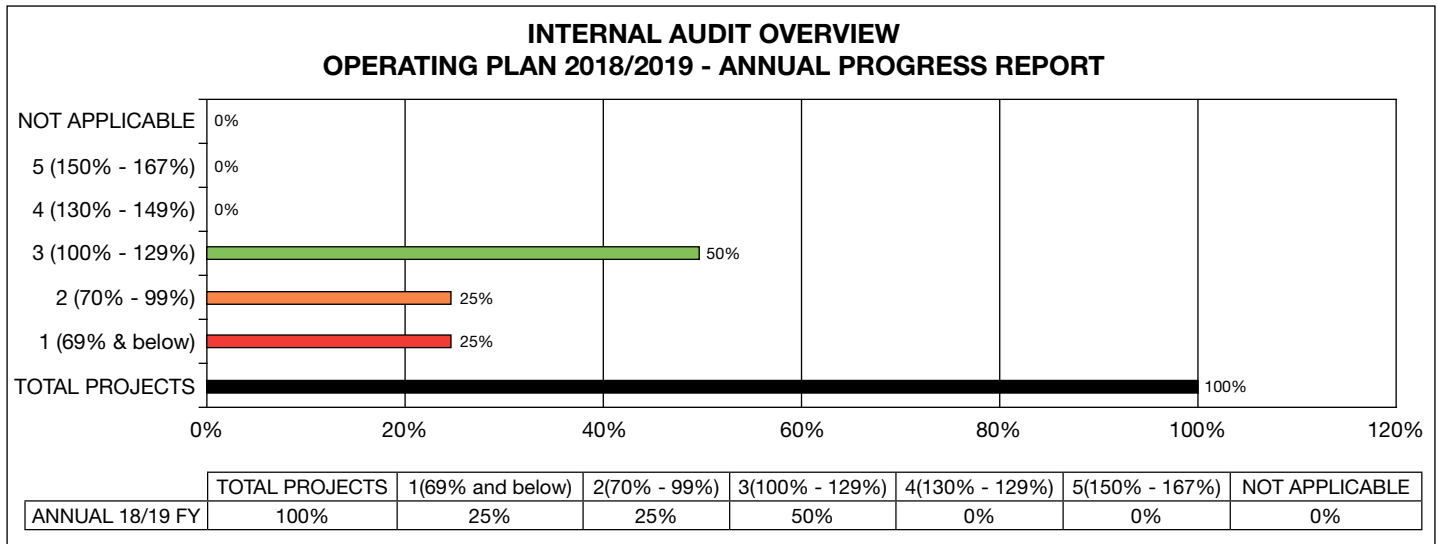
**INTERNAL AUDIT OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 INTERNAL AUDIT OVERVIEW**

- 1.1 TOTAL PROJECTS: 8**
- 1.1.1 OPERATING PROJECTS 8**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                     |              |                                                       |                                                   |                                                        |      |                                                                                                               |                                                                                                                                                                                                           |                                                                                                                                                                                                        |                                                                                                                                                                             |                                                             |                                    |                                                                                                                                                                                                                                                                |                                                                                                                                     |                                             |                                       |
|---------------------------------------------------|---------------|-----------------------------------------------------|--------------|-------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------|------|---------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                                       | OP REFERENCE | NATIONAL PERFORMANCE AREA                             | PROGRAMME                                         | PROJECT                                                | WARD | BASELINE / STATUS QUO                                                                                         | MEASURABLE OBJECTIVE                                                                                                                                                                                      | ANNUAL TARGET GET / OUTPUT                                                                                                                                                                             | PERFORMANCE MEASURE                                                                                                                                                         | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                    |                                                                                                                                                                                                                                                                |                                                                                                                                     |                                             |                                       |
|                                                   |               |                                                     |              |                                                       |                                                   |                                                        |      |                                                                                                               |                                                                                                                                                                                                           |                                                                                                                                                                                                        |                                                                                                                                                                             | ANNUAL ACTUAL                                               | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                                                                                                                                                                           | CORRECTIVE MEASURE                                                                                                                  | Time-Frame TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                       |
|                                                   |               |                                                     |              |                                                       |                                                   |                                                        |      |                                                                                                               |                                                                                                                                                                                                           |                                                                                                                                                                                                        |                                                                                                                                                                             |                                                             |                                    |                                                                                                                                                                                                                                                                |                                                                                                                                     |                                             |                                       |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA01         | 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION            | Assurance Services                                | Development of an Annual Audit Plan                    | N/A  | Audit coverages per MEMA including issues of governance & management & system of internal control             | Development & submission of an Annual Audit Plan for 2019/20 FY to the Audit Committee for approval by the 30th of June 2019                                                                              | Date Annual Audit Plan for 2019/20 FY developed & submitted to the Audit Committee for approval by the 30th of June 2019                                                                               | 100% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19                                                                                     | 3 (100% - 129%)                                             | N/A                                | N/A                                                                                                                                                                                                                                                            | Report and Audit Committee Resolution                                                                                               |                                             |                                       |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA02         | 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION            | Assurance Services                                | Implementation of the Annual Audit Plan each year      | N/A  | 45 audits completed in 2016/17                                                                                | 100% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19                                                                                                                   | All internal audit assignments completed against the dates in the approved Annual Audit Plan 2018/19 by the 30th of June 2019                                                                          | 74.07% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19 by the 30th of June 2019. 20 out of 27 audits were completed during 2018/2019 FY. | 2 (70% - 99%)                                               | N/A                                | Adjustment of the approved audit plan took place after Mid-Year 18/19 FY and could not be amended thereafter                                                                                                                                                   | Any subsequent amendment to the approved annual audit plan after mid-year is to be communicated to the Audit Committee for approval | 19/20 FY                                    | Report and Audit Committee Resolution |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA03         | 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION            | Assurance Services                                | Review of the Internal Audit charter                   | N/A  | Internal Audit charter last reviewed in June 2017                                                             | Internal Audit Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2019                                                                                                  | Date Internal Audit Charter reviewed & submitted to the Audit Committee for approval                                                                                                                   | 100% Completion of internal audit assignments as per approved Annual Audit Plan 2018/19                                                                                     | 3 (100% - 129%)                                             | N/A                                | N/A                                                                                                                                                                                                                                                            | N/A                                                                                                                                 | N/A                                         | Report and Audit Committee Resolution |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA04         | 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION            | Assurance Services                                | Review of the Audit Committee charter                  | N/A  | Audit charter last reviewed in June 2017                                                                      | To ensure that the Audit Committee charter is aligned with the requirements of the MFMA, IIA standards and best practice [King Report]                                                                    | Date on which the Audit Committee Charter reviewed & submitted to the Audit Committee for approval by the 30th of June 2019                                                                            | Audit Committee Charter reviewed and submitted before 30 June 2019                                                                                                          | 3 (100% - 129%)                                             | N/A                                | N/A                                                                                                                                                                                                                                                            | N/A                                                                                                                                 | Report and Audit Committee Resolution       |                                       |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA05         | 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION            | Assurance Services                                | Effective Independent Oversight by the Audit Committee | N/A  | 8 Audit Committee meetings held in 2017/18                                                                    | To ensure effective, independent oversight on the internal audit function & systems of internal controls, governance & risk management implemented by the Accounting Officer his Senior management & Exco | Number of meetings facilitated by the Internal Audit Unit as per the approved work plan/calendar of the Audit Committee by the 30th of June 2019                                                       | 8 Audit Committee meetings facilitated by the Internal Audit Unit as per the approved work plan/calendar of the Audit Committee by the 30th of June 2019                    | 3 (100% - 129%)                                             | N/A                                | N/A                                                                                                                                                                                                                                                            | N/A                                                                                                                                 | Agenda and minutes                          |                                       |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA10         | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Continued Professional Development within the IAU | Training and development of Internal Audit staff       | N/A  | Training plan in place for 2017/18                                                                            | To develop a training plan that is aligned to the individual PDP recorded on Skills Audit form and internal audit competency requirements.                                                                | Date Training plan for Internal Audit Staff developed and submitted to HRD                                                                                                                             | Training plan for Internal Audit Staff not developed and submitted to HRD by the 30 June 2019                                                                               | 1 (69% & below)                                             | N/A                                | HR did not send a request for training needs of Business Units                                                                                                                                                                                                 | Whilst Cost containment is an impediment the plan will be done and submitted to HR by 31 July 2019                                  | 31-Jul-19                                   | Plan                                  |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA11         | 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION            | Forensic Investigations                           | Whistle-Blowing Hotline                                | N/A  | (238) contacts were made by the whistle-blowers during the 2016/17 financial year. 53 reports were generated. | 4 x quarterly reports on cases reported through the whistle blowing hotline prepared and submitted to the Audit Committee within 30 working days                                                          | Number & Date of quarterly reports on cases reported through the whistle blowing hotline submitted to the Audit Committee within 30 working days after the end of the quarter by the 30th of June 2019 | 2 x quarterly reports on cases reported through the whistle blowing hotline were prepared and submitted                                                                     | 1 (69% & below)                                             | N/A                                | Upon the return of the CAE from suspension in September, he had to catch up on almost 2 and a half years of being out of office. Post of manager Forensics is vacant, activities are currently being conducted by the CAE resulting in conflicting priorities. | 1. Reports have changed from quarterly to monthly. 2. Filing of the vacant post of Manager Forensic                                 | 19/20 FY                                    | Report and Audit Committee Resolution |





| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                     |              |                                                 |                         |                         |      |                                                                                                                                                                                                |                                                                                                                     |                                                                                                                                                                           |                                                                                  |                                                                                                                                                                           |                                                                                            |                                           |                      |                                                                |                                              |                 |
|---------------------------------------------------|---------------|-----------------------------------------------------|--------------|-------------------------------------------------|-------------------------|-------------------------|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------|----------------------|----------------------------------------------------------------|----------------------------------------------|-----------------|
| BUSINESS UNIT: OFFICE OF THE CITY MANAGER         |               |                                                     |              |                                                 |                         |                         |      |                                                                                                                                                                                                |                                                                                                                     |                                                                                                                                                                           |                                                                                  |                                                                                                                                                                           |                                                                                            |                                           |                      |                                                                |                                              |                 |
| INDEX                                             | IDP REFERENCE | CDP REFERENCE                                       | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                   | PROGRAMME               | PROJECT                 | WARD | BASELINE / STATUS QUO                                                                                                                                                                          | MEASURABLE OBJECTIVE                                                                                                | ANNUAL TARGET / GET / OUTPUT                                                                                                                                              | PERFORMANCE MEASURE                                                              | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                               |                                                                                            |                                           |                      |                                                                |                                              |                 |
|                                                   |               |                                                     |              |                                                 |                         |                         |      |                                                                                                                                                                                                |                                                                                                                     |                                                                                                                                                                           |                                                                                  | ANNUAL TARGET                                                                                                                                                             | ANNUAL ACTUAL                                                                              | ACTUAL ANNUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE                                             | Time-frames TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA12         | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Forensic Investigations | Forensic Investigations | N/A  | Twenty one (21) matters were under investigation in the year under review including cases that were carried over from 2015/16. Twenty two (22) cases were investigated during the 2015/16 year | 4 x quarterly reports on the status of forensic investigations prepared and submitted to SMC within 30 working days | 4 x quarterly reports on the status of forensic investigations prepared and submitted to SMC within 30 working days after the end of the quarter by the 30th of June 2019 | Number forensic investigation reports on cases prepared and submitted to the SMC | 4 x quarterly reports on the status of forensic investigations prepared and submitted to SMC within 30 working days after the end of the quarter by the 30th of June 2019 | 3 x quarterly reports on the status of forensic investigations were prepared and submitted | 2 (70% - 99%)                             | Work overload        | In 2019/20 reports will be submitted as per the operation plan | 2019/20                                      | Reports         |

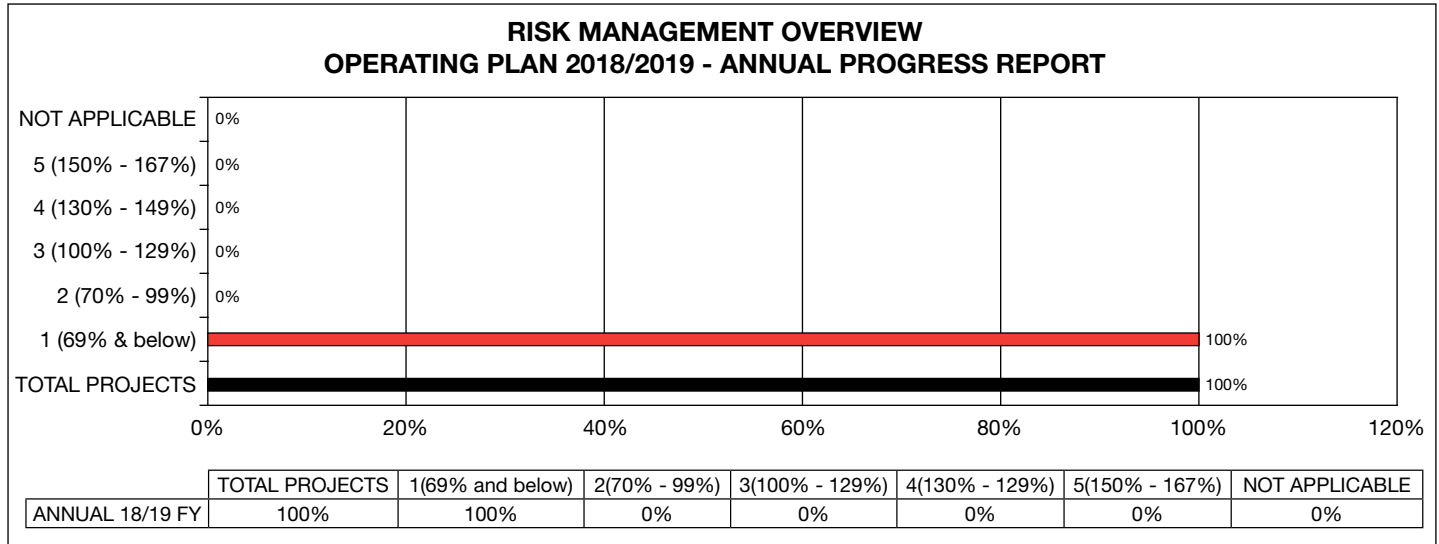
**RISK MANAGEMENT OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 RISK MANAGEMENT OVERVIEW**

- 1.1 TOTAL PROJECTS: 6**
- 1.1.1 OPERATING PROJECTS 6**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                     |              |                                                                |                 |                                                 |      |                                                                                                                                                                    |                                                                                                                                     |                                                                                                                                                        |                                                                                                                                                        |                                                             |                                                                                       |                                    |                       |                    |
|---------------------------------------------------|---------------|-----------------------------------------------------|--------------|----------------------------------------------------------------|-----------------|-------------------------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------|-----------------------|--------------------|
| INDEX                                             | IDP REFERENCE | CDP REFERENCE                                       | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME       | PROJECT                                         | WARD | BASELINE / STATUS QOQ                                                                                                                                              | MEASURABLE OBJECTIVE                                                                                                                | ANNUAL TARGET / OUTPUT                                                                                                                                 | PERFORMANCE MEASURE                                                                                                                                    | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                       |                                    |                       |                    |
|                                                   |               |                                                     |              |                                                                |                 |                                                 |      |                                                                                                                                                                    |                                                                                                                                     |                                                                                                                                                        |                                                                                                                                                        | ANNUAL TARGET                                               | ANNUAL ACTUAL                                                                         | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION  | CORRECTIVE MEASURE |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | RM04         | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Risk Management | Risk Management Plan                            | N/A  | Develop annual Risk Management Plan                                                                                                                                | Annual Risk Management Plan produced & submitted to the RMC/ SMC/ Audit Committee by the 30th June 2019                             | Date Risk Management plan submitted                                                                                                                    | Annual Risk Management Plan produced & submitted to the RMC/ SMC/ Audit Committee by the 30th June 2019                                                | 1 (69% & below)                                             | The position of the Chief Risk Officer remains vacant despite request in October 2019 | Appointment of Chief Risk Officer  | It is dependent on HR | Appointment letter |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | RM05         | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Risk Management | Risk Management Policy                          | N/A  | Annual review of the Risk Management Policy                                                                                                                        | To ensure that the policy is updated with latest developments and legislative prescripts                                            | Risk Management Policy reviewed and submitted to SMC by the 30th of April 2019                                                                         | Risk Management Policy was not reviewed and submitted to SMC by the 30th of April 2019                                                                 | 1 (69% & below)                                             | The position of the Chief Risk Officer remains vacant despite request in October 2019 | Appointment of Chief Risk Officer  | It is dependent on HR | Appointment letter |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA06         | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Risk Management | Comprehensive Risk Register of the municipality | N/A  | 2 updates of the Risk Register (For ALL Business Units of the Municipality) submitted to RMC & SMC/ Audit Committee 15 working days after the end of Q3 of 2017/18 | To ensure adequacy of the risk management function                                                                                  | Updated risk register submitted to the RMC & SMC by the 30th of June 2019                                                                              | Updated risk register submitted to the RMC & SMC by the 30th of June 2019                                                                              | 1 (69% & below)                                             | The position of the Chief Risk Officer remains vacant despite request in October 2019 | Appointment of Chief Risk Officer  | It is dependent on HR | Appointment letter |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA07         | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Risk Management | Effective Risk Management Strategy              | N/A  | At least 1 Risk Management Strategy report produced and submitted to RMC per quarter.                                                                              | To ensure adequacy of the risk management strategy                                                                                  | 1 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC/ SMC or to the Audit Committee by the 30th of June 2019       | 0 x report on the Consolidated Risk Management Strategy developed & submitted to the RMC/ SMC or to the Audit Committee by the 30th of June 2019       | 1 (69% & below)                                             | The position of the Chief Risk Officer remains vacant despite request in October 2019 | Appointment of Chief Risk Officer  | It is dependent on HR | Appointment letter |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA08         | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Risk Management | Effective Risk Management                       | N/A  | There is currently SAP Risk/Assurance Project done by the Unit                                                                                                     | To ensure that the selected projects achieve the desired benefit & results completed within the agreed timeframes & budgeted costs. | 4 x Risk Management reports produced and submitted to RMC/ SMC/ Audit Committee within 1 month after the end of each quarter by the 30th of April 2019 | 0 x Risk Management reports produced and submitted to RMC/ SMC/ Audit Committee within 1 month after the end of each quarter by the 30th of April 2019 | 1 (69% & below)                                             | The position of the Chief Risk Officer remains vacant despite request in October 2019 | Appointment of Chief Risk Officer  | It is dependent on HR | Appointment letter |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IA09         | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Risk Management | Risk Management Plan                            | N/A  |                                                                                                                                                                    | To ensure that the selected projects achieve the desired benefit & results completed within the agreed timeframes & budgeted costs. | 4 x quarterly reports on Project's Risk Assurance produced & submitted to the RMC & SMC by the 30th June 2019                                          | 0 x quarterly reports on Project's Risk Assurance produced & submitted to the RMC & SMC by the 30th June 2019                                          | 1 (69% & below)                                             | The position of the Chief Risk Officer remains vacant despite request in October 2019 | Appointment of Chief Risk Officer  | It is dependent on HR | Appointment letter |

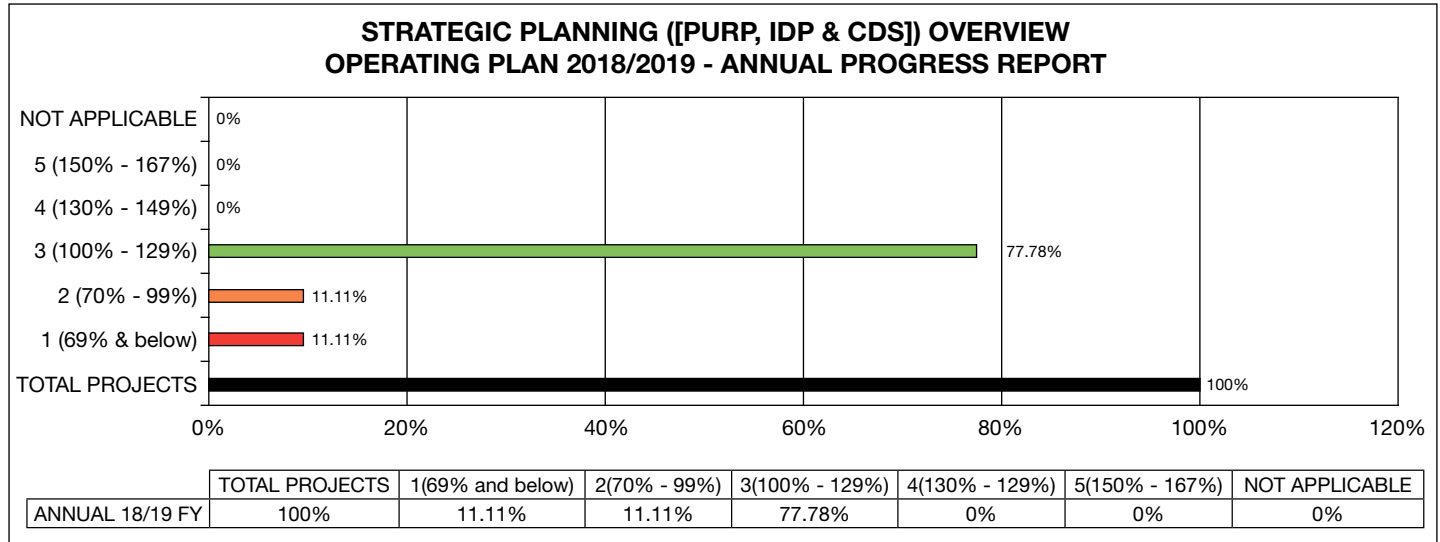
**STRATEGIC PLANNING ([PURP, IDP & CDS] OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 STRATEGIC PLANNING ([PURP, IDP & CDS] OVERVIEW**

- 1.1 TOTAL PROJECTS: 9**
- 1.1.1 OPERATING PROJECTS 9**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



# Msunduzi Annual Report 2018/2019

| INDEX | IDP REFERENCE | CDS REFERENCE                                       | OP REFERENCE | NATIONAL KEY PERFORMANCE MANANCE AREA           | SUB UNIT: STRATEGIC PLANNING (PIETERMARITZBURG URBAN RENEWAL PROGRAMME, INTEGRATED DEVELOPMENT PLAN & CITY DEVELOPMENT STRATEGY) | WARD          | STATUS QUO                                                                                                               | MEASURABLE OBJECTIVE                                                                                                                        | ANNUAL TARGET / OUTPUT                                                                                                                                               | PERFORMANCE MEASURE                                                                                                                              | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                                                            |                                    |                                                                                                                 |                                                                                    | CORRECTIVE MEASURE                                                                                                                                                                                     | REASON FOR DEVIATION | ANNUAL ACTUAL                                                                                                   | ACTUAL (1-2,3,4,5; Not Applicable)                 | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|-------|---------------|-----------------------------------------------------|--------------|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------------------|-----------------|
|       |               |                                                     |              |                                                 |                                                                                                                                  |               |                                                                                                                          |                                                                                                                                             |                                                                                                                                                                      |                                                                                                                                                  | ANNUAL TARGET                                                                                                                                                                                          | ANNUAL ACTUAL                      | REASON FOR DEVIATION                                                                                            | CORRECTIVE MEASURE                                                                 |                                                                                                                                                                                                        |                      |                                                                                                                 |                                                    |                                            |                 |
|       |               |                                                     |              |                                                 |                                                                                                                                  |               |                                                                                                                          |                                                                                                                                             |                                                                                                                                                                      |                                                                                                                                                  | ANNUAL ACTUAL                                                                                                                                                                                          | ACTUAL (1-2,3,4,5; Not Applicable) | REASON FOR DEVIATION                                                                                            | CORRECTIVE MEASURE                                                                 |                                                                                                                                                                                                        |                      |                                                                                                                 |                                                    |                                            |                 |
| E     | E2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP01        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning                                                                                                  | N/A           | 1 x IDP Review conducted in 2017/2018                                                                                    | 1 x IDP Review completed by the 31st of May 2019                                                                                            | 1 x IDP Review completed by the 31st of May 2019                                                                                                                     | Number & Date IDP Review 2019/2020 FY completed                                                                                                  | 1 x IDP Review completed by the 31st of May 2019                                                                                                                                                       | N/A                                | N/A                                                                                                             | N/A                                                                                | N/A                                                                                                                                                                                                    | 3 (100% - 129%)      | N/A                                                                                                             | N/A                                                | Council Resolution                         |                 |
| E     | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP02        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning                                                                                                  | N/A           | 1 x IDP/Budget/PMS Process plan developed and submitted to SMC for approval and onwards submission to CoGTA in 2018/2019 | Draft IDP/Budget/PMS Process plan developed and submitted to SMC for approval and onwards submission to CoGTA for approval                  | Draft IDP/Budget/PMS Process plan developed and submitted to SMC for approval and onwards submission to CoGTA for approval                                           | Date Draft IDP/Budget/PMS Process plan developed and submitted to SMC for approval                                                               | Draft IDP/Budget/PMS Process plan developed and submitted to SMC for approval and onwards submission to CoGTA by the 31st of August 2018                                                               | N/A                                | N/A                                                                                                             | N/A                                                                                | N/A                                                                                                                                                                                                    | 3 (100% - 129%)      | N/A                                                                                                             | N/A                                                | Council Resolution                         |                 |
| E     | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP03        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning                                                                                                  | N/A           | 4 x Internal Alignment working group sessions facilitated in 2017/2018                                                   | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2019                                                           | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2019                                                                                    | Number of Internal Alignment working group sessions facilitated                                                                                  | 4 x Internal Alignment working group sessions facilitated by the 31st of May 2019                                                                                                                      | N/A                                | N/A                                                                                                             | N/A                                                                                | N/A                                                                                                                                                                                                    | 3 (100% - 129%)      | N/A                                                                                                             | N/A                                                | Minutes and attendance register            |                 |
| E     | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP04        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning                                                                                                  | N/A           | 3 x IDP Representatives forum meetings facilitated in 2017/2018                                                          | 4 x IDP Representatives forum meetings facilitated                                                                                          | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                                           | Number of IDP Representatives forum meetings facilitated                                                                                         | 4 x IDP Representatives forum meetings facilitated by the 31st of May 2019                                                                                                                             | 1 (69% & below)                    | Meeting postponed chairperson not available                                                                     | Chairperson to nominate Rep and ACM to sign invites to the GM's Through his Office | Meeting postponed chairperson not available                                                                                                                                                            | 1 (69% & below)      | Meeting postponed chairperson not available                                                                     | 2019-2020 FY 4 meeting will be held as recommended | Minutes and attendance register            |                 |
| E     | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | IDP05        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning                                                                                                  | All           | 2 x cross boarder alignment meetings facilitated in 2017/2018                                                            | 2 x cross boarder alignment meetings facilitated                                                                                            | 2 x cross boarder alignment meetings facilitated by the 31st of May 2019                                                                                             | Number of cross boarder alignment meetings facilitated                                                                                           | 1 x cross boarder alignment meetings facilitated by the 31st of May 2019                                                                                                                               | 3 (100% - 129%)                    | N/A                                                                                                             | N/A                                                                                | N/A                                                                                                                                                                                                    | 3 (100% - 129%)      | N/A                                                                                                             | N/A                                                | Minutes and attendance register            |                 |
| E     | E3            | 2 - BACK TO BASICS                                  | IDP06        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning                                                                                                  | All           | 4 x Community needs analysis circulated to sector departments in 2017/2018                                               | 4 x Community needs analysis circulated to sector departments                                                                               | 4 x Community needs analysis circulated to sector departments by the 31st of May 2019                                                                                | Number of Community needs analysis circulated to sector departments                                                                              | 4 x Community needs analysis circulated to sector departments by the 31st of May 2019                                                                                                                  | 3 (100% - 129%)                    | N/A                                                                                                             | N/A                                                                                | N/A                                                                                                                                                                                                    | 3 (100% - 129%)      | N/A                                                                                                             | N/A                                                | Community needs Report                     |                 |
| E     | E3            | 2 - BACK TO BASICS                                  | IDP07        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Integrated Development Planning                                                                                                  | All           | 6 x IDP/Mayoral Roadshows facilitated in 2016/2017                                                                       | 6 x IDP/Mayoral Roadshows facilitated and held                                                                                              | 6 x IDP/Mayoral Roadshows facilitated and held                                                                                                                       | Number of IDP/Mayoral Roadshows facilitated                                                                                                      | 6 x IDP/Mayoral Roadshows facilitated by the 30th April 2019                                                                                                                                           | 2 (70% - 99%)                      | One Meeting was postponed due to none availability of committee members                                         | Meeting postponed/ members transported to the Zonal/Imbizo                         | 6 x IDP/Mayoral Roadshows facilitated by the 30th April 2019                                                                                                                                           | 2 (70% - 99%)        | One Meeting was postponed due to none availability of committee members                                         | 2019-2020 FY 6 Imbizo will be held as recommended  | Minutes and attendance register            |                 |
| E     | E1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | SP 01        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | City Development Strategy                                                                                                        | All           | City Development Strategy dated 2015                                                                                     | Memorandum of Agreement with the South African Cities Network and Msunduzi Municipality on payments of membership fees signed and completed | Memorandum of Agreement with the South African Cities Network and Msunduzi Municipality on payments of membership fees signed and completed by the 30th of June 2019 | Date Memorandum of Agreement with the South African Cities Network and Msunduzi Municipality on payments of membership fees signed and completed | The Full Council resolution to action the signing of the MOA was finalised on 12 June 2019. A revised MOA is being couriered to the municipality for signature once the Legal section reviews the MOA. | N/A                                | The item was postponed on numerous occasions on the Full Council Agenda. It was only finalised on 12 June 2019. | Legal to review the MOA, ACM to sign the MOA once sanctioned by legal.             | The Full Council resolution to action the signing of the MOA was finalised on 12 June 2019. A revised MOA is being couriered to the municipality for signature once the Legal section reviews the MOA. | 3 (100% - 129%)      | The item was postponed on numerous occasions on the Full Council Agenda. It was only finalised on 12 June 2019. | 30-Sep-19                                          | Full Council resolution                    |                 |
| E     | E2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | SP 02        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Pietermaritzburg Urban Renewal Program                                                                                           | 27, 32 and 33 | CBD Local Area Plan, CBD Regeneration Plan and various complains on the lack of urban management in the CBD              | 100 x Inspections conducted and reported to OMC on By law infringements and built environment monitoring by the 30th of June 2019           | 100 x Inspections conducted and reported to OMC on By law infringements and built environment monitoring by the 30th of June 2019                                    | Number of Inspections conducted and reported to OMC on By law infringements and built environment monitoring                                     | 100 x Inspections conducted and reported to OMC on By law infringements and built environment monitoring by the 30th of June 2019                                                                      | 3 (100% - 129%)                    | N/A                                                                                                             | N/A                                                                                | N/A                                                                                                                                                                                                    | 3 (100% - 129%)      | N/A                                                                                                             | N/A                                                | list of inspections                        |                 |

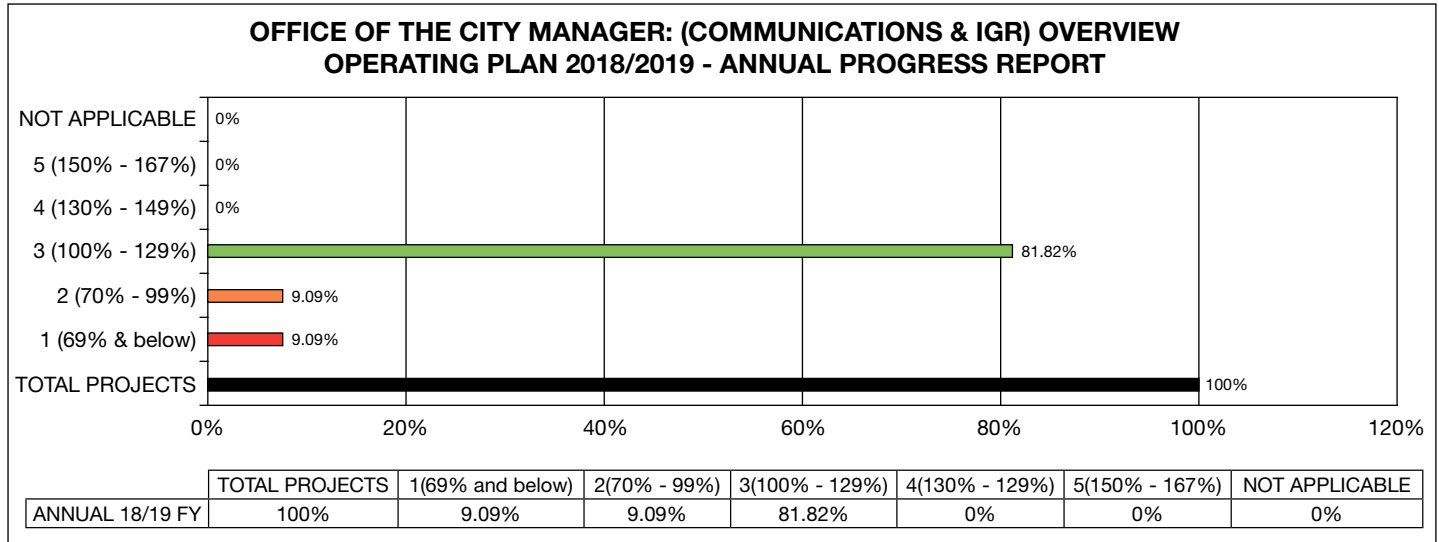
**OFFICE OF THE CITY MANAGER: (COMMUNICATIONS & IGR) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 OFFICE OF THE CITY MANAGER: (COMMUNICATIONS & IGR) OVERVIEW**

- 1.1 TOTAL PROJECTS: 11**
- 1.1.1 OPERATING PROJECTS 11**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                         |              |                                                       |                                                                  |                                         |      |                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                            |                                                             |                                                                                           |                                                                                                     |                               |                                            |
|---------------------------------------------------|---------------|---------------------------------------------------------|--------------|-------------------------------------------------------|------------------------------------------------------------------|-----------------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                                           | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                         | PROGRAMME                                                        | PROJECT                                 | WARD | BASELINE STATUS Q100                                                                                                                                                                                         | MEASURABLE OBJECTIVE                                                                                                                                                                                                                                                                                              | ANNUAL TARGET GET / OUTPUT                                                                                                                                                                                                                                                                                              | PERFORMANCE MEASURE                                                                                                                                                                                                                                                                                                                        | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                           |                                                                                                     |                               |                                            |
|                                                   |               |                                                         |              |                                                       |                                                                  |                                         |      |                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                            | ANNUAL ACTUAL                                               | ACTUAL ANNUAL (1.2.3.4.5; Not Applicable)                                                 | REASON FOR DEVIATION                                                                                | CORRECTIVE MEASURE            | TIMEFRAME TO IMPLEMENTATIVE MEASURES       |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MKT 03       | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Municipal Publications                                           | Internal Newsletter                     | N/A  | 10 x Internal newsletters published in 2016/2017.                                                                                                                                                            | 12 X Internal Newsletters developed & published on Corporate Communications and the Municipal Website by the 30th of June 2019                                                                                                                                                                                    | Number of Internal Newsletters developed & published on Corporate Communications and the Municipal Website by the 30th of June 2019                                                                                                                                                                                     | 12 x Internal Newsletters developed and published on Corporate Communications and the Municipal Website by the 30th of June 2019.                                                                                                                                                                                                          | N/A                                                         | N/A                                                                                       | N/A                                                                                                 | Copies of internal newsletter |                                            |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MKT 04       | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Municipal Publications                                           | External newsletter                     | N/A  | 12 x monthly External Newspapers published in 2016/2017                                                                                                                                                      | 12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                                                                                                                                                                                    | Number of Monthly Msunduzi Newspapers developed, published and distributed                                                                                                                                                                                                                                              | 8 x monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2019                                                                                                                                                                                                                                              | 1 (69% & below)                                             | Due to payment delays of the service provider and discrepancies on the appointment letter | The corrective measure is not applicable due to the external newsletter being a monthly publication | N/A                           | Copy of Msunduzi News for 8 months         |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MKT 07       | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Business Unit Service Charter           | ALL  | 8 x Workshops on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Economic Development, Infrastructure Services, Financial Services) conducted by the Msunduzi Batho Pele forum | 8 x Workshops on Customer Service Charters and Batho Pele Principles for Front line service delivery units conducted (office of the speaker, office of the Mayor, Skills Development, Employee Personnel, Water, Electricity, Human Settlement, Roads, Human Services) conducted by the Msunduzi Batho Pele forum | Number of Workshops on Customer Service Charters and Batho Pele Principles for Front line service delivery units conducted (office of the speaker, office of the Mayor, Skills Development, Employee Personnel, Water, Electricity, Human Settlement, Roads, Human Services) conducted by the Msunduzi Batho Pele forum | 11 x Workshops on Customer Service Charters and Batho Pele Principles for Front line service delivery units conducted (office of the speaker, office of the Mayor, Skills Development, Employee Personnel, Water, Electricity, Human Settlement, Roads, Human Services) conducted by the Msunduzi Batho Pele unit by the 30th of June 2019 | 3 (100% - 129%)                                             | N/A                                                                                       | N/A                                                                                                 | N/A                           | Invitations, Attendance Register/s         |
| A                                                 | A3            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MKT 08       | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Implementation of Batho Pele Principles | ALL  | 6 x bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2018                               | 6 x bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2019                                                                                                                                    | Number of bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2019                                                                                                                                    | 6 x bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2019                                                                                                                                                             | 3 (100% - 129%)                                             | N/A                                                                                       | N/A                                                                                                 | N/A                           | Invitations, Agenda, Attendance Register/s |
| A                                                 | A3            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MKT 09       | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase Performance and Efficiency Levels of Corporate Services | Implementation of Batho Pele Principles | ALL  | Monitoring tool has been developed                                                                                                                                                                           | 1 x Report on the revised Monitoring tool developed and submitted to SMC for approval by the 31st of August 2018                                                                                                                                                                                                  | Date Report on the revised Monitoring tool developed and submitted to SMC for approval by the 31st of August 2018                                                                                                                                                                                                       | 1 x Report on the revised Monitoring tool developed and submitted to SMC for approval by the 31st of August 2018                                                                                                                                                                                                                           | 2 (70% - 99%)                                               | Poor planning in respect of setting of targets                                            | Business unit to plan targets based on the available resources                                      | 19/20 FY                      | Report's, Resolutions                      |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MKT 10       | MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Corporate Identity                                               | Identity and Branding                   | N/A  | NIL                                                                                                                                                                                                          | Msunduzi Corporate Identity and Branding Policy submitted to SMC for approval by Full council by the 30th of September 2018                                                                                                                                                                                       | Msunduzi Corporate Identity and Branding Policy developed and submitted                                                                                                                                                                                                                                                 | Msunduzi Corporate Identity and Branding Policy approved by SMC on the 28th of October 2018                                                                                                                                                                                                                                                | 3 (100% - 129%)                                             | N/A                                                                                       | N/A                                                                                                 | N/A                           | SMC and Full Council resolutions           |





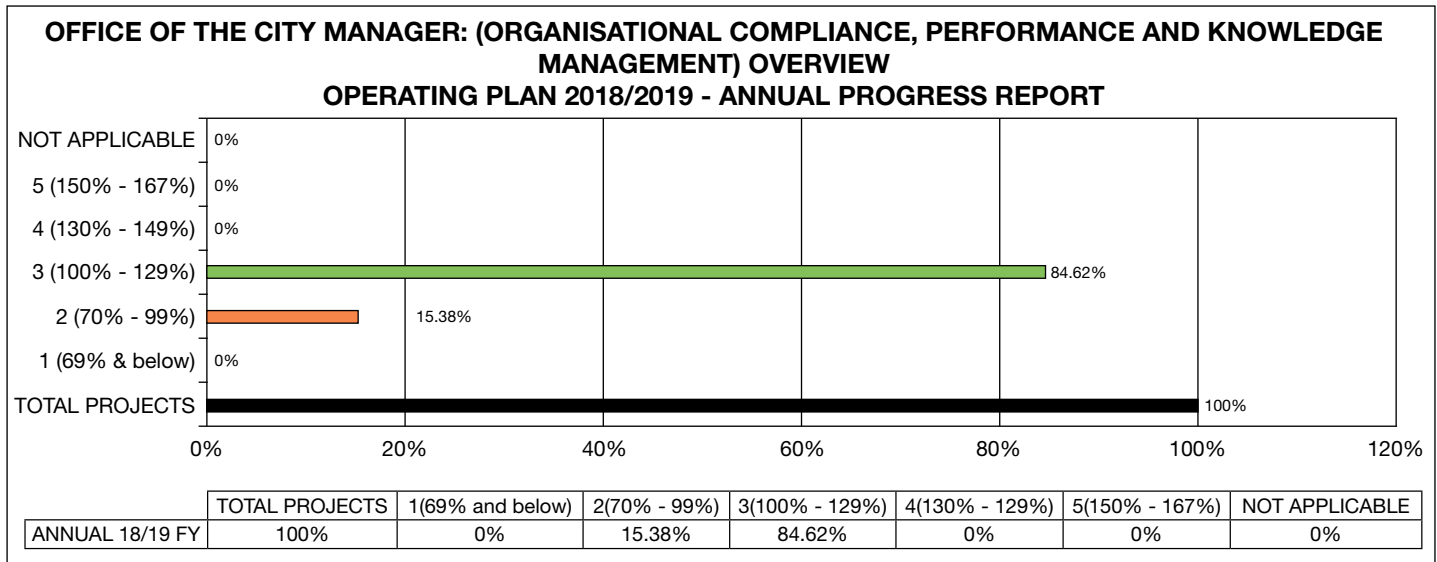
**OFFICE OF THE CITY MANAGER: (OrganisationAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 OFFICE OF THE CITY MANAGER: (OrganisationAL COMPLIANCE, PERFORMANCE AND KNOWLEDGE MANAGEMENT) OVERVIEW**

- 1.1 TOTAL PROJECTS: 13**
- 1.1.1 OPERATING PROJECTS 13**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                 |              |                                                     |                                       |                                                        |      |                                                                                                          |                                                                                                                                                             |                                                                                                                                                                   |                     |                                                             |                                        |                      |                                                                                                                                                           |                                            |
|---------------------------------------------------|---------------|-------------------------------------------------|--------------|-----------------------------------------------------|---------------------------------------|--------------------------------------------------------|------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------------------------------------------------|----------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                                   | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                       | PROGRAMME                             | PROJECT                                                | WARD | BASELINE / STATUS QUO                                                                                    | MEASURABLE OBJECTIVE                                                                                                                                        | ANNUAL TARGET / GET / OUTPUT                                                                                                                                      | PERFORMANCE MEASURE | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                        |                      |                                                                                                                                                           |                                            |
|                                                   |               |                                                 |              |                                                     |                                       |                                                        |      |                                                                                                          |                                                                                                                                                             |                                                                                                                                                                   |                     | ANNUAL ACTUAL                                               | ACTUAL (1, 2, 3, 4, 5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                                                                                        | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
| A                                                 | A1            | 1 - BUILD-CAPABLE & DEVELOP-MENTAL-MUNICIPALITY | PMS 01       | NKPA 1 - MUNICIPAL TRANS-ORGANISATIONAL DEVELOPMENT | Organisational Performance Management | SDBIP                                                  | N/A  | SDBIP 2018/2019 submitted to the Mayor for approval within 28 days after the approval of the budget.     | SDBIP 2019/2020 submitted to the Mayor for approval within 28 days after the approval of the budget.                                                        | Date of submission of Draft SDBIP 2019/2020 to the Mayor for Approval                                                                                             | 3 (100% - 129%)     | N/A                                                         | N/A                                    | N/A                  | Signed SDBIP & OP 19/20 cover report by the CM & the Mayor, SDBIP & OP 19/20                                                                              |                                            |
| A                                                 | A1            | 1 - BUILD-CAPABLE & DEVELOP-MENTAL-MUNICIPALITY | PMS 02       | NKPA 1 - MUNICIPAL TRANS-ORGANISATIONAL DEVELOPMENT | Organisational Performance Management | Organisational performance management framework review | N/A  | Organisational Performance Management framework for the 18/19 financial year was approved                | Annual organisational performance management framework 2019/2020 reviewed and submitted to SMC 2019/2020 submitted to SMC by the 31st of May 2019           | Date Annual organisational performance management framework 2019/2020 submitted to SMC                                                                            | 3 (100% - 129%)     | N/A                                                         | N/A                                    | N/A                  | Annual organisational performance management framework 2019/2020, SMC Minutes and Resolutions                                                             |                                            |
| A                                                 | A1            | 1 - BUILD-CAPABLE & DEVELOP-MENTAL-MUNICIPALITY | PMS 03       | NKPA 1 - MUNICIPAL TRANS-ORGANISATIONAL DEVELOPMENT | Individual Performance Management     | Individual performance management framework review     | N/A  | Individual Performance Management framework for the 18/19 financial year was approved                    | Annual individual performance management framework 2019/2020 reviewed and submitted to SMC by the 31st of May 2019                                          | Date Individual performance management framework 2019/2020 submitted to SMC                                                                                       | 3 (100% - 129%)     | N/A                                                         | N/A                                    | N/A                  | Annual individual performance management framework 2019/2020, SMC Agenda, Minutes and Resolutions                                                         |                                            |
| A                                                 | A1            | 1 - BUILD-CAPABLE & DEVELOP-MENTAL-MUNICIPALITY | PMS 04       | NKPA 1 - MUNICIPAL TRANS-ORGANISATIONAL DEVELOPMENT | Organisational Performance Management | SDBIP                                                  | N/A  | Approved SDBIP 2017/2018 made public on municipal website within 14 days after the approval by the mayor | Approved SDBIP 2018/2019 made public on municipal website within 14 days after the approval by the mayor                                                    | Turnaround time for Approved SDBIP 2018/2019 made public on municipal website                                                                                     | 3 (100% - 129%)     | N/A                                                         | N/A                                    | N/A                  | Email to internal ICT unit to publish Approved SDBIP 2018/2019 on municipal website, confirmation email from internal ICT Unit confirming the publication |                                            |
| A                                                 | A3            | 1 - BUILD-CAPABLE & DEVELOP-MENTAL-MUNICIPALITY | PMS 05       | NKPA 1 - MUNICIPAL TRANS-ORGANISATIONAL DEVELOPMENT | Organisational Performance Management | SDBIP Monthly Reports                                  | N/A  | 8 X SDBIP & OP 2017/2018 monthly reports submitted to the OMC                                            | 8 X SDBIP & OP 2018/2019 monthly reports submitted to the OMC (End July, August, October, November, January, February, April, May) by the 30th of June 2019 | Number of SDBIP & OP 2018/2019 monthly reports submitted to the OMC (End July, August, October, November, January, February, April, May) by the 30th of June 2019 | 3 (100% - 129%)     | N/A                                                         | N/A                                    | N/A                  | 8 X SDBIP & OP 2018/2019 monthly reports (End July, August, October, November, January, February, April, May) x OMC Resolutions                           |                                            |
| A                                                 | A3            | 1 - BUILD-CAPABLE & DEVELOP-MENTAL-MUNICIPALITY | PMS 06       | NKPA 1 - MUNICIPAL TRANS-ORGANISATIONAL DEVELOPMENT | Organisational Performance Management | SDBIP Quarterly Reports                                | N/A  | 4 X SDBIP & OP 2017/2018 quarterly reports submitted to the OMC                                          | 4 X SDBIP & OP 2018/2019 quarterly reports submitted to the OMC (Q4 of 17/18 FY & Q1, Q2, Q3 of 18/19 FY)                                                   | Number of SDBIP & OP 2018/2019 quarterly reports submitted to the OMC (Q4 of 17/18 FY & Q1, Q2, Q3 of 18/19 FY) by the 30th of April 2018                         | 3 (100% - 129%)     | N/A                                                         | N/A                                    | N/A                  | 4 X SDBIP & OP 2018/2019 quarterly reports submitted to the OMC (Q4 of 17/18 FY & Q1, Q2, Q3 of 18/19 FY), 4 x OMC Resolutions                            |                                            |
| A                                                 | A1            | 1 - BUILD-CAPABLE & DEVELOP-MENTAL-MUNICIPALITY | PMS 07       | NKPA 1 - MUNICIPAL TRANS-ORGANISATIONAL DEVELOPMENT | Performance Management Reporting      | Annual Performance Report                              | N/A  | Completed Annual Performance Report 16/17 submitted to the Auditor General on the 31st of August 2016    | Annual Performance Report 17/18 submitted to the Auditor General by the 31st of August 2018                                                                 | Date Annual Performance Report 17/18 submitted to the Auditor General                                                                                             | 3 (100% - 129%)     | N/A                                                         | N/A                                    | N/A                  | Copy of the Annual Performance Report 17/18, AG signed letter of receipt                                                                                  |                                            |
| A                                                 | A3            | 1 - BUILD-CAPABLE & DEVELOP-MENTAL-MUNICIPALITY | PMS 08       | NKPA 1 - MUNICIPAL TRANS-ORGANISATIONAL DEVELOPMENT | Performance Management Reporting      | Mid-Year Performance Review                            | N/A  | Mid-Year Performance Review 17/18 submitted to Council on the 25th of January 2018                       | Mid-Year Performance Review 18/19 submitted to Council by the 25th of January 2019                                                                          | Date Mid-Year Performance Review 18/19 submitted to Council                                                                                                       | 3 (100% - 129%)     | N/A                                                         | N/A                                    | N/A                  | Mid-Year Performance Review 18/19, Council resolution                                                                                                     |                                            |

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                            |              |                                                                |                                   |                                                              |      |                                                                                                        |                                                                                                                                    |                                                                                                                                    |                                                                                                              |                                                             |                      |                    |                                            |                                                                                                |               |                      |                    |                                            |                 |
|---------------------------------------------------|---------------|------------------------------------------------------------|--------------|----------------------------------------------------------------|-----------------------------------|--------------------------------------------------------------|------|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|----------------------|--------------------|--------------------------------------------|------------------------------------------------------------------------------------------------|---------------|----------------------|--------------------|--------------------------------------------|-----------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                                              | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME                         | PROJECT                                                      | WARD | BASELINE / STATUS Q/UO                                                                                 | MEASURABLE OBJECTIVE                                                                                                               | ANNUAL TARGET / GET / OUTPUT                                                                                                       | PERFORMANCE MEASURE                                                                                          | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                      |                    |                                            |                                                                                                |               |                      |                    |                                            |                 |
|                                                   |               |                                                            |              |                                                                |                                   |                                                              |      |                                                                                                        |                                                                                                                                    |                                                                                                                                    |                                                                                                              | ANNUAL ACTUAL                                               | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT                                                                                | ANNUAL ACTUAL | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT |
|                                                   |               |                                                            |              |                                                                |                                   |                                                              |      |                                                                                                        |                                                                                                                                    |                                                                                                                                    |                                                                                                              |                                                             |                      |                    |                                            |                                                                                                |               |                      |                    |                                            |                 |
| A                                                 | A3            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCH-PALITY | PMS 09       | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Performance Management Reporting  | Annual Report                                                | N/A  | Annual Report 16/17 tabled in Council on the 25th of January 2018                                      | Annual Report 18/19 tabled in Council on the 31st of January 2019                                                                  | Annual Report 17/18 tabled in Council by the 31st of January 2019                                                                  | Date Annual Report 18/19 tabled in Council                                                                   | 3 (100% - 129%)                                             | N/A                  | N/A                | N/A                                        | Annual Report 17/18 FY Council resolution                                                      |               |                      |                    |                                            |                 |
| A                                                 | A3            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCH-PALITY | PMS 10       | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Individual Performance Management | Level 3 Performance Agreements                               | N/A  | 28 x signed performance agreements for Managers up to level 3 by the 31st of July 2017                 | All Performance agreements for Managers up to level 3                                                                              | All Performance agreements for Managers up to level 3 signed by the 31st of July 2018                                              | Number of signed performance agreements for Managers up to level 3                                           | 2 (70% - 99%)                                               | N/A                  | N/A                | N/A                                        | 23 out of 27 Performance Agreements for Managers up to level 3 signed by the 31st of July 2018 |               |                      |                    |                                            |                 |
| A                                                 | A3            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCH-PALITY | PMS 11       | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Individual Performance Management | S57 performance agreements                                   | N/A  | 6 x signed performance agreements for S56/57 Managers on the 12th of July 2017                         | 6 x signed performance agreements for S56/57 Managers by the 6th of July 2018                                                      | 6 x signed performance agreements for S56/57 Managers by the 6th of July 2018                                                      | Number of signed performance agreements for Managers up to level 3                                           | 2 (70% - 99%)                                               | N/A                  | N/A                | N/A                                        | 5 x signed performance agreements for S56/57 Managers by the 6th of July 2018                  |               |                      |                    |                                            |                 |
| A                                                 | A3            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCH-PALITY | PMS 13       | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Individual Performance Management | Development of an individual Performance assessment Schedule | N/A  | Individual Performance assessment schedule developed and submitted to SMC and approved in the 18/19 FY | An Individual Performance Assessment schedule for the 19/20 FY developed and submitted to SMC for approval by the 31st of May 2019 | An Individual Performance Assessment schedule for the 19/20 FY developed and submitted to SMC for approval by the 31st of May 2019 | Date Individual Performance Assessment schedule for the 19/20 FY developed and submitted to SMC for approval | 3 (100% - 129%)                                             | N/A                  | N/A                | N/A                                        | An Individual Performance Assessment schedule for the 19/20 FY, SMC resolution                 |               |                      |                    |                                            |                 |
| A                                                 | A3            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNCH-PALITY | PMS 14       | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Compliance Checklist              | Development of a compliance checklist                        | N/A  | 12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC in 17/18 FY   | 12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC by the 30th of June 2019                  | 12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC by the 31st of May 2019                   | Number of monthly MFMA Legislative compliance checklist reports produced and submitted to OMC                | 3 (100% - 129%)                                             | N/A                  | N/A                | N/A                                        | 12 x monthly MFMA Legislative compliance checklist reports, 11 x OMC resolutions               |               |                      |                    |                                            |                 |

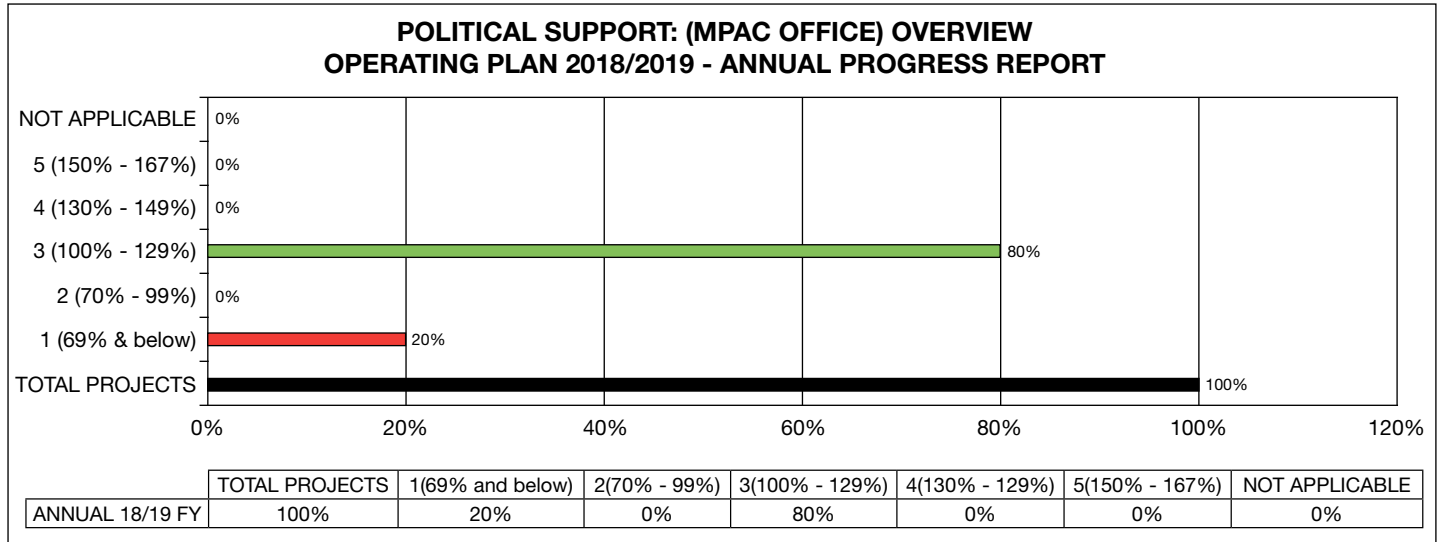
**POLITICAL SUPPORT - (MPAC OFFICE) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 POLITICAL SUPPORT - (MPAC OFFICE) OVERVIEW**

- 1.1 TOTAL PROJECTS: 5**
- 1.1.1 OPERATING PROJECTS 5**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                         |              |                                                 |           |                        |      |                                                                                |                                                                                                                                |                                                                                                                                     |                                                                                                                                                         |                                                             |                                                                                                                                                                                                       |                                                                                                                               |                                         |                                                  |
|---------------------------------------------------|---------------|---------------------------------------------------------|--------------|-------------------------------------------------|-----------|------------------------|------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|--------------------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                                           | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                   | PROGRAMME | PROJECT                | WARD | BASELINE / STATUS QOQ                                                          | MEASURABLE OBJECTIVE                                                                                                           | ANNUAL TARGET GET / OUTPUT                                                                                                          | PERFORMANCE MEASURE                                                                                                                                     | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                                                                                                                                       |                                                                                                                               |                                         | SOURCE DOCUMENT                                  |
|                                                   |               |                                                         |              |                                                 |           |                        |      |                                                                                |                                                                                                                                |                                                                                                                                     |                                                                                                                                                         | ANNUAL TARGET                                               | ANNUAL ACTUAL                                                                                                                                                                                         | ACTUAL (1-2,3,4,5; Not Applicable)                                                                                            | REASON FOR DEVIATION                    |                                                  |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MPAC 01      | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | MPAC      | Oversight process plan | N/A  | Oversight process plan approved by Council in the 17/18 FY                     | 1 x Oversight Process plan prepared & submitted to Council by the 31st of January 2019                                         | Date Oversight Process plan prepared & submitted to Council                                                                         | 1 x Oversight Process plan prepared & submitted to Council by the 31st of January 2019                                                                  | N/A                                                         | N/A                                                                                                                                                                                                   | N/A                                                                                                                           | Oversight Process plan                  |                                                  |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MPAC 02      | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | MPAC      | Oversight Report       | N/A  | Oversight Report tabled 16/17 and adopted by Council by the 30th of March 2016 | 1 x Oversight Report 17/18 tabled and adopted by Council by the 31st March 2019                                                | Date Oversight Report 17/18 tabled and adopted by Council                                                                           | 1 x Oversight Report 17/18 tabled and adopted by Council by the 31st March 2019                                                                         | 3 (100% - 129%)                                             | N/A                                                                                                                                                                                                   | N/A                                                                                                                           | Oversight Report and Council Resolution |                                                  |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MPAC 03      | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | MPAC      | Oversight Report       | N/A  | N/A                                                                            | Approved Oversight Report 17/18 made public (published on municipal website) within seven days of approval of Oversight report | Date Approved Oversight Report 17/18 made public (published on municipal website) within seven days of approval of Oversight report | Approved Oversight Report 17/18 made public (published on municipal website) within seven days of approval of Oversight report by the 7th of April 2019 | 3 (100% - 129%)                                             | N/A                                                                                                                                                                                                   | N/A                                                                                                                           | Email                                   |                                                  |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MPAC 04      | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | MPAC      | Oversight Report       | N/A  | N/A                                                                            | 6 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                       | Number of MPAC Monthly Reports prepared and submitted to Full Council                                                               | 3 x MPAC Monthly Reports prepared and submitted to Full Council by the 30th of June 2019                                                                | 1 (69% & below)                                             | 1. April: No meeting set to effect a report being produced.<br>2. May: No meeting set because there were no agenda items were provided to enable a meeting to sit and a report developed for council. | Requesting a continuous flow of reports to committee and on time from other council committees and business units through ACM | 19/20 FY                                | MPAC Monthly Reports and Full Council Resolution |
| E                                                 | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPAL PALITY | MPAC 05      | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | MPAC      | Oversight Report       | N/A  | N/A                                                                            | 100% of ad hoc MPAC reports prepared and submitted to Full Council by the 30th of June 2019                                    | % of ad hoc MPAC reports prepared and submitted to Full Council                                                                     | 100% of ad hoc MPAC reports prepared and submitted to Full Council by the 30th of June 2019                                                             | 3 (100% - 129%)                                             | N/A                                                                                                                                                                                                   | N/A                                                                                                                           | N/A                                     | Ad hoc MPAC report                               |

## ANNEXURE C

### OPERATIONAL PLAN 2018/2019 FY - ANNUAL PROGRESS REPORT - BUDGET & TREASURY

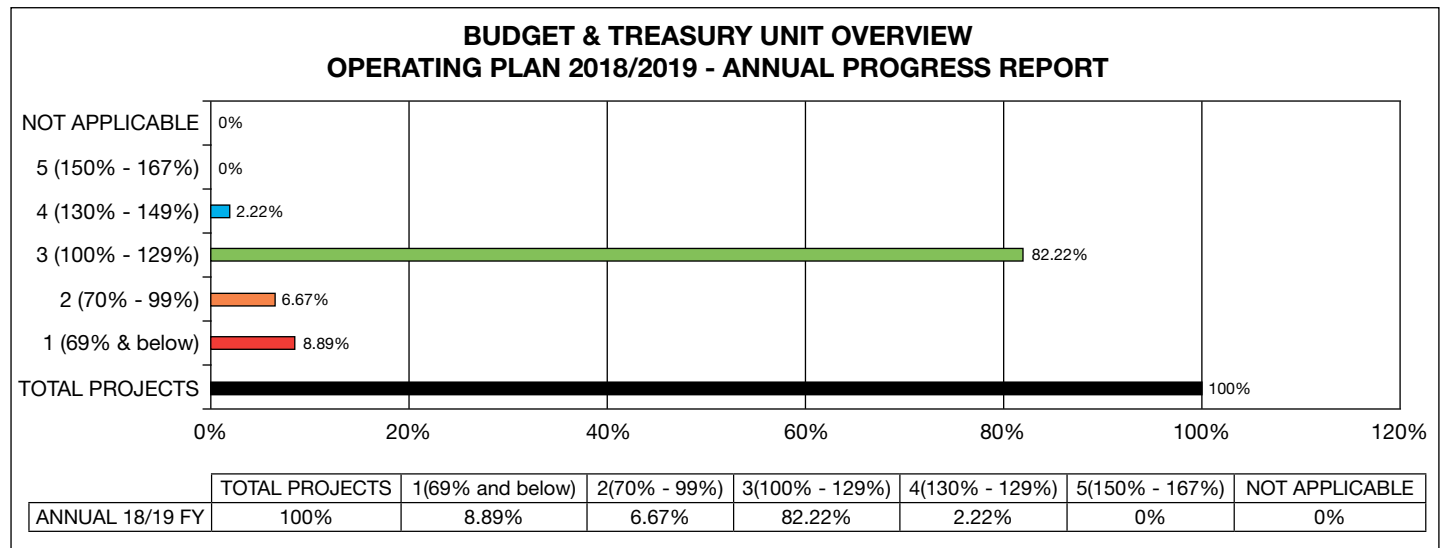
#### BUDGET & TREASURY UNIT OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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 BUDGET & TREASURY UNIT OVERVIEW

|       |                    |    |
|-------|--------------------|----|
| 1.1   | TOTAL PROJECTS:    | 45 |
| 1.1.1 | OPERATING PROJECTS | 45 |
| 1.1.2 | CAPITAL PROJECTS   | 0  |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |                        |                                                                                                   |                          |                        |                      |                                                  |               |                                        |                                                                                                          |                                                                                          |                            |                                                                                                                                                                                                                                         |                                                                                                              |
|---------------------------------------------------|------------------------|---------------------------------------------------------------------------------------------------|--------------------------|------------------------|----------------------|--------------------------------------------------|---------------|----------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| BUDGET & TREASURY UNIT OVERVIEW NARRATIVE         |                        |                                                                                                   |                          |                        |                      |                                                  |               |                                        |                                                                                                          |                                                                                          |                            |                                                                                                                                                                                                                                         |                                                                                                              |
| NO                                                | BUSINESS UNIT          | SUB UNIT                                                                                          | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | OP REFER-ENCE | PROJECT                                | ANNUAL TARGET                                                                                            | ANNUAL ACTUAL                                                                            | ACTUAL                     | REASON FOR DEVIATION                                                                                                                                                                                                                    | CORRECTIVE MEASURE                                                                                           |
|                                                   |                        |                                                                                                   |                          |                        |                      |                                                  |               |                                        |                                                                                                          |                                                                                          | (1,2,3,4,5 Not Applicable) |                                                                                                                                                                                                                                         |                                                                                                              |
| 2                                                 | BUDGET & TREASURY UNIT | BUDGET PLANNING, IMPLEMENTATION & MONITORING                                                      | 11                       | 0                      | 11                   | 0                                                | N/A           | N/A                                    | N/A                                                                                                      | N/A                                                                                      | NOT APPLICABLE             | N/A                                                                                                                                                                                                                                     | N/A                                                                                                          |
|                                                   |                        | EXPENDITURE MANAGEMENT                                                                            | 3                        | 0                      | 3                    | 1                                                | EXP 03        | Annual Review of Procedures Manual.    | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 31st of March 2019 | Procedure manuals reviewed however not submitted timely                                  | 2 (70% - 99%)              | Reviewed manuals were submitted late                                                                                                                                                                                                    | To obtain SMC resolution                                                                                     |
|                                                   |                        | REVENUE MANAGEMENT                                                                                | 9                        | 0                      | 9                    | 4                                                | REV 03        | Debt collection                        | 90% Monthly collection rate of current debt by the 30th of June 2019                                     | 87% Monthly collection rate of current debt by the 30th of June 2019                     | 2 (70% - 99%)              | The collection rate should be higher than 59% for the Month of June which would have resulted in an overall collection rate of 90% at year end. This is being investigated.                                                             | Water restriction must be fully implemented and replace all Municipal Flats with prepaid electricity meters  |
|                                                   |                        |                                                                                                   |                          |                        |                      |                                                  | REV 04        | Debt collection                        | 10% Monthly collection rate of current debt by the 30th of June 2019                                     | 0% Monthly collection rate of current debt by the 30th of June 2019                      | 1 (69% & below)            | Customers are not paying as expected and also the unbilled accounts which amounts to R40M also contribute to the low collection rate. None restriction of water in Imball area and unpaid accounts for Vulindlela.                      | Water restriction must be fully implemented and replace all Municipal Flats with prepaid electricity meters. |
|                                                   |                        |                                                                                                   |                          |                        |                      |                                                  | REV 05        | Accurate Billing                       | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2019                 | 70% of all electricity and water meters read on a monthly basis by the 30th of June 2019 | 2 (70% - 99%)              | Changing of readings and system implementation on captured meters also causes the estimation of meters to increase. Slow pace of replacing of faulty meters. Validation staff estimating meters without the code/reasons for estimating | SAP requires some further developments Faulty meters must also be replaced.                                  |
|                                                   |                        |                                                                                                   |                          |                        |                      |                                                  | REV 08        | Rental stock                           | 12 x monthly rental stock reports submitted to SMC by the 30th of June 2019                              | 0 x monthly rental stock reports submitted to SMC by the 30th of June 2019               | 1 (69% & below)            | Poor planning conducted by the unit                                                                                                                                                                                                     | The unit considers all resources within the unit prior to setting targets                                    |
|                                                   |                        | SUPPLY CHAIN MANAGEMENT                                                                           | 6                        | 0                      | 6                    | 1                                                | SOM 02        | Procurement plan submission            | 2019/2020 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2019         | Procurement plan circulated to Business unit, there are delays in terms of response      | 1 (69% & below)            | There are delays from business unit in terms of response                                                                                                                                                                                | Visits will be conducted to fast track the process                                                           |
|                                                   |                        | ASSETS & LIABILITIES MANAGEMENT (FLEET VALUATIONS & REAL ESTATE ASSETS, LOSS CONTROL & INSURANCE) | 13                       | 0                      | 13                   | 1                                                | A & LM12      | Branding of Council vehicles and plant | 100 x Council vehicles and plant to be branded by the end of June 2019                                   | 27 x Council vehicles and plant branded by the end of June 2019                          | 1 (69% & below)            | Contract for Branding expired                                                                                                                                                                                                           | New tender processes in place; in the interim quotes will be requested                                       |
|                                                   |                        |                                                                                                   | 1                        | 0                      | 1                    | 0                                                | N/A           | N/A                                    | N/A                                                                                                      | N/A                                                                                      | NOT APPLICABLE             | N/A                                                                                                                                                                                                                                     | N/A                                                                                                          |
|                                                   |                        | FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT                                                       | 2                        | 0                      | 2                    | 0                                                | N/A           | N/A                                    | N/A                                                                                                      | N/A                                                                                      | NOT APPLICABLE             | N/A                                                                                                                                                                                                                                     | N/A                                                                                                          |
|                                                   |                        | <b>TOTAL</b>                                                                                      | <b>45</b>                | <b>0</b>               | <b>45</b>            | <b>7</b>                                         |               |                                        |                                                                                                          |                                                                                          |                            |                                                                                                                                                                                                                                         |                                                                                                              |

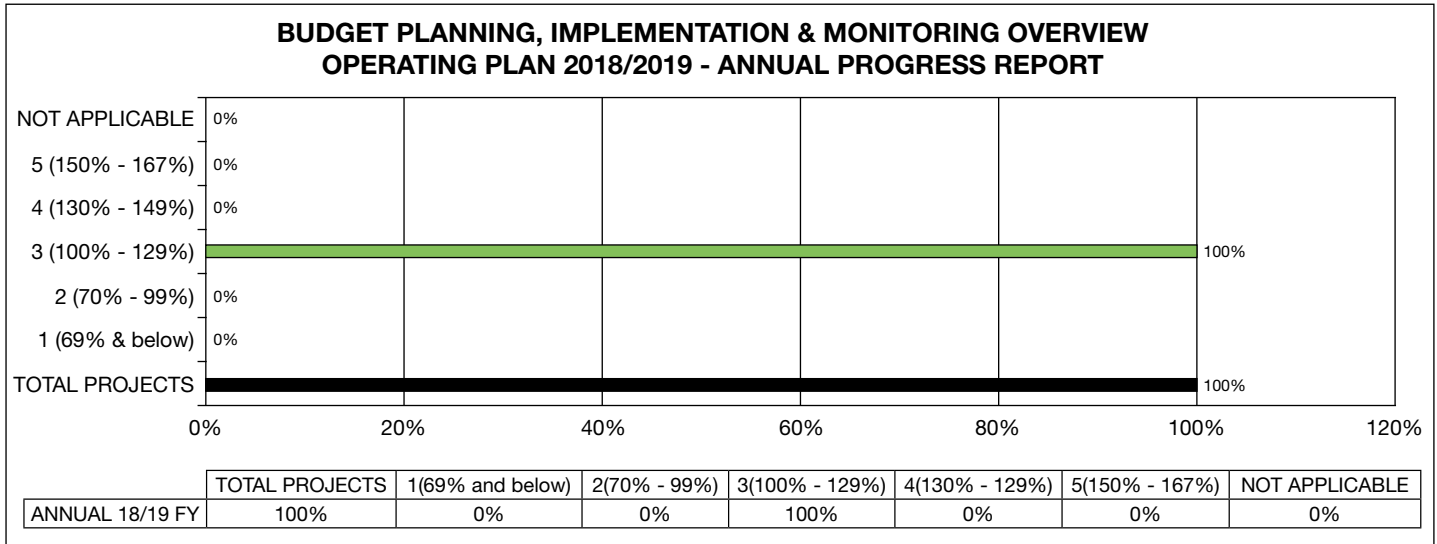
**BUDGET PLANNING, IMPLEMENTATION & MONITORING OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 BUDGET PLANNING, IMPLEMENTATION & MONITORING OVERVIEW**

- 1.1 TOTAL PROJECTS: 11
- 1.1.1 OPERATING PROJECTS 11
- 1.1.2 CAPITAL PROJECTS 0

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**





# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                              |              |                                                     |                         |                                                    |      |                                                                                                                       |                                                                                                                                                        |                                                                                                                                                              |                                                                                                                                                        |                 |               |                                           |                      |                    |
|---------------------------------------------------|---------------|------------------------------|--------------|-----------------------------------------------------|-------------------------|----------------------------------------------------|------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------|-------------------------------------------|----------------------|--------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                       | PROGRAMME               | PROJECT                                            | WARD | SUB UNIT: BUDGET PLANNING, IMPLEMENTATION & MONITORING                                                                |                                                                                                                                                        |                                                                                                                                                              | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                            |                 |               |                                           |                      |                    |
|                                                   |               |                              |              |                                                     |                         |                                                    |      | BASELINE / STATUS Q100                                                                                                | MEASURABLE OBJECTIVE                                                                                                                                   | ANNUAL TARGET / OUTPUT                                                                                                                                       | PERFORMANCE MEASURE                                                                                                                                    | ANNUAL TARGET   | ANNUAL ACTUAL | ACTUAL ANNUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE |
| D                                                 | D3            | 4 - FINANCIAL SUSTAINABILITY | B & T01      | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | IDP/Budget process plan | Implementation of process plan                     | N/A  | Final Draft budget submitted to SMC by the 16th of May 2018                                                           | Final Draft budget for 2019/20 FY & two outer years prepared & submitted to SMC by the 31st of March 2019                                              | Date Final Draft budget for 2019/20FY & two outer years prepared & submitted to SMC by the 31st of March 2019                                                | Final Draft budget for 2019/20 FY & two outer years prepared & submitted to SMC by the 31st of March 2019                                              | 3 (100% - 129%) | N/A           | N/A                                       | N/A                  | SMC Resolution     |
| D                                                 | D3            | 4 - FINANCIAL SUSTAINABILITY | B & T02      | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | IDP/Budget process plan | Implementation of process plan                     | N/A  | Summary of the approved budget and tariff of charges for the 2019/20 FY advertised by the 30th of June 2019           | Summary of the approved budget and tariff of charges for the 2019/20 FY advertised by the 30th of June 2019                                            | Date Summary of the approved budget and tariff of charges for the 2019/20 FY advertised by the 30th of June 2019                                             | Summary of the approved budget and tariff of charges for the 2019/20 FY advertised by the 30th of June 2019                                            | 3 (100% - 129%) | N/A           | N/A                                       | N/A                  | Copy of Advert     |
| D                                                 | D3            | 4 - FINANCIAL SUSTAINABILITY | B & T03      | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting     | Compliance                                         | N/A  | Section 71 reports were prepared and submitted within 10 working days after each month end for 2017/18 Financial year | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2019                             | Number of S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2019                              | 12 x S71 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2019                             | 3 (100% - 129%) | N/A           | N/A                                       | N/A                  | SMC Minutes        |
| D                                                 | D3            | 4 - FINANCIAL SUSTAINABILITY | B & T04      | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting     | Compliance                                         | N/A  | Quarterly submission of Section 52(d) reports to SMC done on an ad hoc basis in 17/18 FY                              | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter after the 30th of April 2019 | Number of Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter after the 30th of April 2019 | 4 x Quarterly reports on Section 52(d) produced and submitted to SMC within 10 working days after the end of each Quarter after the 30th of April 2019 | 3 (100% - 129%) | N/A           | N/A                                       | N/A                  | SMC Minutes        |
| D                                                 | D3            | 4 - FINANCIAL SUSTAINABILITY | B & T05      | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting     | Compliance                                         | N/A  | 2017/18 mid-year report tabled by 25 January 2018                                                                     | Section 72 (mid-year) budget performance report prepared and submitted to SMC by the 25th of January 2019                                              | Date Section 72 (mid-year) budget performance report prepared and submitted to SMC by the 25th of January 2019                                               | Section 72 (mid-year) budget performance report prepared and submitted to SMC by the 25th of January 2019                                              | 3 (100% - 129%) | N/A           | N/A                                       | N/A                  | SMC Minutes        |
| D                                                 | D3            | 4 - FINANCIAL SUSTAINABILITY | B & T06      | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting     | Compliance                                         | N/A  | Grants financial report was tabled to SMC monthly during the 2017/18 FY                                               | 12 x Monthly monitoring of grants reports prepared and submitted to SMC by the 15th of July 2019                                                       | Number of Monthly monitoring of grants reports prepared and submitted to SMC                                                                                 | 12 x Monthly monitoring of grants reports prepared and submitted to SMC by the 15th of July 2019                                                       | 3 (100% - 129%) | N/A           | N/A                                       | N/A                  | SMC Minutes        |
| D                                                 | D3            | 4 - FINANCIAL SUSTAINABILITY | B & T07      | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting     | Compliance                                         | N/A  | Section 66 reports are prepared and submitted within 10 working days after each month end for 2016/17 year            | 12 x Monthly S66 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2019                     | Number of Monthly S66 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2019                      | 12 x Monthly S66 reports produced and submitted to SMC within 10 working days after the end of each month by the 30th of June 2019                     | 3 (100% - 129%) | N/A           | N/A                                       | N/A                  | SMC Minutes        |
| D                                                 | D3            | 4 - FINANCIAL SUSTAINABILITY | B & T08      | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Strengthen Governance   | Ensure compliance to MFMA and Treasury regulations | N/A  | 100% of Budget & Treasury policies reviewed and submitted to SMC in the 17/18 FY                                      | 100% of Budget & Treasury policies reviewed and submitted to SMC along with standard operating procedures by the 28th of February 2019                 | % of Budget & Treasury policies reviewed and submitted to SMC along with standard operating procedures by the 28th of February 2019                          | 100% of Budget & Treasury policies reviewed and submitted to SMC along with standard operating procedures by the 28th of February 2019                 | 3 (100% - 129%) | N/A           | N/A                                       | N/A                  | SMC Minutes        |

OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE                | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                       | PROGRAMME             | PROJECT                                                                       | WARD | SUB UNIT: BUDGET PLANNING, IMPLEMENTATION & MONITORING                                                                                |                                                                                                                                                                |                                                                                                                                                          | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |               |                      |                         | SOURCE DOCUMENT |                                            |
|-------|---------------|------------------------------|--------------|-----------------------------------------------------|-----------------------|-------------------------------------------------------------------------------|------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------|----------------------|-------------------------|-----------------|--------------------------------------------|
|       |               |                              |              |                                                     |                       |                                                                               |      | BASELINE / STATUS QUO                                                                                                                 | MEASURABLE OBJECTIVE                                                                                                                                           | ANNUAL TARGET / OUTPUT                                                                                                                                   | PERFORMANCE MEASURE                                         | ANNUAL ACTUAL | REASON FOR DEVIATION | CORRECTIVE MEASURE      |                 | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
|       |               |                              |              |                                                     |                       |                                                                               |      |                                                                                                                                       |                                                                                                                                                                |                                                                                                                                                          |                                                             |               |                      |                         |                 |                                            |
| D     | D3            | 4 - FINANCIAL SUSTAINABILITY | MSCOA 01     | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Strengthen Governance | Quarterly reporting of the implementation of mSCOA submitted to SMC.          | N/A  | 4 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA        | Number of Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA by the 15th of April 2019 | 4 x Quarterly reports prepared and submitted to SMC within 15 days after the end of the quarter on the implementation of mSCOA by the 15th of April 2019 | N/A                                                         | N/A           | N/A                  | SMC Minutes             |                 |                                            |
| D     | D3            | 4 - FINANCIAL SUSTAINABILITY | MSCOA 02     | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting   | Full implementation of mSCOA in terms of mSCOA regulation as from 1 July 2017 | N/A  | 12x Monthly Reports on the implementation of mSCOA. Budgeting (seven segments) produced and submitted to SMC by the 30th of June 2019 | Number of Monthly Reports on the implementation of mSCOA. Budgeting (seven segments) produced and submitted to SMC by the 30th of June 2019                    | 12 x Monthly Reports on the implementation of mSCOA. Budgeting (seven segments) produced and submitted to SMC by the 30th of June 2019                   | N/A                                                         | N/A           | N/A                  | SMC Minutes             |                 |                                            |
| D     | D3            | 4 - FINANCIAL SUSTAINABILITY | MSCOA 03     | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting   | Full implementation of mSCOA in terms of mSCOA regulation as from 1 July 2017 | N/A  | 4 x Quarterly reports uploaded into LG Data Base in pipe delimited format directly from SAP system                                    | Number of Quarterly Reports uploaded into LG Data Base in pipe delimited format directly from SAP System                                                       | 4 x Quarterly reports downloaded from SAP and uploaded into LG Data Base in pipe delimited format directly from SAP System                               | N/A                                                         | N/A           | N/A                  | Report from LG database |                 |                                            |

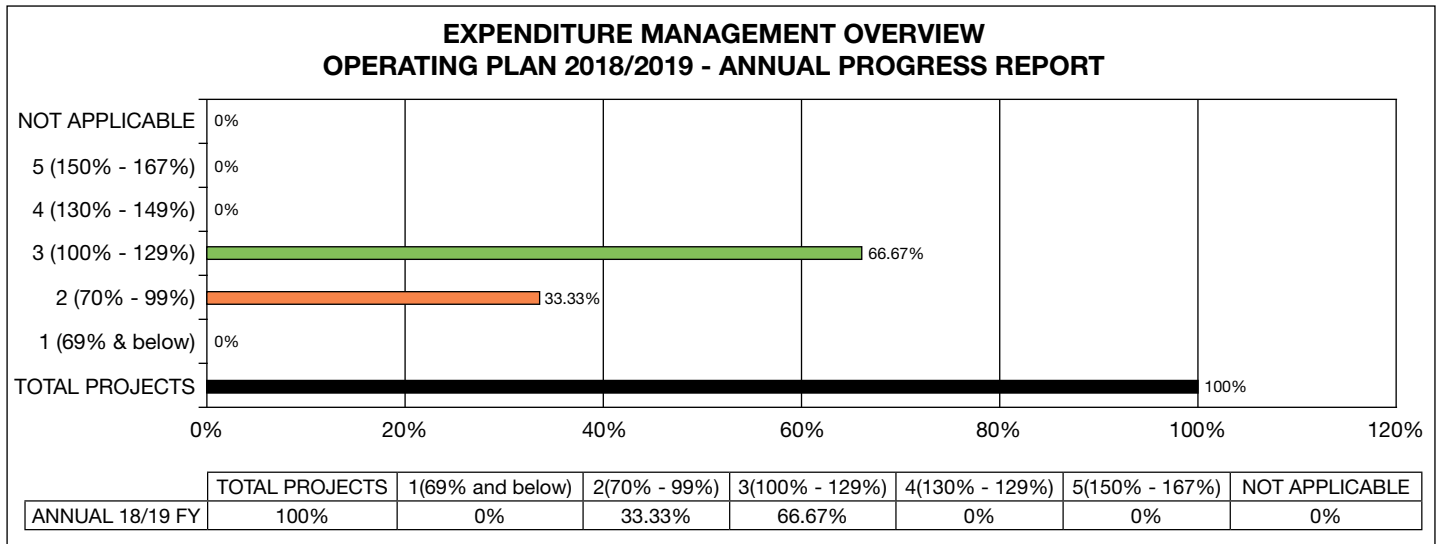
**EXPENDITURE MANAGEMENT OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 EXPENDITURE MANAGEMENT OVERVIEW**

- 1.1 TOTAL PROJECTS: 3**
- 1.1.1 OPERATING PROJECTS 3**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                              |                                  |                                                                |                        |                                                                                                         |      |                                                                                                                                |                                                                                                                                                         |                                                                                                                              |                                                                                                                                                          |                 |                                      |                          |                                            |                        |
|---------------------------------------------------|---------------|------------------------------|----------------------------------|----------------------------------------------------------------|------------------------|---------------------------------------------------------------------------------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------|--------------------------|--------------------------------------------|------------------------|
| BUSINESS UNIT: BUDGET & TREASURY                  |               |                              | SUB UNIT: EXPENDITURE MANAGEMENT |                                                                |                        | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                             |      |                                                                                                                                | ANNUAL 2018/2019 PROGRESS REPORT                                                                                                                        |                                                                                                                              |                                                                                                                                                          |                 |                                      |                          |                                            |                        |
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                | OP REFERENCE                     | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME              | PROJECT                                                                                                 | WARD | BASELINE / STATUS QUO                                                                                                          | MEASURABLE OBJECTIVE                                                                                                                                    | ANNUAL TARGET / OUTPUT                                                                                                       | PERFORMANCE MEASURE                                                                                                                                      | ANNUAL ACTUAL   | REASON FOR DEVIATION                 | CORRECTIVE MEASURE       | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT        |
| D                                                 | D2            | 4 - FINANCIAL SUSTAINABILITY | EXP 01                           | FINANCIAL VIABILITY & FINANCIAL MANAGEMENT                     | Expenditure Management | Monthly report on Fruitless and Wasteful Expenditure to SMC                                             | N/A  | Fruitless and wasteful expenditure reports submitted to SMC for 2016/17                                                        | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2019                                       | Number of monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC                                | 12 x monthly reports on Fruitless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2019                                        | 3 (100% - 129%) | N/A                                  | N/A                      | N/A                                        | SMC                    |
| D                                                 | D2            | 4 - FINANCIAL SUSTAINABILITY | EXP 02                           | FINANCIAL VIABILITY & FINANCIAL MANAGEMENT                     | Expenditure Management | Payment of council creditors within 30 days from date of receipt of invoice by the creditors department | N/A  | 90% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers | 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 2019 | % of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers | 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 2019 | 3 (100% - 129%) | N/A                                  | N/A                      | N/A                                        | Creditors Age Analysis |
| A                                                 | A2            | 4 - FINANCIAL SUSTAINABILITY | EXP 03                           | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Expenditure Management | Annual Review of Procedures Manual.                                                                     | N/A  | Procedures are reviewed once a year.                                                                                           | 100% of Expenditure Management Procedure Manuals reviewed and submitted to SMC                                                                          | 100% of Expenditure Management procedure manuals reviewed and submitted to SMC by the 31st of March 2019                     | Procedure manuals reviewed however not submitted timeously                                                                                               | 2 (70% - 99%)   | Reviewed manuals were submitted late | To obtain SMC resolution | 31-Aug-19                                  | SMC Resolution         |

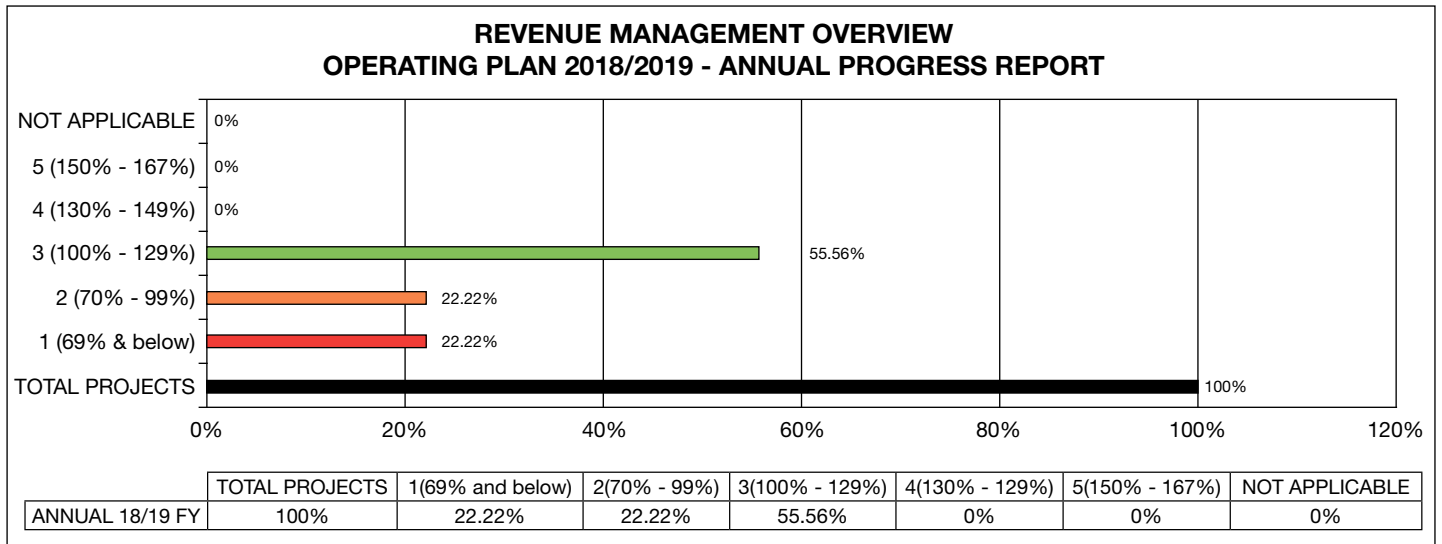
**REVENUE MANAGEMENT OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 REVENUE MANAGEMENT OVERVIEW**

- 1.1 TOTAL PROJECTS: 9**
- 1.1.1 OPERATING PROJECTS 9**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE                | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA          | PROGRAMME                            | PROJECT          | WARD | BASELINE/STATUS QUO                                                                                                                 | MEASURABLE OBJECTIVE                                                                                                                                                                         | ANNUAL TARGET/OUTPUT                                                                                                                                                               | PERFORMANCE MEASURE                                                                                                                                                           | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                                                                                                                                                                                                          |                                                                                                              |                                                                                                                          | SOURCE DOCUMENT                               |                                            |
|-------|---------------|------------------------------|--------------|----------------------------------------|--------------------------------------|------------------|------|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|--------------------------------------------|
|       |               |                              |              |                                        |                                      |                  |      |                                                                                                                                     |                                                                                                                                                                                              |                                                                                                                                                                                    |                                                                                                                                                                               | ANNUAL ACTUAL                                               | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                                                                       | REASON FOR DEVIATION                                                                                         | CORRECTIVE MEASURE                                                                                                       |                                               | Timeframe TO IMPLEMENT CORRECTIVE MEASURES |
|       |               |                              |              |                                        |                                      |                  |      |                                                                                                                                     |                                                                                                                                                                                              |                                                                                                                                                                                    |                                                                                                                                                                               |                                                             |                                                                                                                                                                                                                          |                                                                                                              |                                                                                                                          |                                               |                                            |
| D     | D1            | 4 - FINANCIAL SUSTAINABILITY | REV 01       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Adoption of Revenue related policies | Compliance       | N/A  | All Revenue related policies were reviewed in 2017/18 budget (Credit Control, Tariffs, Indigent, Rates and Debt Write off policies) | Credit Control, Tariffs, Indigent Rates and Debt Write off policies reviewed and approved and submitted to SMC for approval by Council during MAY 2019 for approval by Council FOR 2019/2020 | Date Credit Control, Tariffs, Indigent Rates and Debt Write off policies reviewed and approved and submitted to SMC by the 30th of June 2019 for approval by Council FOR 2019/2020 | Credit Control, Tariffs, Indigent Rates and Debt Write off policies reviewed and approved and submitted to SMC by the 30th of June 2019 for approval by Council FOR 2019/2020 | 3 (100% - 129%)                                             | N/A                                                                                                                                                                                                                      | N/A                                                                                                          | Budget Resolution                                                                                                        |                                               |                                            |
| D     | D3            | 5 - FINANCIAL SUSTAINABILITY | REV 02       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Revenue management                   | Reports          | N/A  | Monthly debtors age analysis reports submitted to SMC in the 17/18 FY                                                               | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2019                                                                                                          | Number of monthly debtors age analysis reports submitted                                                                                                                           | 12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2019                                                                                           | 3 (100% - 129%)                                             | N/A                                                                                                                                                                                                                      | N/A                                                                                                          | Age Analysis Report and SMC resolution                                                                                   |                                               |                                            |
| D     | D1            | 6 - FINANCIAL SUSTAINABILITY | REV 03       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Revenue management                   | Debt collection  | N/A  | 95% current debt collected in the 17/18FY                                                                                           | 90% Monthly collection rate of current debt by the 30th of June 2019                                                                                                                         | % Of Monthly collection rate of current debt                                                                                                                                       | 87% Monthly collection rate of current debt by the 30th of June 2019                                                                                                          | 2 (70% - 99%)                                               | The municipality is failing to collect debt for various reasons, averaging of accounts, broken meters, unlocated meters, no access to properties, non-payment of customers and new customer accounts not opened on time  | Water restriction must be fully implemented and replace all Municipal Flats with prepaid electricity meters  | Electricity must be implemented the resolution of the Full Council to replace credit meters with prepaid in the 19/20 FY | Age Analysis Report and SMC resolution        |                                            |
| D     | D1            | 7 - FINANCIAL SUSTAINABILITY | REV 04       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Revenue management                   | Debt collection  | N/A  | 10% arrear debt collected in the 17/18 FY                                                                                           | 10% Monthly collection rate of arrear debt by the 30th of June 2019                                                                                                                          | % Of Monthly collection rate of arrear debt                                                                                                                                        | 0% Monthly collection rate of current debt by the 30th of June 2019                                                                                                           | 1 (69% & below)                                             | Customers are not paying as expected and also the unbilled accounts which amounts to R40M also contribute to the low collection rate. No restriction of water in Imballi area and unpaid accounts for Vullindlela.       | Water restriction must be fully implemented and replace all Municipal Flats with prepaid electricity meters. | Electricity must be implemented the resolution of the Full Council to replace credit meters with prepaid in the 19/20FY  | Age Analysis Report and SMC resolution        |                                            |
| D     | D1            | 8 - FINANCIAL SUSTAINABILITY | REV 05       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Billing management                   | Accurate Billing | N/A  | 90% electricity and water meters read in the 17/18 FY                                                                               | 85% of all electricity and water meters read on a monthly basis by the 30th of June 2019                                                                                                     | % Of all electricity and water meters read on a monthly basis                                                                                                                      | 70% of all electricity and water meters read on a monthly basis by the 30th of June 2019                                                                                      | 2 (70% - 99%)                                               | Changing of system implementation captured meters also causes the estimation of meters to increase. Slow pace of replacing of faulty meters. Validation staff estimating meters without the code/reasons for estimating. | SAP requires some further developments Faulty meters must also be replaced.                                  | July 2019 - SAP development                                                                                              | Meter Reading stats report and SMC resolution |                                            |
| D     | D3            | 9 - FINANCIAL SUSTAINABILITY | REV 06       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Billing management                   | Reports          | N/A  | Disconnection vs. Reconnection report submitted monthly to SMC in 17/18 FY                                                          | 12 x monthly reports on disconnection vs. reconnection rates submitted to SMC                                                                                                                | Number of monthly reports on disconnection vs. reconnection rates submitted                                                                                                        | 12 x monthly disconnection and reconnection reports submitted to SMC by the 30th of June 2019                                                                                 | 3 (100% - 129%)                                             | N/A                                                                                                                                                                                                                      | N/A                                                                                                          | Disconnection and Reconnection report as well as SMC Resolutions                                                         |                                               |                                            |

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                               |              |                                        |                              |                                            |      |                                                                                                                                               |                                                                                                                                                                                    |                                                                                                                                                                              |                                                                                                                                                                                    |                                                             |                                     |                                                                           |                      |                                               |
|---------------------------------------------------|---------------|-------------------------------|--------------|----------------------------------------|------------------------------|--------------------------------------------|------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------|----------------------|-----------------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                 | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA          | PROGRAMME                    | PROJECT                                    | WARD | BASELINE / STATUS QUO                                                                                                                         | MEASURABLE OBJECTIVE                                                                                                                                                               | ANNUAL TARGET / OUTPUT                                                                                                                                                       | PERFORMANCE MEASURE                                                                                                                                                                | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                     |                                                                           |                      |                                               |
|                                                   |               |                               |              |                                        |                              |                                            |      |                                                                                                                                               |                                                                                                                                                                                    |                                                                                                                                                                              |                                                                                                                                                                                    | ANNUAL TARGET                                               | ANNUAL ACTUAL                       | ACTUAL ANNUAL 2018/2019 (1,2,3,4,5, Not Applicable)                       | REASON FOR DEVIATION | CORRECTIVE MEASURE                            |
| D                                                 | D1            | 10 - FINANCIAL SUSTAINABILITY | REV 07       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Billing management           | Data cleansing                             | N/A  | 4 x Quarterly reports on Consumer account data accurately updated (data cleansing) (consumer data is exactly as prepared and submitted to SMC | 4 x Quarterly reports on Consumer account data accurately updated (data cleansing) (consumer data is exactly as prepared and submitted to SMC by the 30th of June 2019             | Number of Quarterly reports on Consumer account data accurately updated (data cleansing) (consumer data is exactly as prepared and submitted to SMC by the 30th of June 2019 | 4 x Quarterly reports on Consumer account data accurately updated (data cleansing) (consumer data is exactly as prepared and submitted to SMC by the 30th of June 2019             | 3 (100% - 129%)                                             | N/A                                 | N/A                                                                       | N/A                  | Data Cleansing Report and SMC Resolution      |
| D                                                 | D3            | 11 - FINANCIAL SUSTAINABILITY | REV 08       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Financial Reporting          | Rental stock                               | N/A  | 12 x monthly reports on Council rental stock submitted to SMC                                                                                 | 12 x monthly reports on Council rental stock submitted to SMC by the 30th of June 2019                                                                                             | Number of monthly reports on Council rental stock submitted to SMC                                                                                                           | 0 x monthly rental stock reports submitted to SMC by the 30th of June 2019                                                                                                         | 1 (69% & below)                                             | Poor planning conducted by the unit | The unit considers all resources within the unit prior to setting targets | 19/20 FY             | N/A                                           |
| D                                                 | D3            | 12 - FINANCIAL SUSTAINABILITY | REV 09       | NKPA 4 - MUNICIPAL FINANCIAL VIABILITY | Revenue Enhancement Strategy | Implement the Revenue Enhancement Strategy | N/A  | 4 x Quarterly reports on the implementation of the revenue enhancement strategy produced within 10 days after the end of the Quarter          | 4 x Quarterly reports on the implementation of the revenue enhancement strategy produced and submitted to SMC within 10 days after the end of the Quarter by the 30th of June 2019 | Number of Quarterly reports on the implementation of the revenue enhancement strategy produced and submitted to SMC                                                          | 4 x Quarterly reports on the implementation of the revenue enhancement strategy produced and submitted to SMC within 10 days after the end of the Quarter by the 30th of June 2019 | 3 (100% - 129%)                                             | N/A                                 | N/A                                                                       | N/A                  | Revenue Enhancement report and SMC resolution |

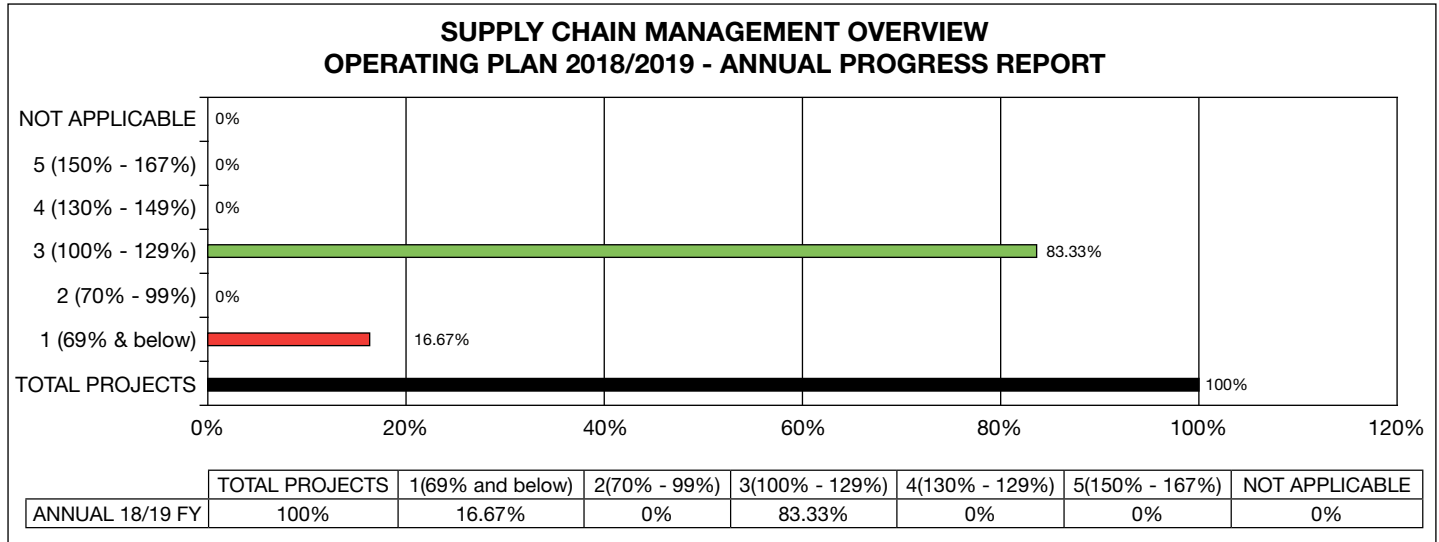
**SUPPLY CHAIN MANAGEMENT OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 SUPPLY CHAIN MANAGEMENT OVERVIEW**

- 1.1 TOTAL PROJECTS: 6**
- 1.1.1 OPERATING PROJECTS 6**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**





| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                              |              |                                                     |                         |                                     |      |                                                                        |                                                                                                                                                                                       |                                                                                                                                                                                                                     |                                                                                                                                                                                                                |                                                                                                                                                     |                                                          |                                                    |                      |                    |                                            |
|---------------------------------------------------|---------------|------------------------------|--------------|-----------------------------------------------------|-------------------------|-------------------------------------|------|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------|----------------------|--------------------|--------------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                       | PROGRAMME               | PROJECT                             | WARD | BASELINE / STATUS QUO                                                  | MEASURABLE OBJECTIVE                                                                                                                                                                  | ANNUAL TARGET / OUTPUT                                                                                                                                                                                              | PERFORMANCE MEASURE                                                                                                                                                                                            | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                         |                                                          |                                                    |                      |                    |                                            |
|                                                   |               |                              |              |                                                     |                         |                                     |      |                                                                        |                                                                                                                                                                                       |                                                                                                                                                                                                                     |                                                                                                                                                                                                                | ANNUAL TARGET                                                                                                                                       | ANNUAL ACTUAL                                            | ACTUAL (1,2,3,4,5, Not Applicable)                 | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
| D                                                 | D2            | 4 - FINANCIAL SUSTAINABILITY | SCM 01       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | SCM Policy Review                   | N/A  | SCM Policy approved by SMC on 30/05/2018                               | Supply chain management Policy reviewed and submitted to SMC for approval by Council by the 28th of February 2019                                                                     | Date Supply chain management Policy reviewed and submitted to SMC for approval by Council by the 28th of February 2019                                                                                              | Supply chain management Policy reviewed and submitted to SMC for approval by Council by the 28th of February 2019                                                                                              | 3 (100% - 129%)                                                                                                                                     | N/A                                                      | N/A                                                | N/A                  | Council resolution |                                            |
| D                                                 | D2            | 4 - FINANCIAL SUSTAINABILITY | SOM 02       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Procurement plan submission         | N/A  | Procurement plan approved by SMC on 30/06/2018                         | 2018/2019 financial year Procurement Plan prepared and submitted to SMC                                                                                                               | Date 2018/2019 financial year Procurement Plan prepared                                                                                                                                                             | Procurement plan circulated to Business unit, there are delays in terms of response                                                                                                                            | 1 (69% & below)                                                                                                                                     | There are delays from business unit in terms of response | Visits will be conducted to fast track the process | 7/31/2019            | SMC resolution     |                                            |
| D                                                 | D2            | 4 - FINANCIAL SUSTAINABILITY | SOM 03       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Procurement Plan implementation     | N/A  | 18/19 Procurement plan                                                 | 4 x quarterly reports produced and submitted to SMC on the 18/19FY approved procurement plan                                                                                          | Number of quarterly reports produced and submitted to SMC on the 18/19FY approved procurement plan                                                                                                                  | 4 x quarterly reports produced and submitted to SMC on the 18/19FY approved procurement plan by the 30th of June 2019                                                                                          | 3 (100% - 129%)                                                                                                                                     | N/A                                                      | N/A                                                | N/A                  | SMC resolution     |                                            |
| D                                                 | D2            | 4 - FINANCIAL SUSTAINABILITY | SCM 04       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Monthly Reports                     | N/A  | Report submitted by 25 of each month                                   | 12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee | Number of 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 2019 | 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 2019 | 3 (100% - 129%)                                                                                                                                     | N/A                                                      | N/A                                                | N/A                  | OMC Resolution     |                                            |
| D                                                 | D2            | 4 - FINANCIAL SUSTAINABILITY | SCM 05       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Monthly Reports                     | N/A  | Monthly reports submitted to SMC                                       | 12 x contract management monthly reports prepared and submitted to SMC                                                                                                                | 12 x contract management monthly reports prepared and submitted to SMC                                                                                                                                              | 12 x contract management monthly reports prepared and submitted to SMC by the 30th of June 2019                                                                                                                | 3 (100% - 129%)                                                                                                                                     | N/A                                                      | N/A                                                | N/A                  | SMC resolution     |                                            |
| D                                                 | D2            | 4 - FINANCIAL SUSTAINABILITY | SCM 06       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Supply Chain Management | Monitoring of irregular expenditure | N/A  | Prepare and submit irregular expenditure report as and when identified | 4 x quarterly irregular Expenditure reports prepared and submitted to SMC as and when identified                                                                                      | Number of quarterly irregular Expenditure reports prepared                                                                                                                                                          | 4 x irregular expenditure quarterly reports produced and submitted to SMC if there is any irregular expenditure identified by the 30th of June 2019                                                            | 4 x irregular expenditure quarterly reports produced and submitted to SMC if there is any irregular expenditure identified by the 30th of June 2019 | 3 (100% - 129%)                                          | N/A                                                | N/A                  | N/A                | SMC resolution                             |

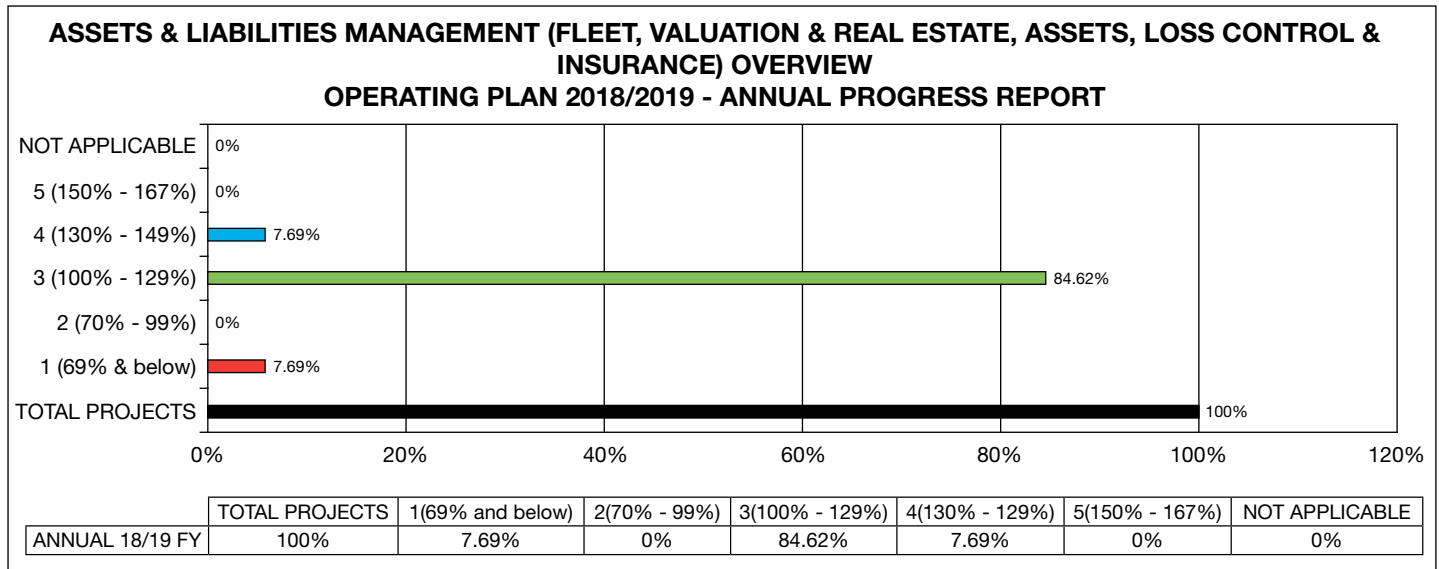
**ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE) OVERVIEW**

- 1.1 TOTAL PROJECTS: 13
- 1.1.1 OPERATING PROJECTS 13
- 1.1.2 CAPITAL PROJECTS 0

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                         |              |                                                                |                                                            |                                                            |      |                                                                                                                           |                                                                                                                                                                 |                                                                                                                                                    |                                                                                                                                                    |                                                             |               |                                    |                      |                                      |                                            |                 |
|---------------------------------------------------|---------------|---------------------------------------------------------|--------------|----------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|------|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------|------------------------------------|----------------------|--------------------------------------|--------------------------------------------|-----------------|
| INDEX                                             | IDP REFERENCE | CDP REFERENCE                                           | OP REFERENCE | NATIONAL KEY PERFORMANCE MANAGE AREA                           | PROGRAMME                                                  | PROJECT                                                    | WARD | BASELINE STATUS QWO                                                                                                       | MEASURABLE OBJECTIVE                                                                                                                                            | ANNUAL TARGET / OUTPUT                                                                                                                             | PERFORMANCE MEASURE                                                                                                                                | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL 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 |
|                                                   |               |                                                         |              |                                                                |                                                            |                                                            |      |                                                                                                                           |                                                                                                                                                                 |                                                                                                                                                    |                                                                                                                                                    |                                                             |               |                                    |                      |                                      |                                            |                 |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | A & LM01     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Policy review                                              | N/A  | Asset Management Policy reviewed and submitted to OMC for approval by Council                                             | Asset Management Policy reviewed and submitted to SMC for approval by the 31st of March 2019                                                                    | Date Asset Management Policy reviewed and submitted to SMC for approval by the 31st of March 2019                                                  | Asset management Policy reviewed and submitted to SMC for approval Council by the 31st of March 2019                                               | 3 (100% - 129%)                                             | N/A           | N/A                                | N/A                  | Asset Management Policy              |                                            |                 |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | A & LM02     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Review Useful Lives of Assets at year end.                 | N/A  | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives                           | Number & date of reports prepared and submitted to SMC on the 100% review of all Council assets' useful lives by the 30th of June 2019                          | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2019                           | 1 x report prepared and submitted to OMC on the 100% review of all Council assets' useful lives by the 30th of June 2019                           | 3 (100% - 129%)                                             | N/A           | N/A                                | N/A                  | Review of assets useful life report  |                                            |                 |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | A & LM03     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Valuation of Investment Properties                         | N/A  | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end      | Number & date of reports prepared and submitted to SMC on the 100% valuation of all Council Investment Property Assets at year end                              | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2019      | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2019      | 3 (100% - 129%)                                             | N/A           | N/A                                | N/A                  | Investment Property Valuation Report |                                            |                 |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | A & LM04     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Assess rehabilitation costs of Land fill site at year end. | N/A  | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end      | Number & date of reports prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2019     | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2019      | 1 x report prepared and submitted to OMC on the 100% valuation of all Council Investment Property Assets at year end by the 30th of June 2019      | 3 (100% - 129%)                                             | N/A           | N/A                                | N/A                  | Land fill site Rehabilitation Report |                                            |                 |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | A & LM05     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Undertake asset court                                      | N/A  | 1 x report prepared and submitted to OMC on the 100% verification of all Council assets physically verified at year end   | Number & Date of report prepared and submitted to OMC on the 100% verification of all Council assets physically verified at year end by the 30th of June 2019   | 1 x report prepared and submitted to OMC on the 100% verification of all Council assets physically verified at year end by the 30th of June 2019   | 1 x report prepared and submitted to OMC on the 100% verification of all Council assets physically verified at year end by the 30th of June 2019   | 3 (100% - 129%)                                             | N/A           | N/A                                | N/A                  | Asset Verification Report            |                                            |                 |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | A & LM06     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Increase institutional capacity and promote transformation | Assess Impairment of Assets at year end.                   | N/A  | 1 x report prepared and submitted to OMC on the 100% assessment of all Council assets assessed for impairment at year end | Number & Date of report prepared and submitted to OMC on the 100% assessment of all Council assets assessed for impairment at year end by the 30th of June 2019 | 1 x report prepared and submitted to OMC on the 100% assessment of all Council assets assessed for impairment at year end by the 30th of June 2019 | 1 x report prepared and submitted to OMC on the 100% assessment of all Council assets assessed for impairment at year end by the 30th of June 2019 | 3 (100% - 129%)                                             | N/A           | N/A                                | N/A                  | Conditional Assessment Report        |                                            |                 |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPING MENTAL MUNICIPALITY | A & LM07     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Improve Assets and Liabilities                             | Apply month end controls and procedures                    | N/A  | 12 x monthly reports prepared and submitted to OMC on depreciation journals processed monthly                             | Number of monthly reports prepared and submitted to OMC on depreciation journals processed monthly submitted to OMC by the 30th of June 2019                    | 12 x monthly reports prepared and submitted to OMC on depreciation journals processed monthly by the 30th of June 2019                             | 12 x monthly reports prepared and submitted to OMC on depreciation journals processed monthly by the 30th of June 2019                             | 3 (100% - 129%)                                             | N/A           | N/A                                | N/A                  | OMC Report                           |                                            |                 |

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                     |              |                                                                |                                |                                                                  |      |                                                                                                                                                 |                                                                                                                                                               |                                                                                                                                                       |                                                                                                                                                               |                                                                                                               |                        |                                  |                               |                     |                    |                      |                                   |                                            |
|---------------------------------------------------|---------------|-----------------------------------------------------|--------------|----------------------------------------------------------------|--------------------------------|------------------------------------------------------------------|------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------|-------------------------------|---------------------|--------------------|----------------------|-----------------------------------|--------------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                                       | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME                      | PROJECT                                                          | WARD | STATUS QUO                                                                                                                                      | MEASURABLE OBJECTIVE                                                                                                                                          | ANNUAL TARGET / OUTPUT                                                                                                                                | PERFORMANCE MEASURE                                                                                                                                           | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                   |                        |                                  |                               | SOURCE DOCUMENT     |                    |                      |                                   |                                            |
|                                                   |               |                                                     |              |                                                                |                                |                                                                  |      |                                                                                                                                                 |                                                                                                                                                               |                                                                                                                                                       |                                                                                                                                                               | SUB UNIT: ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE) |                        | ANNUAL 2018/2019 PROGRESS REPORT |                               |                     | CORRECTIVE MEASURE | REASON FOR DEVIATION | ACTUAL (1,2,3,4,5 Not Applicable) | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
|                                                   |               |                                                     |              |                                                                |                                |                                                                  |      |                                                                                                                                                 |                                                                                                                                                               |                                                                                                                                                       |                                                                                                                                                               | BASELINE / MEASURABLE                                                                                         | ANNUAL TARGET / OUTPUT | ANNUAL ACTUAL                    | ANNUAL ACTUAL                 |                     |                    |                      |                                   |                                            |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | A & LM08     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Improve Assets and Liabilities | Apply month end controls and procedures                          | N/A  | Monthly reports prepared and submitted to OMC on reconciliations between Asset Register & General Ledger performed at month end                 | 12 x monthly reports prepared and submitted to OMC on reconciliations between Asset Register & General Ledger performed at month end by the 30th of June 2019 | Number of monthly reports on reconciliations between Asset Register & General Ledger performed at month end submitted to OMC on the 30th of June 2019 | 12 x monthly reports prepared and submitted to OMC on reconciliations between Asset Register & General Ledger performed at month end by the 30th of June 2019 | 3 (100% - 129%)                                                                                               | N/A                    | N/A                              | N/A                           | OMC Report GL Recon |                    |                      |                                   |                                            |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | A & LM09     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Improve Assets and Liabilities | Apply month end controls and procedures                          | N/A  | Monthly reports prepared and submitted to OMC on commissioned assets unbundled every month                                                      | 12 x monthly reports prepared and submitted to OMC on commissioned assets unbundled every month by the 30th of June 2019                                      | Number of monthly reports on commissioned assets unbundled submitted to OMC on the 30th of June 2019                                                  | 12 x monthly reports prepared and submitted to OMC on commissioned assets unbundled at the end of June 2019                                                   | 3 (100% - 129%)                                                                                               | N/A                    | N/A                              | N/A                           | OMC Report          |                    |                      |                                   |                                            |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | A & LM10     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Improve Assets and Liabilities | Submit monthly reports on management of insurance claims to OMC. | N/A  | Monthly reports on insurance claims submitted to OMC for 2017/18                                                                                | 12 x Monthly reports on the management of insurance claims submitted to the Operational Management Committee by the end of June 2019                          | Number of Monthly reports on the management of insurance claims submitted to the Operational Management Committee by the end of June 2019             | 12 x Monthly reports on the management of insurance claims submitted to the Operational Management Committee by the end of June 2019                          | 3 (100% - 129%)                                                                                               | N/A                    | N/A                              | N/A                           | OMC Report          |                    |                      |                                   |                                            |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | A & LM11     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Expenditure Management         | Annual Review of Policies and Procedures.                        | N/A  | Insurance Policy reviewed and submitted to SMC for approval by Council                                                                          | Msunduzi Municipality Insurance Policy reviewed and submitted to SMC for approval by Council by the 31st of March 2019                                        | Date Councils Insurance Policy reviewed and submitted to SMC for approval by Council by the 31st of March 2019                                        | Msunduzi Municipality Insurance Policy reviewed and submitted to SMC for approval by Council by the 31st of March 2019                                        | 3 (100% - 129%)                                                                                               | N/A                    | N/A                              | N/A                           | Insurance Policy    |                    |                      |                                   |                                            |
| A                                                 | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | A & LM12     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Vehicle corporate branding     | Branding of Council vehicles and plant                           | ALL  | Not all municipal vehicles are branded                                                                                                          | 100 x Council vehicles and plant to be branded by the 30th of June 2019                                                                                       | Number of Council vehicles & plant branded                                                                                                            | 100 x Council vehicles and plant to be branded by the end of June 2019                                                                                        | N/A                                                                                                           | N/A                    | N/A                              | Contract for Branding expired | N/A                 |                    |                      |                                   |                                            |
| A                                                 | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | A & LM13     | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | New Plant and Vehicles         | New Plant and Vehicles purchased                                 | ALL  | 30 x Council vehicles and plant have been purchased (15x sedans, 2x LWB LDV's and 6 x LDV's and 6 x water tankers) by the 31st of December 2017 | 30 x Council vehicles and plant to be purchased (15x sedans, 2x LWB LDV's and 6 x LDV's and 6 x water tankers) by the 31st of March 2019                      | Number of Council vehicles and plant to be purchased                                                                                                  | 30 x Council vehicles and plant to be purchased (15x sedans, 2x LWB LDV's and 6 x LDV's and 6 x water tankers) by the 31st of March 2019                      | 4 (130% - 149%)                                                                                               | N/A                    | More than 30 vehicles acquired   | N/A                           | Invoices            |                    |                      |                                   |                                            |

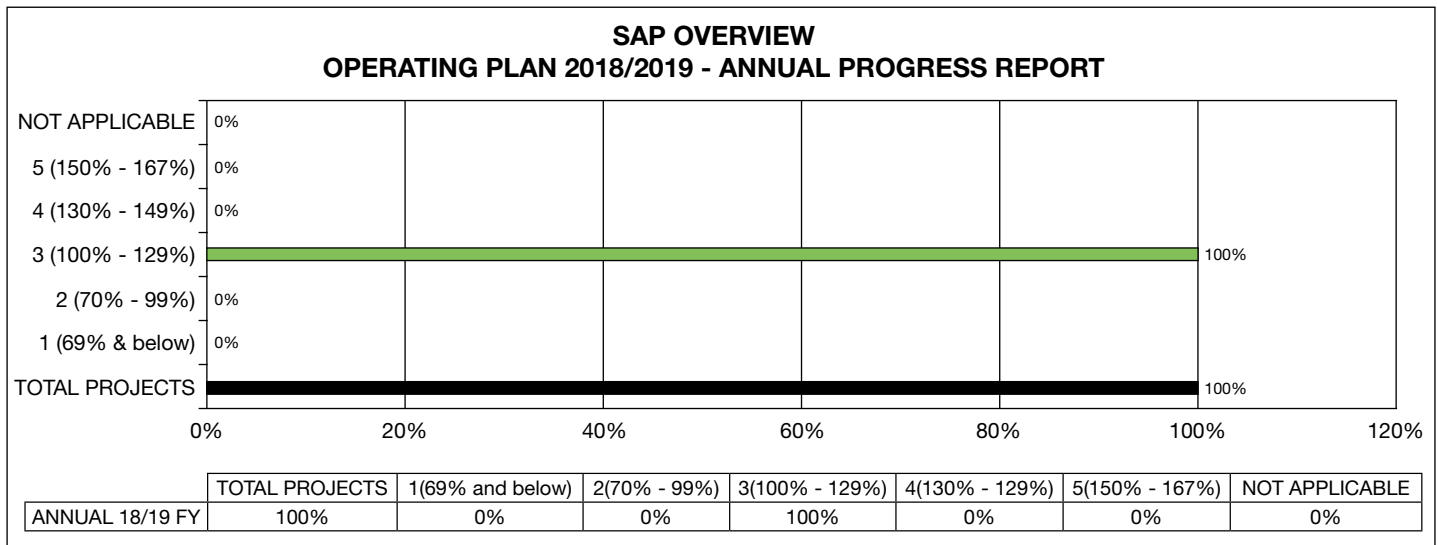
**SAP OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 SAP OVERVIEW**

- 1.1 TOTAL PROJECTS: 1**
- 1.1.1 OPERATING PROJECTS 1**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR  
BUSINESS UNIT: BUDGET & TREASURY

| INDEX | IDP REFERENCE | CDS REFERENCE               | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME              | PROJECT                                     | WARD | BASELINE / STATUS QUO                                                                                                        | MEASURABLE OBJECTIVE                                                                                                         | ANNUAL TARGET / OUTPUT                                                                                                                            | PERFORMANCE MEASURE                                                                                             | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                           |                      |                    |                                                        | SOURCE DOCUMENT |
|-------|---------------|-----------------------------|--------------|-------------------------------|------------------------|---------------------------------------------|------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|----------------------|--------------------|--------------------------------------------------------|-----------------|
|       |               |                             |              |                               |                        |                                             |      |                                                                                                                              |                                                                                                                              |                                                                                                                                                   |                                                                                                                 | ANNUAL ACTUAL                                                                                         | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES             |                 |
| D     | D3            | 4- FINANCIAL SUSTAINABILITY | SAP 01       | MUNICIPAL FINANCIAL VIABILITY | Expenditure Management | Financial Management System - Duzis SAP 220 | N/A  | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC | 4 x Quarterly Reports on the acquisition and implementation of the financial management system prepared and submitted to SMC | 4 x Quarterly Report on the acquisition and implementation of the financial management system prepared and submitted to SMC by the 30th June 2019 | Number of Quarterly reports prepared and submitted to SMC on the implementation of Financial Management System. | 4 x Quarterly Reports on the acquisition and implementation of financial management system submitted. | N/A                  | N/A                | Reports on acquisition of financial management system. |                 |
|       |               |                             |              |                               |                        |                                             |      |                                                                                                                              |                                                                                                                              |                                                                                                                                                   |                                                                                                                 | 3 (100% - 129%)                                                                                       | N/A                  | N/A                | N/A                                                    | N/A             |

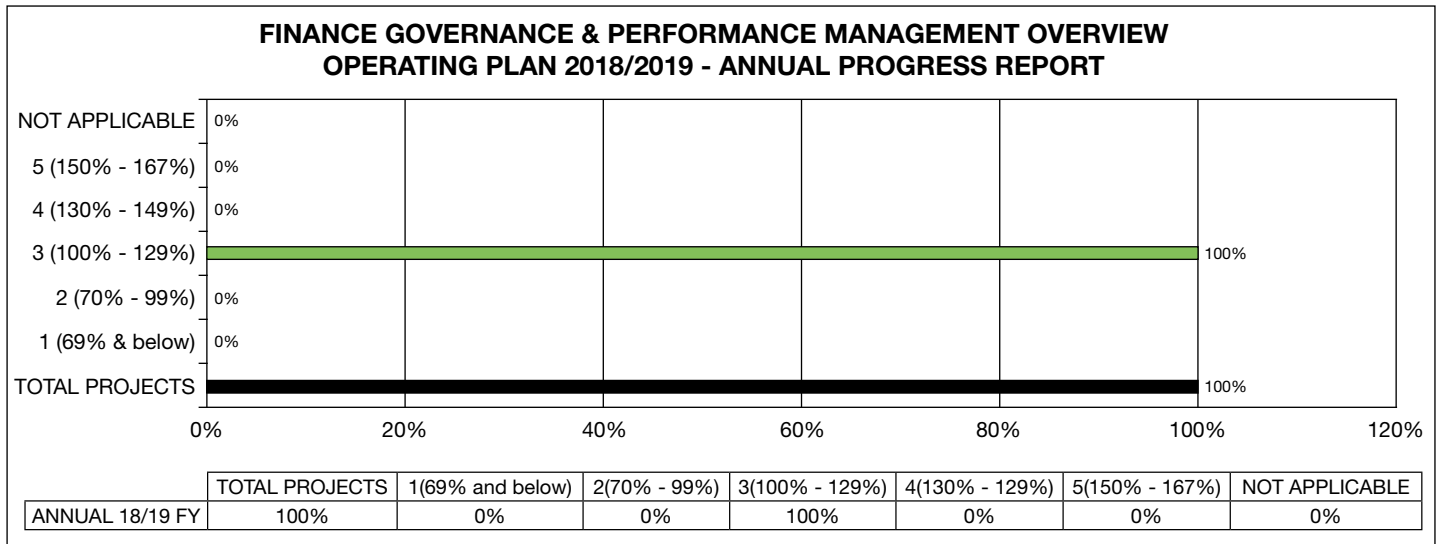
**FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT OVERVIEW**

- 1.1 TOTAL PROJECTS: 2**
- 1.1.1 OPERATING PROJECTS 2**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR          |               |                              |              |                                                     |                                  |                                            |      |                                                                                      |                                                                                                      |                                                                                                      |                                                                                |                                                                                                      |                                   |                      |                    |                                                      |
|------------------------------------------------------------|---------------|------------------------------|--------------|-----------------------------------------------------|----------------------------------|--------------------------------------------|------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------|--------------------|------------------------------------------------------|
| BUSINESS UNIT: FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT |               |                              |              |                                                     |                                  |                                            |      |                                                                                      |                                                                                                      |                                                                                                      |                                                                                |                                                                                                      |                                   |                      |                    |                                                      |
| INDEX                                                      | IDP REFERENCE | CDS REFERENCE                | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                       | PROGRAMME                        | PROJECT                                    | WARD | BASELINE / STATUS QUO                                                                | MEASURABLE OBJECTIVE                                                                                 | ANNUAL TARGET / OUTPUT                                                                               | PERFORMANCE MEASURE                                                            | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                          |                                   |                      |                    |                                                      |
|                                                            |               |                              |              |                                                     |                                  |                                            |      |                                                                                      |                                                                                                      |                                                                                                      |                                                                                | ANNUAL ACTUAL                                                                                        | ACTUAL (1,2,3,4,5 Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES           |
| D                                                          | D3            | 4 - FINANCIAL SUSTAINABILITY | FG & PM 01   | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting and auditing | Preparation of annual financial statements | N/A  | Annual Financial Statements for 17/18 submitted to the AG on the 31st of August 2017 | Annual financial statements for the 17/18 FY prepared and submitted to AG by the 31st of August 2018 | Annual financial statements for the 17/18 FY prepared and submitted to AG by the 31st of August 2018 | Date Annual financial statements for the 17/18 FY prepared and submitted to AG | Annual financial statements for the 17/18 FY prepared and submitted to AG by the 31st of August 2018 | 3 (100% - 129%)                   | N/A                  | N/A                | 2017/18 financial statements, Acknowledgement letter |
| D                                                          | D3            | 4 - FINANCIAL SUSTAINABILITY | FG & PM 02   | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT | Financial reporting              | Compliance                                 | N/A  | 12 x Monthly Cash flow reports prepared and submitted to SMC in 17/18 FY             | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of June 2019                | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of June 2019                | Number of Monthly Cash flow reports prepared and submitted to SMC              | 12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of June 2019                | 3 (100% - 129%)                   | N/A                  | N/A                | Monthly cash flow reports, SMC resolutions           |



## ANNEXURE D

### OPERATIONAL PLAN 2018/2019 FY - ANNUAL PROGRESS REPORT - INFRASTRUCTURE SERVICES

#### INFRASTRUCTURE SERVICES OVERVIEW

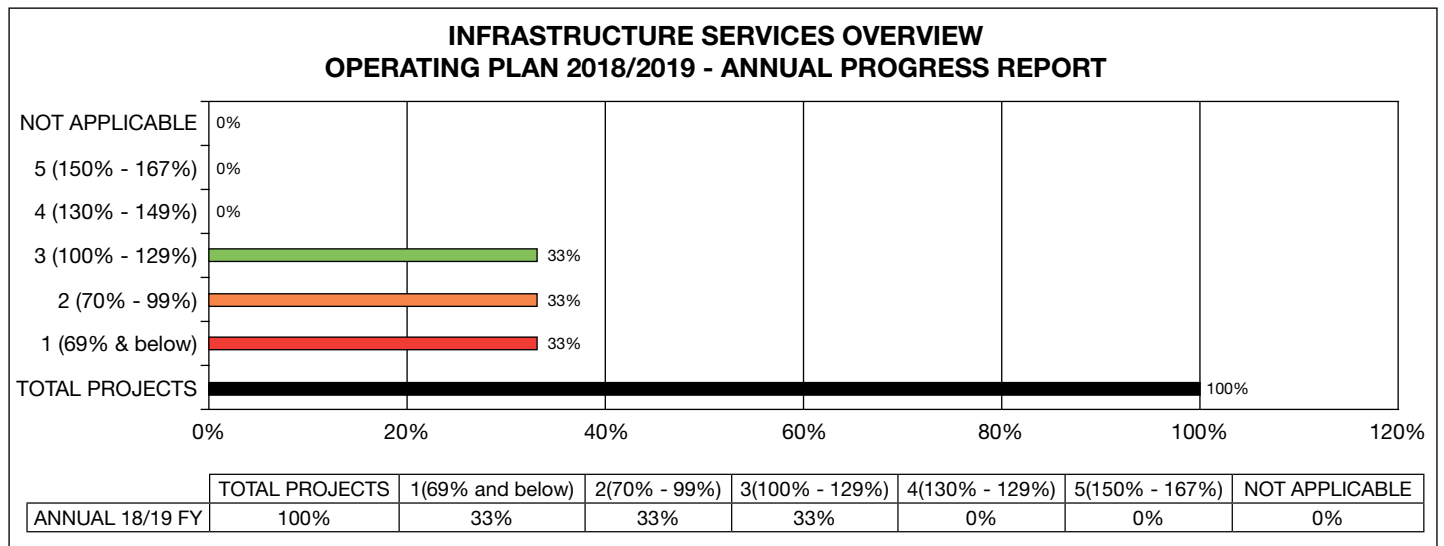
#### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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 INFRASTRUCTURE SERVICES OVERVIEW

|       |                    |   |
|-------|--------------------|---|
| 1.1   | TOTAL PROJECTS:    | 6 |
| 1.1.1 | OPERATING PROJECTS | 6 |
| 1.1.2 | CAPITAL PROJECTS   | 0 |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR   |                          |                           |                          |                        |                      |                                                   |              |                                                                                        |                                                                                                                                                                    |                                                                                                                                                                    |                                    |                                   |                                                                                                |
|-----------------------------------------------------|--------------------------|---------------------------|--------------------------|------------------------|----------------------|---------------------------------------------------|--------------|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------|
| INFRASTRUCTURE SERVICES OVERVIEW NARRATIVE          |                          |                           |                          |                        |                      |                                                   |              |                                                                                        |                                                                                                                                                                    |                                                                                                                                                                    |                                    |                                   |                                                                                                |
| OPERATIONAL PLAN 2018/2019 - ANNUAL PROGRESS REPORT |                          |                           |                          |                        |                      |                                                   |              |                                                                                        |                                                                                                                                                                    |                                                                                                                                                                    |                                    |                                   |                                                                                                |
| NO                                                  | BUSINESS UNIT            | SUB UNIT                  | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPI'S - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | PROJECT                                                                                | ANNUAL TARGET                                                                                                                                                      | ANNUAL ACTUAL                                                                                                                                                      | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION              | CORRECTIVE MEASURE                                                                             |
| 3                                                   | INFRA-STRUCTURE SERVICES | PROJECT MANAGEMENT OFFICE | 6                        | 0                      | 6                    | 4                                                 | PMO 01       | Monthly programme / project monitoring reports for MIG/OGF/CNL Budget                  | 12 X Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to General Manager: Infrastructure Services by the 30th of June 2019 | 11 X Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to General Manager: Infrastructure Services by the 30th of June 2019 | 2 (70% - 99%)                      | Poor planning, unrealistic target | Business unit to ensure that all reports are compiled and submitted as per the approved target |
|                                                     |                          |                           |                          |                        |                      |                                                   | PMO 03       | Administration of payment process and ongoing monitoring                               | 100% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO by the 30th of June 2019                           | 31,17% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO by the 30th of June 2019                         | 1 (69% & below)                    | Poor planning, unrealistic target | Business unit to ensure that all reports are compiled and submitted as per the approved target |
|                                                     |                          |                           |                          |                        |                      |                                                   | PMO 04       | Administration Support and reporting to MIG (Provincial) and reporting to OGF/CNL/EPWP | 12 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 10th of every month by the 30th of June 2019               | 9 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 10th of every month by the 30th of June 2019                | 2 (70% - 99%)                      | Poor planning, unrealistic target | Business unit to ensure that all reports are compiled and submitted as per the approved target |
|                                                     |                          |                           |                          |                        |                      |                                                   | PMO 06       | Monthly programme / project monitoring reports for COGTA                               | 12 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 10th of every month to COGTA by the 30th of June 2019                                   | 7 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 10th of every month to COGTA by the 30th of June 2019                                    | 1 (69% & below)                    | Poor planning, unrealistic target | Business unit to ensure that all reports are compiled and submitted as per the approved target |
|                                                     |                          | <b>TOTAL</b>              | <b>6</b>                 | <b>0</b>               | <b>6</b>             | <b>4</b>                                          |              |                                                                                        |                                                                                                                                                                    |                                                                                                                                                                    |                                    |                                   |                                                                                                |

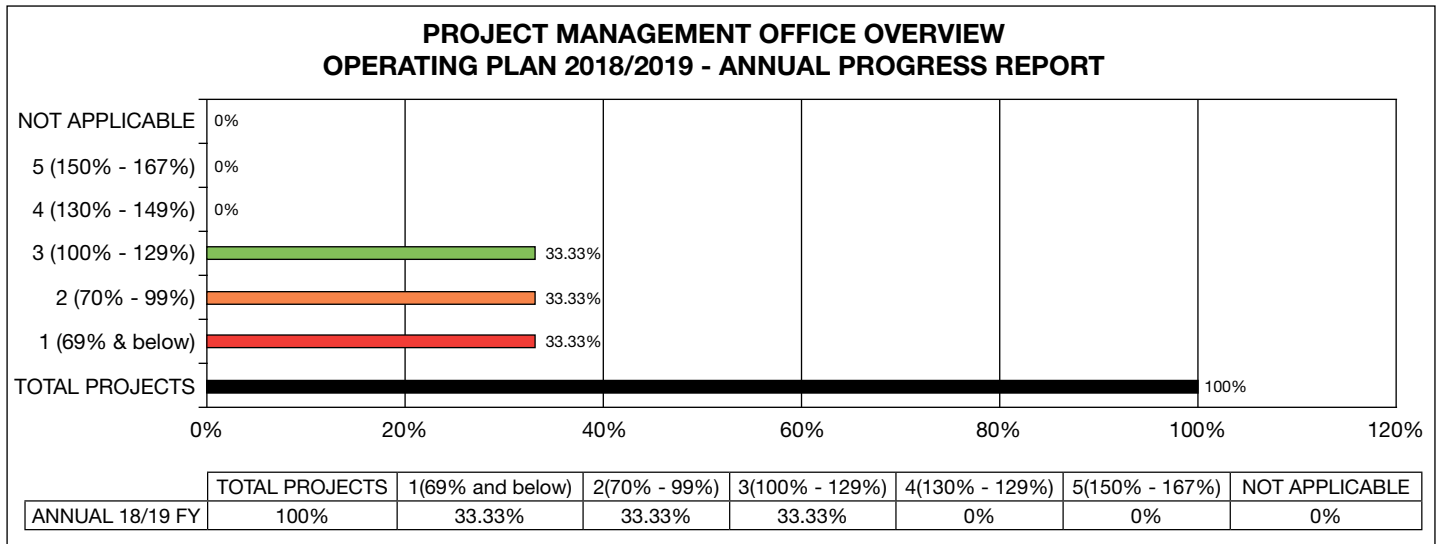
**PROJECT MANAGEMENT OFFICE OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 PROJECT MANAGEMENT OFFICE OVERVIEW**

- 1.1 TOTAL PROJECTS: 6**
- 1.1.1 OPERATING PROJECTS 6**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE                | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME                  | PROJECT                                                                                | WARD | BASELINE / STATUS QUO                                                                                                        | MEASURABLE OBJECTIVE                                                                                                                                 | ANNUAL TARGET / OUTPUT                                                                                                                                             | PERFORMANCE MEASURE                                                                                                                                                     | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                   |                                                                                                |                                            | SOURCE DOCUMENT                                     |
|-------|---------------|------------------------------|--------------|----------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------|------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------------|
|       |               |                              |              |                                                                |                            |                                                                                        |      |                                                                                                                              |                                                                                                                                                      |                                                                                                                                                                    |                                                                                                                                                                         | ANNUAL ACTUAL                                               | REASON FOR DEVIATION              | CORRECTIVE MEASURE                                                                             | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |                                                     |
|       |               |                              |              |                                                                |                            |                                                                                        |      |                                                                                                                              |                                                                                                                                                      |                                                                                                                                                                    |                                                                                                                                                                         |                                                             |                                   |                                                                                                |                                            |                                                     |
| D     | D2            | 4 - FINANCIAL SUSTAINABILITY | PMO 01       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT            | Project Management support | Monthly programme / project monitoring reports for MIG/OGF/CNL Budget                  | All  | Reports compiled & submitted by 10th of every month.                                                                         | 12 X Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to the General Manager: Infrastructure Services        | 12 X Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to General Manager: Infrastructure Services by the 30th of June 2019 | Number of Monthly reports on expenditure (MIG/OGF/CNL Budget) submitted by the 10th of every month to General Manager: Infrastructure Services by the 30th of June 2019 | 2 (70% - 99%)                                               | Poor planning, unrealistic target | Business unit to ensure that all reports are compiled and submitted as per the approved target | 19/20 FY                                   | Monthly reports                                     |
| D     | D2            | 4 - FINANCIAL SUSTAINABILITY | PMO 02       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT            | Basic Service Delivery     | Project Management support                                                             | All  | Programme/project monitoring reports for MIG/OGF/CNL Budget                                                                  | 12 X Monthly reports sent out once every month to project managers within business units on expenditure (MIG/OGF/CNL Budget)                         | 12 X Monthly reports sent out once every month to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of June 2019              | Number of Monthly reports sent out once every month to project managers within business units on expenditure (MIG/OGF/CNL Budget) by the 30th of June 2019              | 3 (100% - 129%)                                             | N/A                               | N/A                                                                                            | N/A                                        | N/A                                                 |
| D     | D2            | 4 - FINANCIAL SUSTAINABILITY | PMO 03       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT            | Project Management Support | Administration of payment process and ongoing monitoring                               | All  | 100% of all invoices packaged and submitted to client departments within 48 hours                                            | 100% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO                                      | 31.17% of All invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO by the 30th of June 2019                         | Turnaround time for all invoices packaged and submitted to client departments within 48 hours of receipt of invoices by PMO by the 30th of June 2019                    | 1 (69% & below)                                             | Poor planning, unrealistic target | Business unit to ensure that all reports are compiled and submitted as per the approved target | 19/20 FY                                   | Copy of signed payment sheet for processed invoices |
| D     | D3            | 4 - FINANCIAL SUSTAINABILITY | PMO 04       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT            | Project Management Support | Administration Support and reporting to MIG (provincial) and reporting to OGF/CNL/EPWP | All  | Ensure project documentation completion to report expenditure to MIG/OGF/CNL/EPWP by the 10th of every Month in 2016/2017 FY | 12 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 10th of every month by the 30th of June 2019 | 9 x Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the Funding Source by the 10th of every month by the 30th of June 2019                | Number of Monthly DORA reports for MIG & EPWP accurately prepared and submitted to the funding source                                                                   | 2 (70% - 99%)                                               | Poor planning, unrealistic target | Business unit to ensure that all reports are compiled and submitted as per the approved target | 19/20 FY                                   | MIG DORA report and EPWP report                     |
| A     | A1            | 4 - FINANCIAL SUSTAINABILITY | PMO 05       | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Year end procedures        | Notes to the annual financial statements for MIG                                       | All  | Annual financial statements compiled and submitted to Finance in 2017/2018 FY                                                | Notes to the Annual financial statements compiled and submitted to Finance by the 15th of August 2018                                                | Notes to the Annual financial statements compiled and submitted to Finance by the 15th of August 2018                                                              | Date Notes to the Annual financial statements compiled and submitted                                                                                                    | 3 (100% - 129%)                                             | N/A                               | N/A                                                                                            | N/A                                        | Notes to CFO                                        |
| D     | D3            | 4 - FINANCIAL SUSTAINABILITY | PMO 06       | NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT            | Project Management Support | Monthly programme / project monitoring reports for COGTA                               | All  | Expenditure and Revenue (E&R) Reports verified & submitted by 10th of every month to COGTA                                   | 12 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 10th of every month to COGTA                                              | 7 x Monthly Expenditure and Revenue (E&R) reports verified & submitted by 10th of every month to COGTA by the 30th of June 2019                                    | Number of Monthly Expenditure and Revenue (E&R) Reports verified & submitted to COGTA                                                                                   | 1 (69% & below)                                             | Poor planning, unrealistic target | Business unit to ensure that all reports are compiled and submitted as per the approved target | 19/20 FY                                   | Copies of verified expenditure and revenue reports  |

## ANNEXURE E

### OPERATIONAL PLAN 2018/2019 FY - ANNUAL PROGRESS REPORT - CORPORATE SERVICES

#### CORPORATE SERVICES BUSINESS UNIT OVERVIEW

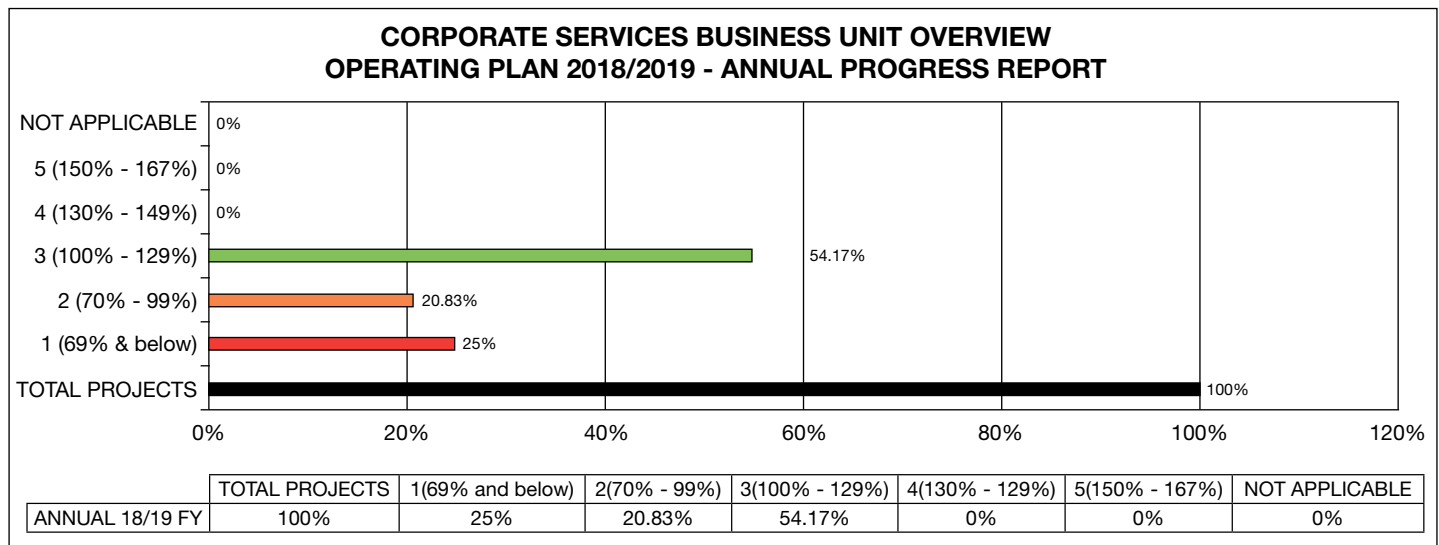
#### SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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 CORPORATE SERVICES BUSINESS UNIT OVERVIEW

|       |                    |    |
|-------|--------------------|----|
| 1.1   | TOTAL PROJECTS:    | 24 |
| 1.1.1 | OPERATING PROJECTS | 24 |
| 1.1.2 | CAPITAL PROJECTS   | 0  |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR  
CORPORATE SERVICES BUSINESS UNIT OVERVIEW NARRATIVE  
OPERATIONAL PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT      | SUB UNIT       | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | OP REFER- ENCE                                                   | PROJECT                                                                                                 | ANNUAL TARGET                                                                                                                                                                                                                                                  | ANNUAL ACTUAL                                                                                                                                                                                                                                                                                                  | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                       | REASON FOR DEVIATION                                                                                                                                                                                                                                                                                                                                                                                           | CORRECTIVE MEASURE                                                                                                                                                           |
|----|--------------------|----------------|--------------------------|------------------------|----------------------|--------------------------------------------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4  | CORPORATE SERVICES | LEGAL SERVICES | 7                        | 0                      | 7                    | 3                                                | LGL01                                                            | BYLAWS REVIEW                                                                                           | 4X SPECIFIED BYLAWS SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Street Trading and Spatial Planning and Land Use Management Bylaws) by the 30th of June 2019                       | Not all 4X SPECIFIED BYLAWS WERE SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Street Trading and Spatial Planning and Land Use Management Bylaws) Control: Bylaw report has been considered and approved by SMC for public comment. | 1 (69% & below)                                                                                                                                          | Street Trading: These bylaws will have to be based on any relevant changes to the Informal Trading Policy user department still to do policy (target not met) Committee. Solus: Consultation has taken place with Town Planning, still requires more attention. (Target not met).                                                                                                                              | Upon the approval of the approved policy Legal to develop bylaws                                                                                                             |
|    |                    |                |                          |                        |                      |                                                  | LGL03                                                            | LEGAL REPRESENTATION                                                                                    | 100% legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019. | 100% legal briefs not dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019.                                             | 2 (70% - 99%)                                                                                                                                            | 1. Staffing constraints due to vacancies in unit. 2. All briefs could not be attended to in time due to other urgent priorities. 3. Legal services is not at an optimal level.                                                                                                                                                                                                                                 | Dependency: Staff Constraints                                                                                                                                                |
|    |                    |                |                          |                        |                      |                                                  | LGL04                                                            | LEGAL REPRESENTATION                                                                                    | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019.                                                  | 100% of all Contracts requiring Legal drafting and/or inputs not dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019.                                                                                              | 2 (70% - 99%)                                                                                                                                            | 1. Staffing constraints due to vacancies in unit. 2. All briefs could not be attended to in time due to other urgent priorities. 3. Legal services is not at an optimal level.                                                                                                                                                                                                                                 | Dependency: Staff Constraints                                                                                                                                                |
|    |                    |                |                          |                        |                      |                                                  | SAS 02                                                           | Sound Governance & Auxiliary Services                                                                   | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2019                                                                                                                  | 44 x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2019                                                                                                                                                                  | 2 (70% - 99%)                                                                                                                                            | The Manager: Secretariat was off sick and there was no acting appointment during this time, the schedules were not completed and published                                                                                                                                                                                                                                                                     | In the event the Manager: Secretariat is off sick, council must take all reasonable steps to ensure someone is appointed to ensure the schedules are completed and published |
|    |                    |                |                          |                        |                      |                                                  | SAS 03                                                           | Sound Governance & Auxiliary Services                                                                   | 12 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2019                                                                                                 | 11 x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2019                                                                                                                                                 | 2 (70% - 99%)                                                                                                                                            | The Manager: Secretariat was off sick and there was no acting appointment during this time, the schedules were not completed and published                                                                                                                                                                                                                                                                     | In the event the Manager: Secretariat is off sick, council must take all reasonable steps to ensure someone is appointed to ensure the schedules are completed and published |
|    |                    |                |                          |                        |                      |                                                  | ICT04                                                            | Information Communication Technology                                                                    | 150 x Multi functional Printers (MFPs) deployed and operational by the 30th of June 2019                                                                                                                                                                       | 114 x Multi functional Printers (MFP's) deployed and operational by the 30th of June 2019                                                                                                                                                                                                                      | 2 (70% - 99%)                                                                                                                                            | Service Provider not having funding approved to procure the remaining printers. Secondly the Business Units did not provide the MFP funding available on time. The rolled out of the MFP's done except for the outstanding color printers due to the Service Provider not having funding approved to procure the printers as yet and secondly due to internal BU's not made the MFP funding available on time. | To engage the Samsung to Fast track the funding application with Ithala. Msunduzi Bank Corp the soonest.                                                                     |
|    |                    |                |                          |                        |                      |                                                  | ICT08                                                            | Information Communication Technology                                                                    | Msunduzi Website updated (Online Payment system) and Fully functional by the 30 June 2019                                                                                                                                                                      | The Msunduzi Website not updated with Online Payment system                                                                                                                                                                                                                                                    | 1 (69% & below)                                                                                                                                          | The Msunduzi Website was not updated with Online Payment system due to funding not available and also due to not having SAP consultants to undertake this project as the EOH contract has been terminated.                                                                                                                                                                                                     | Fast track the development of the Online Payment system                                                                                                                      |
|    | HUMAN RESOURCES    |                | 9                        | 0                      | 9                    | 4                                                | HR 01                                                            | Coordination of Drafting & Approval of Organisational Workplace Skills Plan 19/20                       | A report dated 12 July 2019 has been drafted and submitted to the SMC.                                                                                                                                                                                         | 1 (69% & below)                                                                                                                                                                                                                                                                                                | The SD Unit was busy with the development of the 2019/2020 WSP for submission to the LGSETA.                                                             | Draft and submit report to SMC                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                              |
|    |                    |                |                          |                        |                      | HR 02                                            | Implementation of Workplace Skills Plan 18/19 - Employees per BU | 848 employees trained according to the approved 18/19 FY Workplace Skills Plan by the 30th of June 2019 | 361 employees were trained according to the approved 18/19 FY Workplace Skills Plan                                                                                                                                                                            | 1 (69% & below)                                                                                                                                                                                                                                                                                                | Delay in appointing training providers due to the funding issues related to cost containment.                                                            | Not in SD Units control                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                              |
|    |                    |                |                          |                        |                      | HR 04                                            | Awarding of external bursaries                                   | 12 x External bursaries awarded by the 30th of June 2019                                                | 0 external Bursaries Awarded.                                                                                                                                                                                                                                  | 1 (69% & below)                                                                                                                                                                                                                                                                                                | Students did not meet the criteria for the bursaries and some students did not meet the educational institutions requirements.                           | Review the bursary advert to ensure that students accepted at Educational institutions apply as some applicants did not even know about the discipline that they applied for.                                                                                                                                                                                                                                  |                                                                                                                                                                              |
|    |                    |                |                          |                        |                      | HR 07                                            | Implementation of RPL Programme                                  | 25 x Recognition of Prior Learning Assessments implemented by the 30th of June 2019                     | 0 x Recognition of Prior Learning Assessments Implemented by the 30th of June 2019                                                                                                                                                                             | 1 (69% & below)                                                                                                                                                                                                                                                                                                | Delays in terms of finalising the MeU and obtaining assessment results due to DUT prolonged approval processes. Awaiting DUT's RPL assessments outcomes. | Follow up with DUT.                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                              |
|    |                    |                | 24                       | 0                      | 24                   | 11                                               | <b>TOTAL</b>                                                     |                                                                                                         |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                |                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                              |

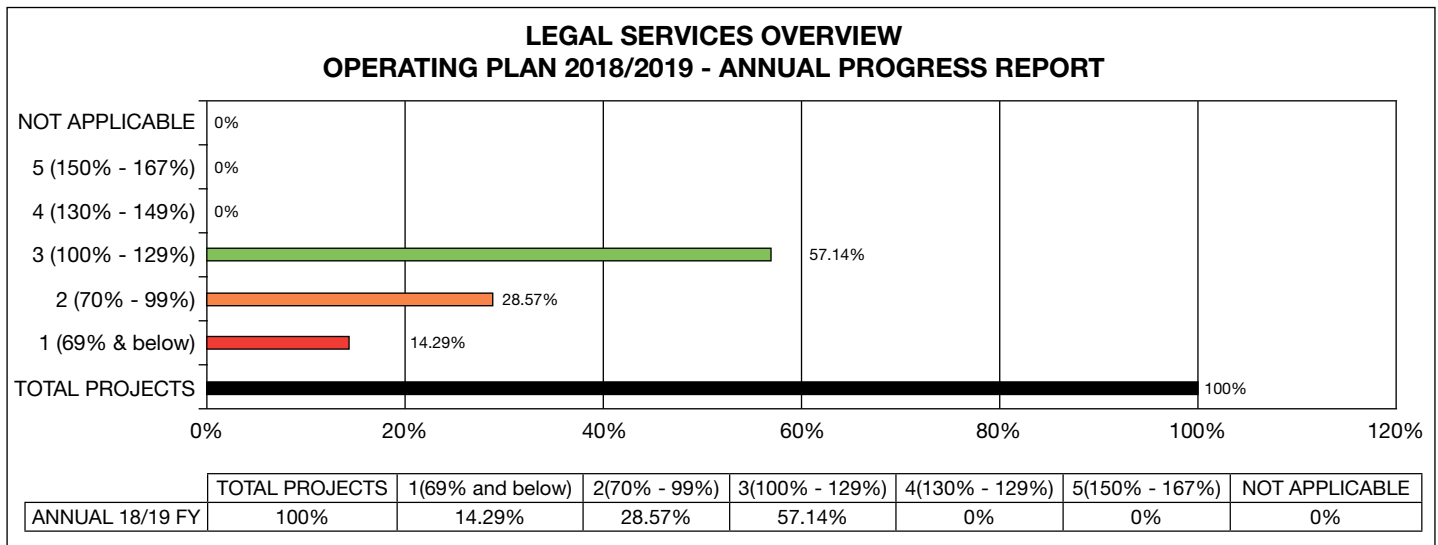
**LEGAL SERVICES OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 LEGAL SERVICES OVERVIEW**

- 1.1 TOTAL PROJECTS: 7**
- 1.1.1 OPERATING PROJECTS 7**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE                                              | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME                | PROJECT              | WARD | BASELINE / STATUS QUO                                                                                                                                                                                                                | MEASURABLE OBJECTIVE                                                                                                                                                                                                                                                                                     | ANNUAL TARGET / OUTPUT                                                                               | PERFORMANCE MEASURE                                                                                                                                                                                                                                            | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                                                                                        |                                                                                                                                                                                                                                                                          |                                                 |                                        |                                                                                                                                      |                                                                                                                                                                                |                                          |
|-------|---------------|------------------------------------------------------------|--------------|----------------------------------------------------------------|--------------------------|----------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
|       |               |                                                            |              |                                                                |                          |                      |      |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                          |                                                                                                      |                                                                                                                                                                                                                                                                | ANNUAL ACTUAL                                                                                                                                                                                                                      | REASON FOR DEVIATION                                                                                                                                                                                                                                                     | CORRECTIVE MEASURE                              | Timeframe TO IMPL. CORRECTIVE MEASURES | SOURCE DOCUMENT                                                                                                                      | ANNUAL 2018/2019 PROGRESS REPORT                                                                                                                                               |                                          |
|       |               |                                                            |              |                                                                |                          |                      |      |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                          |                                                                                                      |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                          |                                                 |                                        |                                                                                                                                      | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                             | REASON FOR DEVIATION                     |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNICIPALITY | LGL01        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | STRENGTHENING GOVERNANCE | BYLAWS REVIEW        | ALL  | 30 BYLAWS REVIEWED                                                                                                                                                                                                                   | 4X SPECIFIED BYLAWS SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Spatial Planning and Land Use Management Bylaws, Trading Bylaws, Spatial Planning and Land Use Management Bylaws, Debt Collection and Credit Control Bylaws) | Number of Bylaws submitted to SMC by 30 June 2019                                                    | 4X SPECIFIED BYLAWS SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Spatial Planning and Land Use Management Bylaws) by the 30th of June 2019                                          | Not all 4X SPECIFIED BYLAWS WERE SUBMITTED TO SMC for approval by Council by the 30th of June 2019 (Keeping of Dogs, Debt Collection and Credit Control, Spatial Planning and Land Use Management Bylaws) by the 30th of June 2019 | Street Trading: These bylaws will have to be based on only relevant changes to the Informal Trading Policy which department still to do policy (target not met) Spina, Consultation has taken place with Town Planning, still requires more attention. (target not met). | Upon the approval of the approved policy bylaws | 19/20 FY                               | 1. Regulations Corporate Services. 2. Various correspondences with Finance via email. 3. Core competence with Informal trading unit. |                                                                                                                                                                                |                                          |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNICIPALITY | LGL02        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | STRENGTHENING GOVERNANCE | LEGAL REPRESENTATION | ALL  | 100% Provision of legal representation in all civil matters                                                                                                                                                                          | 100% Provision of legal representation in all civil matters on behalf of Msunduzi Municipality by the 30th of June 2019                                                                                                                                                                                  | Percentage of legal representation dealt with in civil matters                                       | 100% Provision of legal representation in all civil matters by the 30th of June 2019                                                                                                                                                                           | 3 (100% - 129%)                                                                                                                                                                                                                    | N/A                                                                                                                                                                                                                                                                      | N/A                                             | N/A                                    | N/A                                                                                                                                  | Pleadings, Court book                                                                                                                                                          |                                          |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNICIPALITY | LGL03        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | STRENGTHENING GOVERNANCE | LEGAL REPRESENTATION | ALL  | 100% legal briefs dealt with by Legal Services within 10 working days of receipt and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved | 100 % legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved                                                                    | Percentage of legal briefs dealt with by Legal Services within 10 working days                       | 100% legal briefs dealt with by Legal Services within 10 working days of request and on receipt of all applicable information, save for complex matters where extensive legal research is required and/or Senior Counsel is involved by the 30th of June 2019. | 2 (70% - 99%)                                                                                                                                                                                                                      | N/A                                                                                                                                                                                                                                                                      | N/A                                             | N/A                                    | N/A                                                                                                                                  | 1. Staffing constraints due to vacancies in unit. 2. All briefs could not be attended to in time due to other urgent priorities. 3. Legal services is not at an optimal level. | 1. Legal briefs                          |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNICIPALITY | LGL04        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | STRENGTHENING GOVERNANCE | LEGAL REPRESENTATION | ALL  | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after receipt of brief and applicable information required by Legal Services                                                          | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after receipt of brief and applicable information required by Legal Services                                                                                                                              | Percentage of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days | 100% of all Contracts requiring Legal drafting and/or inputs dealt with within 15 working days after the receipt of brief and all applicable information required by Legal Services by the 30th of June 2019                                                   | 2 (70% - 99%)                                                                                                                                                                                                                      | N/A                                                                                                                                                                                                                                                                      | N/A                                             | N/A                                    | N/A                                                                                                                                  | 1. Staffing constraints due to vacancies in unit. 2. All briefs could not be attended to in time due to other urgent priorities. 3. Legal services is not at an optimal level. | 1. Draft contracts                       |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNICIPALITY | LGL05        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | STRENGTHENING GOVERNANCE | LEGAL REPRESENTATION | ALL  | 100% provision of legal inputs into policies finalised within 15 working days of receipt and all additional information requested by Legal Services                                                                                  | 100% provision of legal inputs into policies finalised within 15 working days of receipt and all additional information requested                                                                                                                                                                        | Percentage provision of legal inputs into policies within 15 working days                            | 100% provision of legal inputs into policies finalised within 15 working days of receipt and all additional information requested by Legal Services by the 30th of June 2019                                                                                   | 3 (100% - 129%)                                                                                                                                                                                                                    | N/A                                                                                                                                                                                                                                                                      | N/A                                             | N/A                                    | N/A                                                                                                                                  | N/A                                                                                                                                                                            | 1. Legal Policies                        |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNICIPALITY | LGL06        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | STRENGTHENING GOVERNANCE | LEGAL REPRESENTATION | ALL  | 100% representation in Criminal Prosecutions relating to law enforcement                                                                                                                                                             | 100% Provision of legal representation in Criminal Prosecutions relating to law enforcement by the 30th of June 2019                                                                                                                                                                                     | Provision of legal representation in Criminal Prosecutions                                           | 100% Provision of legal representation in all criminal and civil matters by the 30th of June 2019                                                                                                                                                              | 3 (100% - 129%)                                                                                                                                                                                                                    | N/A                                                                                                                                                                                                                                                                      | N/A                                             | N/A                                    | N/A                                                                                                                                  | N/A                                                                                                                                                                            | Copies of court book and legal documents |
| A     | A2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MENTAL MUNICIPALITY | LGL07        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | STRENGTHENING GOVERNANCE | LEGAL REPRESENTATION | ALL  | 100% consideration and evaluation of the summonses provided by the law enforcement units                                                                                                                                             | 100% consideration and evaluation of the summonses provided by the law enforcement units by the 30th of June 2019                                                                                                                                                                                        | Percentage consideration and evaluation of summonses provided by the law enforcement units           | 100% consideration and evaluation of the summonses provided by the law enforcement units by the 30th of June 2019                                                                                                                                              | 3 (100% - 129%)                                                                                                                                                                                                                    | N/A                                                                                                                                                                                                                                                                      | N/A                                             | N/A                                    | N/A                                                                                                                                  | N/A                                                                                                                                                                            | Copies of court book and legal documents |



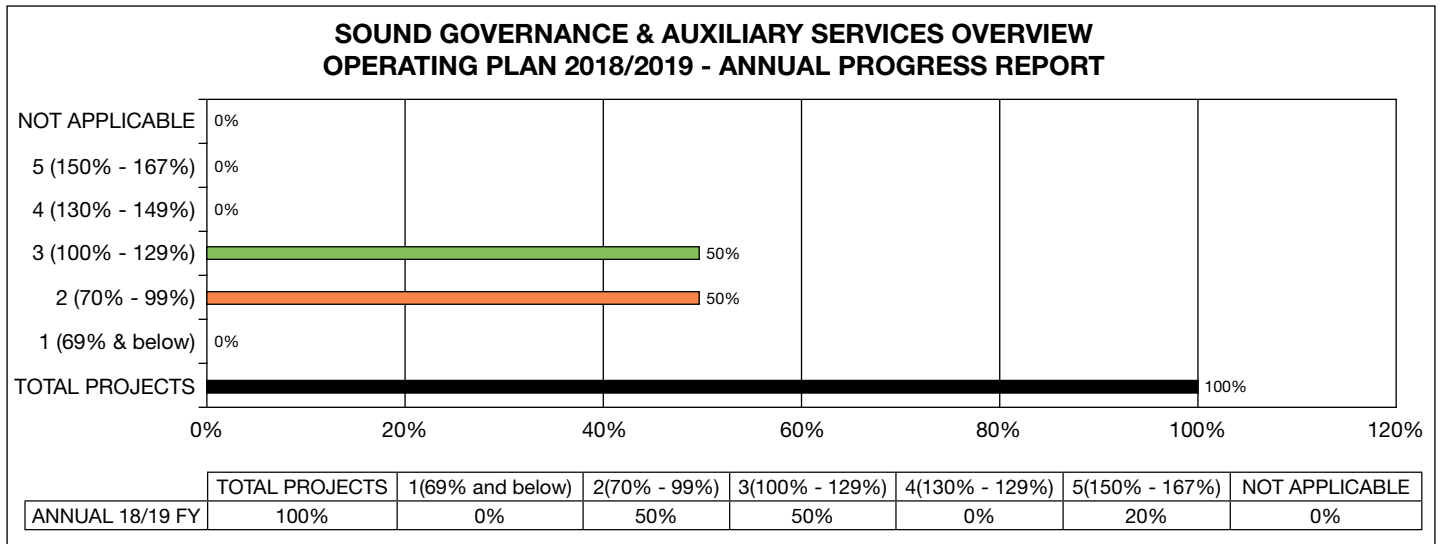
**SOUND GOVERNANCE & AUXILIARY SERVICES OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 SOUND GOVERNANCE & AUXILIARY SERVICES OVERVIEW**

- 1.1 TOTAL PROJECTS: 4**
- 1.1.1 OPERATING PROJECTS 4**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE      | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                   | PROGRAMME                                                  | PROJECT                                     | WARD | BASELINE / STATUS QUO                                                                                      | MEASURABLE OBJECTIVE                                                                                                                     | ANNUAL TARGET GET / OUTPUT                                                                                                                                              | PERFORMANCE MEASURE                                                                                                                                                     | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                   |                      |                                                                                                                                             |                                                                                                                                                                              | SOURCE DOCUMENT      |                                    |
|-------|---------------|--------------------|--------------|-------------------------------------------------|------------------------------------------------------------|---------------------------------------------|------|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------|
|       |               |                    |              |                                                 |                                                            |                                             |      |                                                                                                            |                                                                                                                                          |                                                                                                                                                                         |                                                                                                                                                                         | ANNUAL ACTUAL                                                                                                                                                 | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                                                                          | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES                                                                                                                                   |                      |                                    |
|       |               |                    |              |                                                 |                                                            |                                             |      |                                                                                                            |                                                                                                                                          |                                                                                                                                                                         |                                                                                                                                                                         |                                                                                                                                                               |                      |                                                                                                                                             |                                                                                                                                                                              |                      | ACTUAL (1,2,3,4,5, Not Applicable) |
| E     | E1            | 2 - BACK TO BASICS | SAS 01       | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Improving Corporate Services Compliance and Risk Reduction | Minutes Taken in Meetings                   | ALL  | The minutes of Council and Council committee meetings are not compiled in seven working days at all times. | All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2019 | Number of days of Council and Council committee meetings compiled                                                                                                       | All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2019                                | N/A                                                                                                                                                           | N/A                  | N/A                                                                                                                                         | Signed EXCO and council minutes                                                                                                                                              |                      |                                    |
| E     | E1            | 2 - BACK TO BASICS | SAS 02       | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Improving Corporate Services Compliance and Risk Reduction | Making public Council and Council Committee | ALL  | Weekly schedules of all Meetings of Council Committees are published in Corporate Communication            | 44 x weekly schedules of Portfolio Committee and other meetings published in Corporate Communication every Friday.                       | Number of weekly calendars of Portfolio Committee and other committee meetings prepared and published in Corporate Communication every Friday by the 30th of June 2019  | Number of weekly calendars of Portfolio Committee and other committee meetings prepared and published in Corporate Communication every Friday by the 30th of June 2019  | 43x weekly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2019                  | 2 (70% - 99%)        | The Manager: Secretariat was off sick and there was no acting appointment during this time, the schedules where not completed and published | In the event the Manager: Secretariat is off sick, council must take all reasonable steps to ensure someone is appointed to ensure the schedules are completed and published | N/A                  | Weekly schedules                   |
| E     | E1            | 2 - BACK TO BASICS | SAS 03       | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | Improving Corporate Services Compliance and Risk Reduction | Making public Council and Council Committee | ALL  | Weekly & Monthly calendars published on corporate communications                                           | 12 x monthly schedules of Portfolio Committee meetings prepared and published last week of the month                                     | Number of monthly calendars of Portfolio Committee and other committee meetings prepared and published in Corporate Communication every Friday by the 30th of June 2019 | Number of monthly calendars of Portfolio Committee and other committee meetings prepared and published in Corporate Communication every Friday by the 30th of June 2019 | 11x monthly schedules of Portfolio Committee meetings prepared and published on Corporate Communication every last week of the month by the 30th of June 2019 | 2 (70% - 99%)        | The Manager: Secretariat was off sick and there was no acting appointment during this time, the schedules where not completed and published | In the event the Manager: Secretariat is off sick, council must take all reasonable steps to ensure someone is appointed to ensure the schedules are completed and published | N/A                  | Monthly schedules                  |
| E     | E1            | 2 - BACK TO BASICS | SAS 06       | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION | IMPROVING CORPORATE SERVICE COMPLIANCE AND RISK REDUCTION  | Printing of documents                       | ALL  | Documents submitted for printing are printed within 2 days of requests                                     | All document requests printed within 2 days of receipt of the request by the 30th of June 2019                                           | Turnaround time document requests printed within 2 days of receipt of the request by the 30th of June 2019                                                              | All document requests printed within 2 days of receipt of the request by the 30th of June 2019                                                                          | 3 (100% - 129%)                                                                                                                                               | N/A                  | N/A                                                                                                                                         | N/A                                                                                                                                                                          | Unit monthly reports |                                    |

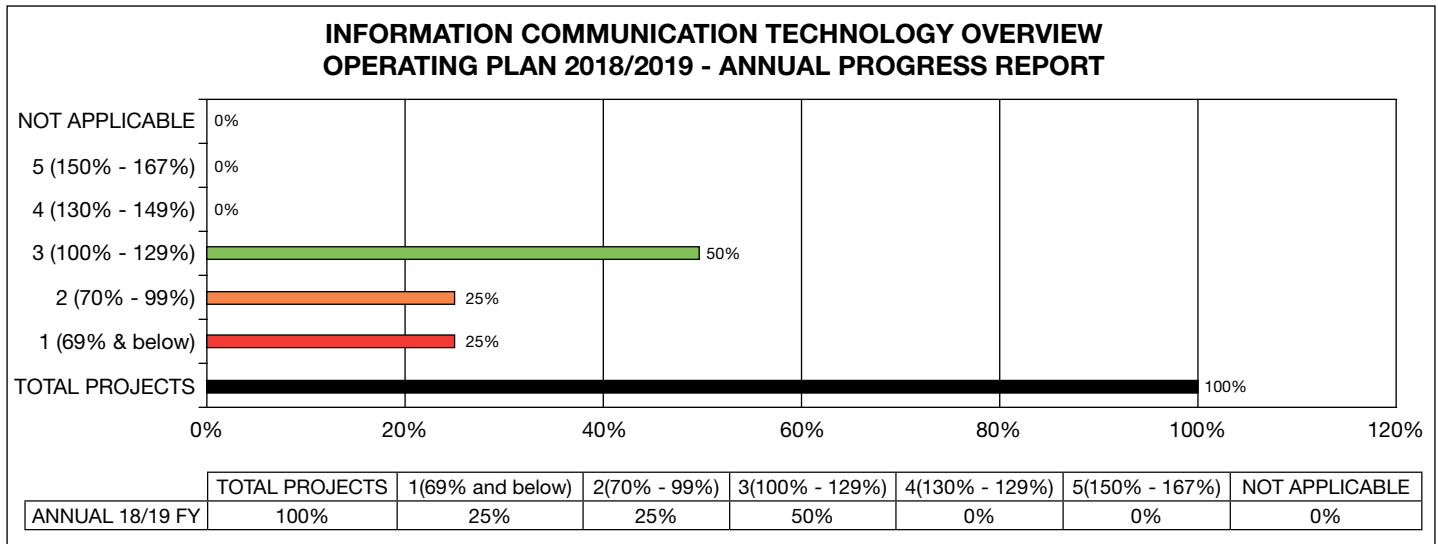
**INFORMATION COMMUNICATION TECHNOLOGY OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 INFORMATION COMMUNICATION TECHNOLOGY OVERVIEW**

- 1.1 TOTAL PROJECTS: 4**
- 1.1.1 OPERATING PROJECTS 4**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                |              |                                                                |                          |                                   |      |                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                             |                                     |                      |                                                                                                                                                                                                            |                                              |                            |
|---------------------------------------------------|---------------|------------------------------------------------|--------------|----------------------------------------------------------------|--------------------------|-----------------------------------|------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------|
| BUSINESS UNIT: CORPORATE SERVICES                 |               |                                                |              |                                                                |                          |                                   |      |                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                             |                                     |                      |                                                                                                                                                                                                            |                                              |                            |
| SUB UNIT: INFORMATION COMMUNICATION TECHNOLOGY    |               |                                                |              |                                                                |                          |                                   |      |                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                             |                                     |                      |                                                                                                                                                                                                            |                                              |                            |
| INDEX                                             | IDP REFERENCE | ODS REFERENCE                                  | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME                | PROJECT                           | WARD | BASELINE / STATUS QUO                                                                | MEASURABLE OBJECTIVE                                                                                                                                                                                                                                                                                                                                                                    | ANNUAL TARGET OUTPUT                                                                                                                                                                                                                                                                                                                                                                                             | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                     |                      | PERFORMANCE REPORTING 2018/2019 PROGRESS REPORT                                                                                                                                                            |                                              |                            |
|                                                   |               |                                                |              |                                                                |                          |                                   |      |                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                  | ANNUAL ACTUAL                                               | ACTUAL (1-2,3,4,5-Net Appli- cable) | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                                                                                                                                                         | Time- frame TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT            |
| A                                                 | A1            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT03        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | ICT Equipment            | Multi-Function Printer Deployment | N/A  | The tender has been awarded. Development of Project Plan & Strategy to be developed. | Development of MFP deployment and Project Plan as per Business units needs completed by the 30th of April 2019                                                                                                                                                                                                                                                                          | Development of MFP deployment and Project Plan done and submitted.                                                                                                                                                                                                                                                                                                                                               | 3 (100% - 129%)                                             | N/A                                 | N/A                  | N/A                                                                                                                                                                                                        | MFP Deployment and Project Plan report.      |                            |
| A                                                 | A1            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT04        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | ICT Equipment            | Multi-Function Printer Deployment | N/A  | The tender has been awarded. Development of Project Plan & Strategy to be developed. | Number of Multi functional Printers (MFP's) deployed and operational by the 30th of June 2019                                                                                                                                                                                                                                                                                           | 114 x Multi functional Printers (MFP's) deployed and operational by the 30th of June 2019                                                                                                                                                                                                                                                                                                                        | 2 (70% - 99%)                                               | N/A                                 | N/A                  | To engage the Sarsburg to Fast track the funding application with Inlata. Msunduzi to sign off the funding letter to Inlata Bank Corp the soonest.                                                         | MFP Deployment and Project Plan report.      |                            |
| A                                                 | A2            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT07        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | ICT Governance Framework | ICT Policies                      | N/A  | Outdated ICT policies.                                                               | 10 x ICT Policies (Information Security Policy, User Access Management Policy & Procedure, Backup Policy & Procedure, Physical and Environmental Security Policy, Asset Management Policy, Incident and Problem Management Policy & Procedure, Change Management Policy & Procedure, Application and Hardware Acquisition Policy) Reviewed and submitted to SMC for Approval by Council | 10 x ICT Policies (Information Security Policy, User Access Management Policy & Procedure, Backup Policy & Procedure, Physical and Environmental Security Policy, Asset Management Policy, Incident and Problem Management Policy & Procedure, Change Management Policy & Procedure, Application and Hardware Acquisition Policy) Reviewed and submitted to SMC for Approval by Council by the 30th of June 2019 | 3 (100% - 129%)                                             | N/A                                 | N/A                  | N/A                                                                                                                                                                                                        | N/A                                          | ICT Policies report to SMC |
| A                                                 | A1            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY | ICT08        | NKPA 1 - MUNICIPAL TRANSFORMATION & Organisational DEVELOPMENT | ICT Governance Framework | Website Improvement & Development | N/A  | Outdated Msunduzi Website                                                            | Msunduzi Website updated (Online Payment system) and Fully functional by the 30 June 2019                                                                                                                                                                                                                                                                                               | The Msunduzi Website not updated with Online Payment system                                                                                                                                                                                                                                                                                                                                                      | 1 (69% & below)                                             | N/A                                 | N/A                  | The Msunduzi Website was not updated with Online Payment system due to funding not available and also due to not having SAP consultants to undertake this project as the EOH contract has been terminated. | EOH Contract cancelled                       |                            |

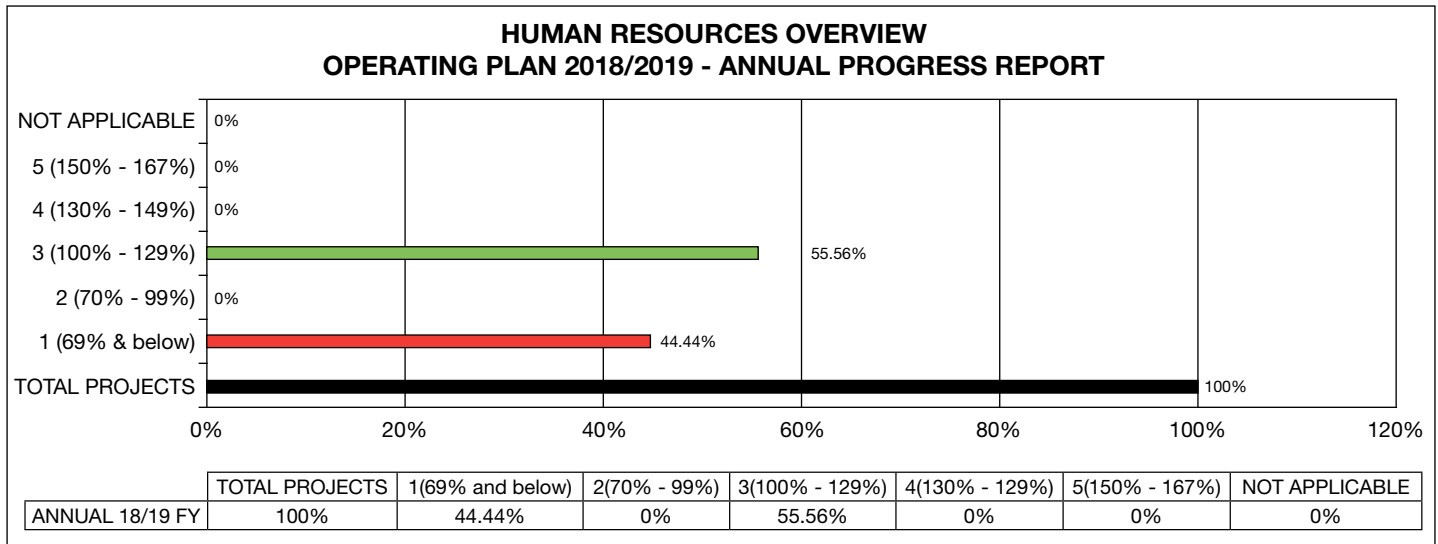
**HUMAN RESOURCES OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 HUMAN RESOURCES OVERVIEW**

- 1.1 TOTAL PROJECTS: 9**
- 1.1.1 OPERATING PROJECTS 9**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE                                     | OP REFERENCE | NATIONAL PERFORMANCE AREA                                      | PROGRAMME                           | PROJECT                                                            | WARD | BASELINE STATUS QUO                                                                                                                                 | MEASURABLE OBJECTIVE                                                                                               | ANNUAL TARGET / OUTPUT                                                                                                                            | PERFORMANCE MEASURE                                                                                       | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                          |                                   |                                                                                                                                                          |                                                                                                                                | SOURCE DOCUMENT                                                                                                                                                               |                                                         |                                             |                                  |
|-------|---------------|---------------------------------------------------|--------------|----------------------------------------------------------------|-------------------------------------|--------------------------------------------------------------------|------|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------|----------------------------------|
|       |               |                                                   |              |                                                                |                                     |                                                                    |      |                                                                                                                                                     |                                                                                                                    |                                                                                                                                                   |                                                                                                           | ANNUAL ACTUAL                                                                                                                        | ACTUAL (1-2,3,4,5 Not Applicable) | REASON FOR DEVIATION                                                                                                                                     | CORRECTIVE MEASURE                                                                                                             |                                                                                                                                                                               | Time-Frame TO IMPLEMENT CORRECTIVE MEASURES             |                                             |                                  |
|       |               |                                                   |              |                                                                |                                     |                                                                    |      |                                                                                                                                                     |                                                                                                                    |                                                                                                                                                   |                                                                                                           |                                                                                                                                      |                                   |                                                                                                                                                          |                                                                                                                                |                                                                                                                                                                               |                                                         | ANNUAL TARGET                               | ANNUAL ACTUAL                    |
| A     | A2            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY    | HR 01        | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Workplace Skills plan               | Coordination of Drafting & Approval of Workplace Skills Plan 18/19 | N/A  | Approval of 1 Workplace Skills Plan 16/17 by 30 April 2017                                                                                          | 1 x Report on the Workplace Skills Plan 18/19, prepared and submitted to SMC by the 30th of April 2019.            | 1 x Report on the Workplace Skills Plan 18/19, prepared and submitted to SMC by the 30th of April 2019.                                           | Date Report on the Workplace Skills Plan 19/20, prepared and submitted to SMC                             | 1 x Report on the Workplace Skills Plan 18/19, prepared and submitted to SMC by the 30th of April 2019.                              | 1 (69% & below)                   | A report dated 12 July 2019 has been drafted and submitted to the SMC.                                                                                   | The SD Unit was busy with the development of the 2019/2020 WSP for submission to the LGSETA.                                   | Draft and submit report to SMC                                                                                                                                                | Immediate                                               | S/MC Report dated 12 July 2019              |                                  |
| A     | A2            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY    | HR 02        | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Workplace Skills plan               | Implementation of Workplace Skills Plan 18/19 - Employees per BU   | N/A  | Total Number of employees trained in 17/18                                                                                                          | 848 employees trained according to the approved 18/19 FY Workplace Skills Plan by the 30th of June 2019.           | 848 employees trained according to the approved 18/19 FY Workplace Skills Plan by the 30th of June 2019.                                          | Number of employees trained according to the approved 18/19 FY Workplace Skills Plan                      | 848 employees trained according to the approved 18/19 FY Workplace Skills Plan by the 30th of June 2019.                             | 1 (69% & below)                   | 361 employees were trained according to the approved 18/19 FY Workplace Skills Plan                                                                      | Delay in appointing trainers due to the funding issues related to cost containment.                                            | Not in SD Units control                                                                                                                                                       | N/A                                                     | Registers confirming 361 employees trained. |                                  |
| A     | A2            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY    | HR 03        | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Employee Study Assistance Programme | Awarding of Workplace Study Assistance Bursaries to employees      | N/A  | 54 Bursaries awarded in 2017/2018                                                                                                                   | 35 x of all level employees awarded Bursaries by 30th of June 2019                                                 | 35 x of all level employees awarded Bursaries by 30th of June 2019                                                                                | Number of all level employees awarded Bursaries                                                           | 35 x of all level employees awarded Bursaries by 30th of June 2019                                                                   | 3 (100% - 129%)                   | 38 x all level employees awarded Bursaries by 30th of June 2019                                                                                          | N/A                                                                                                                            | N/A                                                                                                                                                                           | N/A                                                     | N/A                                         | Report - Award of Bursaries 2019 |
| E     | E1            | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | HR 04        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION                | External Bursaries Programme        | Awarding of external bursaries                                     | N/A  | 11 X external bursaries awarded 2015/2016                                                                                                           | 12 x External bursaries awarded by the 30th of June 2019                                                           | 12 x External bursaries awarded by the 30th of June 2019                                                                                          | Number of Bursaries awarded                                                                               | 0 external Bursaries Awarded.                                                                                                        | 1 (69% & below)                   | 0 external Bursaries Awarded.                                                                                                                            | Students did not meet the criteria for the bursaries and some students did not meet the educational institutions requirements. | Review the bursary advert to ensure that students accepted at Educational Institutions apply as some applicants did not even know about the discipline that they applied for. | Review 2020 Bursary Advert - Immediate                  | External Bursary Report                     |                                  |
| E     | E1            | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | HR 05        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION                | Internship Programme                | Appointment & Placement of Interns Organisationally and per BU     | N/A  | 92 x interns appointed in 2017/2018                                                                                                                 | 100 x interns appointed organisationally and per BU by the 31st of January 2019                                    | 100 x interns appointed organisationally and placed into various municipal units.                                                                 | Number of Interns appointed                                                                               | 113 interns were appointed and placed into various municipal units.                                                                  | 3 (100% - 129%)                   | 113 interns were appointed and placed into various municipal units.                                                                                      | N/A                                                                                                                            | N/A                                                                                                                                                                           | N/A                                                     | N/A                                         | 2019 Interns Report              |
| E     | E1            | 7 - CREATING A LEARNING CITY AND CITY OF LEARNING | HR 06        | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION                | Leashership Programme               | Implementation of Leasherships                                     | N/A  | 1 Leashership implemented in 2016/2017                                                                                                              | 2 x Leasherships implemented as per LGSETA Sector Plan by the 30th of June 2019                                    | 2 x Leasherships implemented as per LGSETA Sector Plan by the 30th of June 2019                                                                   | Number of Leasherships implemented as per LGSETA Sector Plan                                              | 2 x Leasherships being implemented.                                                                                                  | 3 (100% - 129%)                   | 2 x Leasherships being implemented.                                                                                                                      | N/A                                                                                                                            | N/A                                                                                                                                                                           | N/A                                                     | N/A                                         | Leashership Rollout Plans        |
| A     | A2            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY    | HR 07        | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | RPL Programme                       | Implementation of RPL Programme                                    | N/A  | Nil                                                                                                                                                 | 25 x Recognition of Prior Learning Assessments implemented by the 30th of June 2019                                | 0 x Recognition of Prior Learning Assessments implemented by the 30th of June 2019                                                                | Number of Recognition of Prior Learning Assessments Implemented                                           | 0 x Recognition of Prior Learning Assessments implemented by the 30th of June 2019                                                   | 1 (69% & below)                   | Delays in terms of finalising the MoU and obtaining assessment results due to DUT prolonged approval process. Awaiting DUT's RPL assessments on incomes. | Follow up with DUT.                                                                                                            | Immediate                                                                                                                                                                     | Email correspondence to DUT and SMC and SMC resolution. |                                             |                                  |
| A     | A2            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY    | HR 08        | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Health and Safety                   | Capacity Building: Legal Compliance for safe working environment   | N/A  | 7 x Occupational Health and Safety Risk Assessment Developments facilitated for prioritized sub-units as per approved Plan by the 30th of June 2018 | 6 x Occupational Health and Safety Risk Assessment workshops facilitated for prioritized sub-units by 30 June 2019 | 7 x Risk assessment workshops on the 21 August 2018, 16 October 2018, 31 January 2019, 18 March 2019, 20 March 2019, 15 May 2019 and 13 June 2019 | Number of Occupational Health and Safety Risk Assessment Workshops facilitated for prioritized sub-units. | 7 x Risk assessment workshops on the 21 August 2018, 16 October 2018, 31 January 2019, 18 March 2019, 20 March 2019 and 13 June 2019 | 3 (100% - 129%)                   | 7 x Risk assessment workshops on the 21 August 2018, 16 October 2018, 31 January 2019, 18 March 2019, 20 March 2019 and 13 June 2019                     | N/A                                                                                                                            | N/A                                                                                                                                                                           | N/A                                                     | N/A                                         | Register                         |
| A     | A2            | 1 - BUILD-CAPABLE & DEVELOPMENTAL MUNICIPALITY    | HR 09        | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Occupational Health & Safety        | Employee Wellness Programme                                        | N/A  | 2 x Employee wellness events in 17/18                                                                                                               | 2 x Employee Wellness Events (health investigation / assessments) facilitated by the 30th of June 2019             | 2 x Employee Wellness Events (health investigation / assessments) facilitated by the 30th of June 2019                                            | Number of Employee Wellness Events (health investigation / assessments)                                   | 2 x Employee Wellness Events (health investigation / assessments) facilitated by the 30th of June 2019                               | 3 (100% - 129%)                   | 2 x Employee Wellness Events (health investigation / assessments) facilitated by the 30th of June 2019                                                   | N/A                                                                                                                            | N/A                                                                                                                                                                           | N/A                                                     | N/A                                         | Register                         |

## ANNEXURE F

### OPERATIONAL PLAN 2018/2019 FY - ANNUAL PROGRESS REPORT - SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

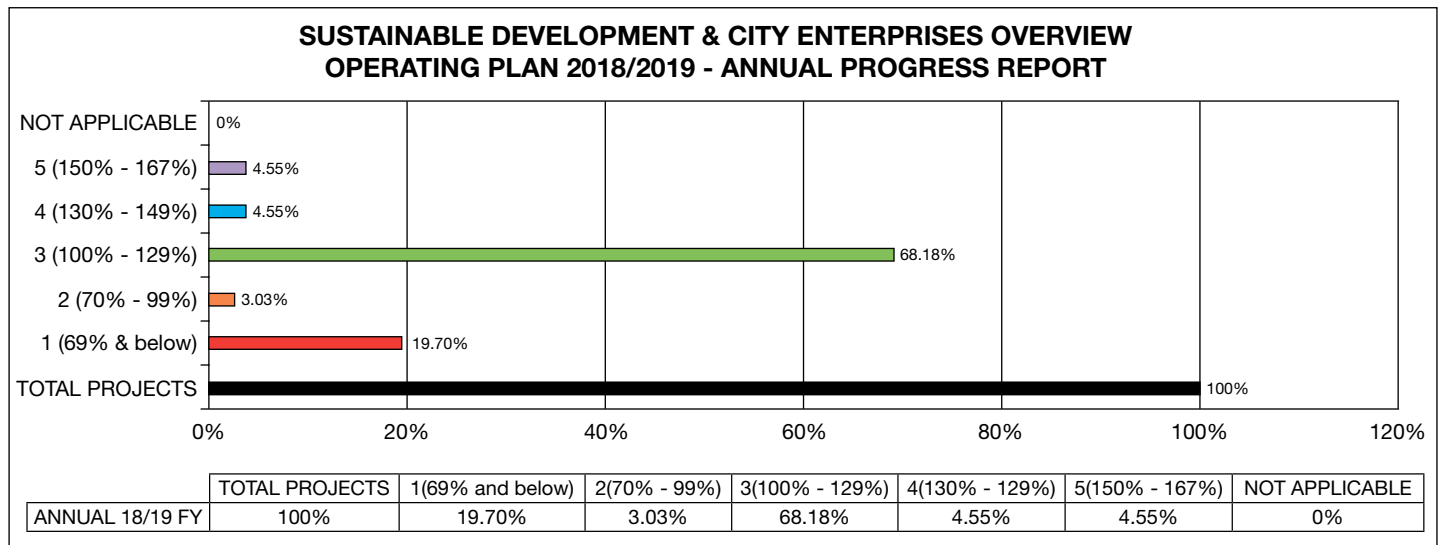
#### SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

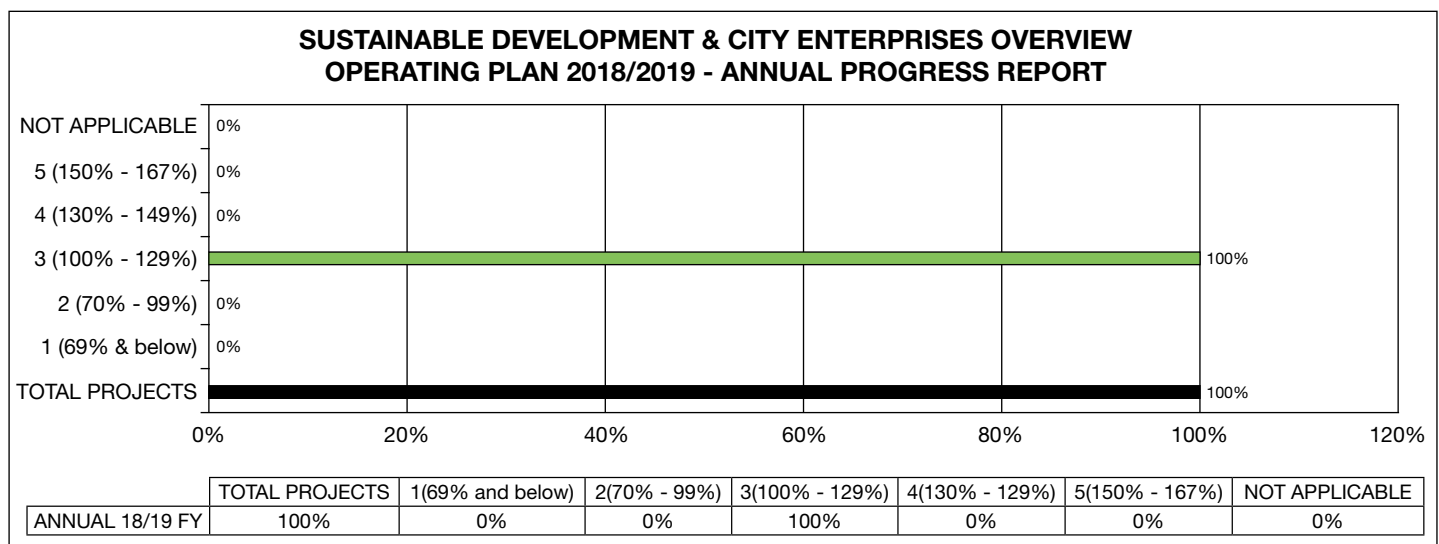
#### 1 SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW

|       |                    |    |
|-------|--------------------|----|
| 1.1   | TOTAL PROJECTS:    | 68 |
| 1.1.1 | OPERATING PROJECTS | 66 |
| 1.1.2 | CAPITAL PROJECTS   | 2  |

#### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



#### 2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR  
SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE  
OPERATIONAL PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| NO | BUSINESS UNIT                                                 | SUB UNIT                                                                      | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | PROJECT                                                                                                             | ANNUAL TARGET                                                                                                                                                                                                             | ANNUAL ACTUAL                                                                                                                                                                    | ACTUAL (1,2,3,4,5, No. Applicable) | REASON FOR DEVIATION                                                                                                                                                                        | CORRECTIVE MEASURE                                                                                                                                                                 |
|----|---------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------|------------------------|----------------------|--------------------------------------------------|--------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5  | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) | 20                       | 0                      | 20                   | 8                                                | DS 9         | Development Facilitation Meetings                                                                                   | 4 x Quarterly Development Facilitation meetings conducted by the 30th of June 2019                                                                                                                                        | 2 x Development Facilitation Committee (DFC) Meeting conducted. The latest one held on 14 June 2019. SMC report dated 21 June 2019 on DFC meetings facilitated during 2018/2019. | 1 (69% & below)                    | Poor planning in respect of setting of targets                                                                                                                                              | Business unit to ensure that all meetings are accounted for as per the approved target                                                                                             |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | DS 18        | Edendale Town Centre Technical Assistance on SPLUMA Planning                                                        | 1 x Report prepared and submitted to SMC on the Progress made in support of the SPLUMA and Land Development Application for the Edendale Town Centre by the 30th of June 2019                                             | 1 x Report prepared and submitted to SMC on the Progress made in support of the SPLUMA and Land Development Application for the Edendale Town Centre by the 30th of June 2019    | 1 (69% & below)                    | Poor planning in respect of setting of targets                                                                                                                                              | Business unit to ensure that all reports are compiled and submitted as per the approved target                                                                                     |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | DS 19        | Edendale Town Centre Precinct Management Plan                                                                       | The Edendale Town Centre Basic Assessment Report prepared and submitted to the Department of Environmental Affairs by the 30th of June 2019                                                                               | Report is currently being finalised and will be submitted once the SPLUMA layout and land acquisition process has been finalised.                                                | 1 (69% & below)                    | Addressing DOT comments and expropriation process being undertaken.                                                                                                                         | To finalise SPLUMA layout and expropriation process.                                                                                                                               |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | DS 20        | Edendale Town Centre: Technical Assistance on Environmental Compliance [WULA submission]                            | Water User License Application prepared & submitted to the relevant Water Authority for the Edendale Town Centre by the 30th of June 2019                                                                                 | Report is currently being finalised and will be submitted once the SPLUMA layout and land acquisition has been finalised.                                                        | 1 (69% & below)                    | Addressing DOT comments and expropriation process being undertaken.                                                                                                                         | To finalise SPLUMA layout and expropriation process.                                                                                                                               |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | DS 25        | Edendale Town Centre: Civic Zone                                                                                    | Submission of Civic Zone ToRs to SCM for the appointment of Engineering Consultants by 30th June 2019                                                                                                                     | Civic zone ToRs prepared for the appointment of Engineering Consultants but not submitted to SCM.                                                                                | 1 (69% & below)                    | National Treasury through a letter received in Feb 2019 requested that detailed feasibility studies be undertaken first.                                                                    | ToRs for the appointment of Consultant to do feasibility studies have been submitted to SCM. Engineering work will only commence once the feasibility studies have been concluded. |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | DS 27        | Informal Economy Policy                                                                                             | Final Draft situational Analysis for the Informal Economy Policy prepared and submitted to SMC for Approval 30th of June 2019                                                                                             | Final Draft situational Analysis for the Informal Economy Policy was not submitted to SMC for Approval.                                                                          | 1 (69% & below)                    | The procurement process took longer. The appointment was only finalised in June 2019.                                                                                                       | The inception meeting will be held in July 2019 and all policy formulation processes will follow.                                                                                  |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | DS 30        | Business license applications received and processed                                                                | Average of 11 days taken to process Business License applications after date of receipt by the 30th of June 2019                                                                                                          | Average of 11 days taken to process Business License Applications after date of receipt by the 30th June 2019 not met                                                            | 2 (70% - 98%)                      | Business unit not able to confirm date received vs date approved                                                                                                                            | Sub-unit to develop a reporting template that shows date of application and date of approval                                                                                       |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | DS 31        | Enforcement of Business Regulations                                                                                 | 520 formal Businesses to be inspected for valid Business Licenses by 30th of June 2019                                                                                                                                    | 347 Formal Businesses were inspected for valid Business Licenses by 30th of June 2019                                                                                            | 1 (69% & below)                    | Business unit not able to confirm number of businesses inspected                                                                                                                            | Sub-unit to develop a reporting template that shows date of business inspection and date approval                                                                                  |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | TP & EM 10   | Review of the adopted Msunduzi Environmental Management Framework (EMF) and migration to ARC 10                     | Final refined biodiversity dataset, Final EMF report, public consultation, migration to Arc10 and ArcPro, project close out and submission of final revised EMF adoption report submitted to SMC by the 30th of June 2019 | All spatial layers complete except for the biodiversity layer. BAC approved contract extension for 6 months                                                                      | 2 (70% - 99%)                      | Awaiting biodiversity layer from the provincial authority who is undertaking this pro bono                                                                                                  | Contact provincial conservation authority                                                                                                                                          |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | BC & LIC 04  | Improve processes for Signage Applications for all Billboard or Ground Sign Applications on Council owned property. | 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2019                                            | 0% of applications processed by 30th June 2019                                                                                                                                   | 1 (69% & below)                    | The original report for the appointment of a Management company for Billboards was rejected by BAC                                                                                          | BAC requested the report to be amended for a Audit of all Billboards by a service provider.                                                                                        |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | BC & LIC 10  | Regulate problem buildings in terms of the Problem Building By-laws and other applicable legislation                | 2 x Bi-annual reports on the problem buildings in the CBD submitted to SMC by the 30th of June 2019                                                                                                                       | 1 x Bi-annual reports on the problem buildings in the CBD submitted to SMC by the 30th of June 2019                                                                              | 1 (69% & below)                    | Relevant department comments were not provided in the report. Waiting comments from departments                                                                                             | A report is being prepared on progress made on the Problem Buildings to be submitted to SMC.                                                                                       |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | N/A          | N/A                                                                                                                 | N/A                                                                                                                                                                                                                       | N/A                                                                                                                                                                              | NOT APPLICABLE                     | N/A                                                                                                                                                                                         | N/A                                                                                                                                                                                |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | TP & EM 18   | Strategic (Commercial/Industrial) Land Release                                                                      | 100% disposal of 3 Strategic Sites for investment/reconomic value by 30th of June 2019                                                                                                                                    | We have not 100% disposed off the Strategic sites for investment by 30 June 2019                                                                                                 | 1 (69% & below)                    | BSC report was first submitted 11 June 2018 and have made numerous amendments as per all BSC resolutions, however, there is still no BSC decision                                           | LMO has met with internal legal and external legal firm. The Specification are yet to be confirmed and the target BSC Meeting is on the 30th July 2019                             |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | TP & EM 19   | Release of Residential Vacant Land                                                                                  | 80% disposal process of 50 Residential Sites for Human Settlements completed by the 30th of June 2019                                                                                                                     | The MADC has finally approved the report by 30th May 2019. We have advertised by 30th June 2019                                                                                  | 1 (69% & below)                    | A report to request for the disposal of the Residential sites was first submitted 05 December 2018 due to MADC not meeting quorum, pending legal comments and changes enquiry on the report | The report is still required to go to SMC, Portfolio Committee, EXCO, Full Council, BSC, BEC and BAC                                                                               |
|    |                                                               |                                                                               |                          |                        |                      |                                                  | TP & EM 20   | Immovable Land Disposal and Acquisition Policy Review and Development                                               | 100% Immovable Land Disposal and Acquisition Policy Review and Development completed by the 30th of June 2019                                                                                                             | 100% Draft reviewed Immovable Land Disposal Policy by 30th June 2019                                                                                                             | 1 (69% & below)                    | Lack of Human Resource (No staff at all). The 6 Contracts staff's contract was terminated in February 2019                                                                                  | The Draft Policy must be advertised for public comments, amending and report to Council to adopt                                                                                   |



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR             |                                                               |                                                                                                                                                  |                          |                        |                      |                                                  |              |                                                                               |                                                                                                                       |                                                                 |                                    |                                                                                                            |                                                                                                  |
|---------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|----------------------|--------------------------------------------------|--------------|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE |                                                               |                                                                                                                                                  |                          |                        |                      |                                                  |              |                                                                               |                                                                                                                       |                                                                 |                                    |                                                                                                            |                                                                                                  |
| OPERATIONAL PLAN 2018/2019 - ANNUAL PROGRESS REPORT           |                                                               |                                                                                                                                                  |                          |                        |                      |                                                  |              |                                                                               |                                                                                                                       |                                                                 |                                    |                                                                                                            |                                                                                                  |
| NO                                                            | BUSINESS UNIT                                                 | SUB UNIT                                                                                                                                         | NUMBER OF OPERATING KPIS | NUMBER OF CAPITAL KPIS | TOTAL NUMBER OF KPIS | NUMBER OF KPIS - TARGET NOT MET OR PARTIALLY MET | OP REFERENCE | PROJECT                                                                       | ANNUAL TARGET                                                                                                         | ANNUAL ACTUAL                                                   | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                                                                       | CORRECTIVE MEASURE                                                                               |
| 5                                                             | SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES OVERVIEW NARRATIVE | TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (LAND MANAGEMENT OFFICE)<br>TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (LAND SURVEY)<br>HUMAN SETTLEMENTS | 4                        | 0                      | 4                    | 0                                                | TP & EM 21   | Land Invasion Policy Review and Implementation of Anti-land Invasion Strategy | 100% Land Invasion Policy review and Implementation of Anti-land Invasion Strategy completed by the 30th of June 2019 | 100% Draft reviewed Anti-land Invasion Policy by 30th June 2019 | 1 (69% & below)                    | Lack of Human Resource (No staff at all). The 6 Contracts staff's contract was terminated in February 2019 | The Draft Policy must be advertised for public comments, amending and report to Council to adopt |
|                                                               |                                                               |                                                                                                                                                  | 4                        | 0                      | 4                    | 0                                                | N/A          | N/A                                                                           | N/A                                                                                                                   | N/A                                                             | NOT APPLICABLE                     | N/A                                                                                                        | N/A                                                                                              |
|                                                               |                                                               |                                                                                                                                                  | 4                        | 0                      | 4                    | 0                                                | N/A          | N/A                                                                           | N/A                                                                                                                   | N/A                                                             | NOT APPLICABLE                     | N/A                                                                                                        | N/A                                                                                              |
|                                                               |                                                               | <b>TOTAL</b>                                                                                                                                     | <b>66</b>                | <b>2</b>               | <b>68</b>            | <b>15</b>                                        |              |                                                                               |                                                                                                                       |                                                                 |                                    |                                                                                                            |                                                                                                  |

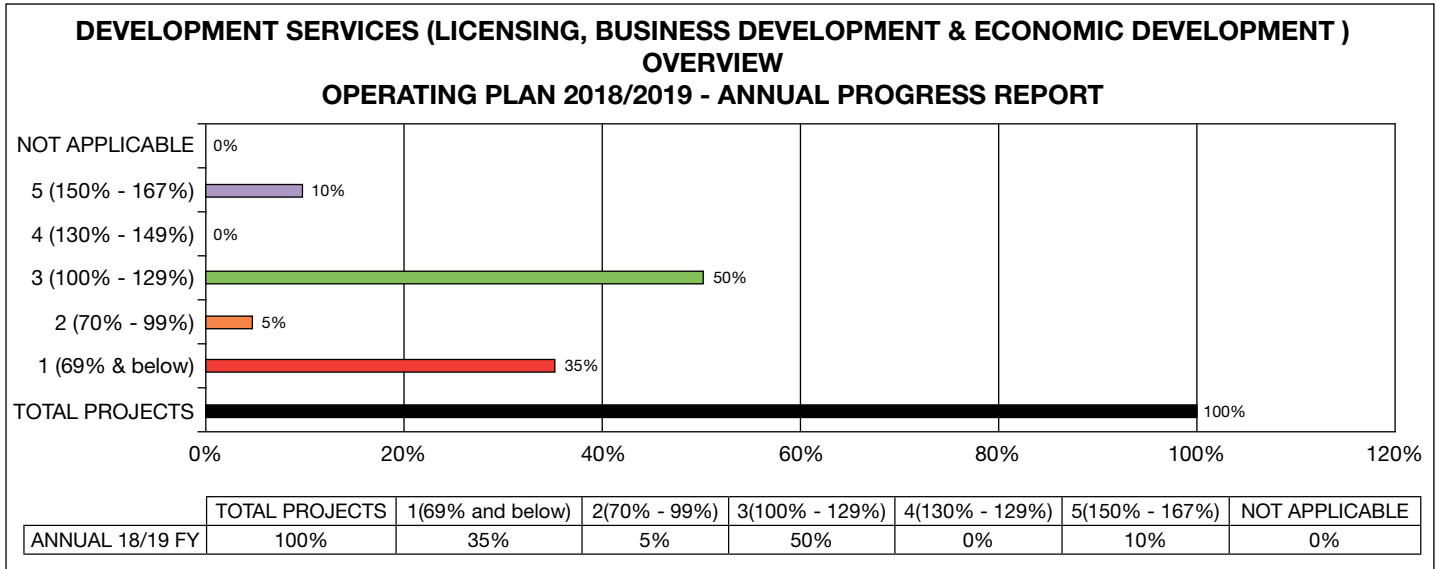
**DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 DEVELOPMENT SERVICES (LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT) OVERVIEW**

- 1.1 TOTAL PROJECTS: 20**
- 1.1.1 OPERATING PROJECTS 20**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                  |              |                                     |                                                    |                                                               |           |                                                         |                                                                                                                                                      |                                                                                                                                                                               |                                                                                                                                                       |                                                                                                                                                                               |                 |                                                                     |                                                                                                |                                                                                    |                                                             |
|---------------------------------------------------|---------------|----------------------------------|--------------|-------------------------------------|----------------------------------------------------|---------------------------------------------------------------|-----------|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------|
| INDEX                                             | IDP REFERENCE | CDP REFERENCE                    | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA       | PROGRAMME                                          | PROJECT                                                       | WARD      | BASELINE / STATUS QUO                                   | MEASURABLE OBJECTIVE                                                                                                                                 | ANNUAL TARGET / OUTPUT                                                                                                                                                        | PERFORMANCE MEASURE                                                                                                                                   | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                                   |                 |                                                                     |                                                                                                | SOURCE DOCUMENT                                                                    |                                                             |
|                                                   |               |                                  |              |                                     |                                                    |                                                               |           |                                                         |                                                                                                                                                      |                                                                                                                                                                               |                                                                                                                                                       | ANNUAL TARGET                                                                                                                                                                 | ANNUAL ACTUAL   | ACTUAL (1.2.3.4.5. Not Applicable)                                  | REASON FOR DEVIATION                                                                           |                                                                                    | CORRECTIVE MEASURE                                          |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 04        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | SMMEs and Cooperative development                  | Skills Development and Training for SMME and Co-ops           | All wards | 8 workshops conducted                                   | 10 Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th of June 2019                                               | 10 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th of June 2019                                                                      | Number of Skills Development and Training workshops facilitated for SMMEs and Co-ops                                                                  | 10 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th of June 2019                                                                      | 3 (100% - 129%) | N/A                                                                 | N/A                                                                                            | Attendance Registers                                                               |                                                             |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 05        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | SMMEs and Cooperative development                  | SMMEs and Cooperative support                                 | All wards | 60 Cooperatives and SMMEs supported                     | 4x SMC progress reports submitted to SMC on the number of co-operatives and SMMEs assisted in mentorship programme by the 30th of June 2019          | 4x SMC Progress reports on the number of SMMEs and Co-ops assisted in the Co-operatives mentorship programme by the 30th of June 2019                                         | Number of SMMEs and Co-ops assisted in the Co-operatives mentorship programme                                                                         | 4x Reports on the number of SMMEs and Cooperatives assisted in mentorship programmes submitted to SMC by 30th June 2019.                                                      | 3 (100% - 129%) | N/A                                                                 | N/A                                                                                            | Copy of SMC Reports submitted.                                                     |                                                             |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 06        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | SMMEs and Cooperative development                  | SMMEs and Cooperative support                                 | All wards | 60 Cooperatives and SMMEs supported                     | 60 previously assisted Co-operatives and SMMEs visited by the 30th of June 2019                                                                      | 60 Cooperatives and SMMEs visited by the 30th of June 2019                                                                                                                    | Number of previously assisted SMMEs and Cooperatives visited                                                                                          | 60x SMMEs and Cooperatives visited by 30th June 2019.                                                                                                                         | 3 (100% - 129%) | N/A                                                                 | N/A                                                                                            | Copy of Site Visits log sheets.                                                    |                                                             |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 09        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Development Facilitation                           | Development Facilitation Meetings                             | All       | 6 Development Facilitation Committee Meetings conducted | 4 X Quarterly Development Facilitation Meetings conducted by the 30th of June 2019                                                                   | 4 x Quarterly Development Facilitation meetings conducted the 30th of June 2019                                                                                               | Number of Quarterly Development Facilitation meetings conducted                                                                                       | 2 x Development Facilitation Committee (DFC) Meeting one held on 14 June 2019. SMC report on DFC meetings facilitated during 2018/2019.                                       | 1 (69% & below) | Poor planning in respect of setting of targets                      | Business unit to ensure that all are accounted for as per the approved target                  | DFC Agenda and Attendance Register. Copy of SMC Report submitted                   |                                                             |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 10        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business Retention and Expansion                   | Import and Export Training                                    | ALL       | LED Strategy                                            | 1x Import and Export training conducted by the 31st of December 2018                                                                                 | 1x Import and Export training conducted by the 31st of December 2018                                                                                                          | Date of import training conducted                                                                                                                     | 1x Import and Export training conducted by the 30th of September 2018                                                                                                         | 5 (150% - 167%) | N/A                                                                 | N/A                                                                                            | Progress report on PMB Export training, invitation, Agenda and Attendance Register |                                                             |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 17        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Street Trading Support                             | Facilitating awareness campaigns                              | All       | Awareness campaigns                                     | 4 x Awareness Campaigns for Street traders conducted by June 2019                                                                                    | 4 x Awareness Campaigns for Street traders conducted by 30 June 2019                                                                                                          | Number Awareness Campaigns for Street traders conducted                                                                                               | 4 x Awareness Campaigns for Street traders conducted by 30 June 2019                                                                                                          | 3 (100% - 129%) | N/A                                                                 | N/A                                                                                            | Attendance Registers                                                               |                                                             |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 18        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edendale Town Centre: Technical Assistance on SPLUMA Planning | 22        | Approved Urban Network Strategy by Council              | 1 x Report prepared and submitted to SMC on the Progress made in support of the SPLUMA and Land Development Application for the Edendale Town Centre | 1 x Report prepared and submitted to SMC on the Progress made in support of the SPLUMA and Land Development Application for the Edendale Town Centre by the 30th of June 2019 | Date Report prepared and submitted to SMC on the Progress made in support of the SPLUMA and Land Development Application for the Edendale Town Centre | 1 x Report prepared and submitted to SMC on the Progress made in support of the SPLUMA and Land Development Application for the Edendale Town Centre by the 30th of June 2019 | 1 (69% & below) | Poor planning in respect of setting of targets                      | Business unit to ensure that all reports are compiled and submitted as per the approved target | Copy of SMC report submitted or SMC resolution.                                    |                                                             |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 19        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edendale Town Centre: Precinct Management Plan                | 22        | Approved Urban Network Strategy by Council              | The Edendale Town Centre Basic Assessment Report prepared and submitted to the Department of Environmental Affairs                                   | The Edendale Town Centre on the 30th of June 2019                                                                                                                             | Date The Edendale Town Centre Basic Assessment Report prepared and submitted to the Department of Environmental Affairs                               | Report is currently being finalised and will be submitted once the SPLUMA layout and land acquisition process has been finalised.                                             | 1 (69% & below) | Addressing DOT comments and expropriation process being undertaken. | To finalise SPLUMA layout and expropriation process.                                           | Three Months                                                                       | Land Expropriation approval and Draft expropriation notice. |

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR         |               |                                  |              |                                     |                                                    |                                                                                          |      |                                                                                         |                                                                                                                       |                                                                                                                                             |                                                                                                                                             |                     |                                                                                                                                          |                                                                                                                                                                     |                                                                                                                                                                                    |                                                        |                                                                                                                                                 |
|-----------------------------------------------------------|---------------|----------------------------------|--------------|-------------------------------------|----------------------------------------------------|------------------------------------------------------------------------------------------|------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES |               |                                  |              |                                     |                                                    |                                                                                          |      |                                                                                         |                                                                                                                       |                                                                                                                                             |                                                                                                                                             |                     |                                                                                                                                          |                                                                                                                                                                     |                                                                                                                                                                                    |                                                        |                                                                                                                                                 |
| INDEX                                                     | IDP REFERENCE | CDS REFERENCE                    | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA       | PROGRAMME                                          | PROJECT                                                                                  | WARD | SUB UNIT: DEVELOPMENT SERVICES / LICENSING, BUSINESS DEVELOPMENT & ECONOMIC DEVELOPMENT | BASELINE / STATUS QUO                                                                                                 | MEASURABLE OBJECTIVE                                                                                                                        | ANNUAL TARGET / GET / OUTPUT                                                                                                                | PERFORMANCE MEASURE | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                              |                                                                                                                                                                     |                                                                                                                                                                                    |                                                        | SOURCE DOCUMENT                                                                                                                                 |
|                                                           |               |                                  |              |                                     |                                                    |                                                                                          |      |                                                                                         |                                                                                                                       |                                                                                                                                             |                                                                                                                                             |                     | ANNUAL ACTUAL                                                                                                                            | ACTUAL (1,2,3,4,5, Not Applicable)                                                                                                                                  | REASON FOR DEVIATION                                                                                                                                                               | CORRECTIVE MEASURE                                     |                                                                                                                                                 |
| C                                                         | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 20        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edendale Town Centre: Technical Assistance on Environmental Compliance (WUJA submission) | 22   | Approved Urban Network Strategy by Council                                              | Water User License Application prepared and submitted to the relevant Water Authority for the Edendale Town Centre    | Water User License Application prepared and submitted to the relevant Water Authority for the Edendale Town Centre by the 30th of June 2019 | Water User License Application prepared and submitted to the relevant Water Authority for the Edendale Town Centre by the 30th of June 2019 | R 300 000           | Report is currently being finalised and will be submitted once the SPLUMA layout and land acquisition has been finalised.                | Addressing DOT comments and expediting process being undertaken.                                                                                                    | To finalise SPLUMA layout and expediting process.                                                                                                                                  | Three Months                                           | Land Expropriation and Draft expropriation notices.                                                                                             |
| C                                                         | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS21         | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edendale Town Centre Precinct Management Plan                                            | 22   | Approved Urban Network Strategy by Council                                              | 1 x Report prepared and submitted to SMC on the progress of the Edendale Town Centre Precinct Management Plan         | 1x Report prepared and submitted to SMC on the establishment of the Edendale Town Centre Precinct Management Plan by 30th June 2019         | 1x Report prepared and submitted to SMC on the progress of the Edendale Town Centre Precinct Management Plan by 30th June 2019              | 3 (100% - 129%)     | 1x Report prepared and submitted to SMC on the progress of the Edendale Town Centre Precinct Management Plan by 30th June 2019           | N/A                                                                                                                                                                 | N/A                                                                                                                                                                                | N/A                                                    | Stakeholder engagement action plan.                                                                                                             |
| C                                                         | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 23        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edendale Town Centre: Technical Assistance on Informal Settlement Relocation Strategy    | 22   | Approved Urban Network Strategy by Council                                              | 1 x Report prepared and submitted to SMC on the progress of the Informal Settlement Relocation Strategy               | 1 x Report prepared and submitted to SMC on the progress of the Informal Settlement Relocation Strategy by the 31st of March 2019           | 1 x Report prepared and submitted to SMC on the progress of the Informal Settlement Relocation Strategy by the 31st of March 2019           | 3 (100% - 129%)     | 1 x Report prepared and submitted to SMC on the progress of the Informal Settlement Relocation Strategy by the 31st of March 2019        | N/A                                                                                                                                                                 | N/A                                                                                                                                                                                | N/A                                                    | Copy of Report and SMC resolution.                                                                                                              |
| C                                                         | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 24        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edendale Town Centre: Civic Zone                                                         | 22   | Approved Urban Network Strategy by Council                                              | 1 x Report prepared and submitted to SMC on the progress of the planning and urban design solutions on the Civic Zone | 1 x Report prepared and submitted to SMC on the progress of the planning and urban design solutions on the Civic Zone by 30th June 2019     | 1 x Report prepared and submitted to SMC on the progress of the planning and urban design solutions on the Civic Zone by 30th June 2019     | 420 000             | Progress report prepared and submitted to SMC.                                                                                           | N/A                                                                                                                                                                 | N/A                                                                                                                                                                                | N/A                                                    | Copy of Report and SMC resolution.                                                                                                              |
| C                                                         | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 25        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edendale Town Centre: Civic Zone                                                         | 22   | Approved Urban Network Strategy by Council                                              | Submission of Civic Zone ToRs to SMC for the appointment of Engineering Consultants by 30th June 2019                 | 1 x Civic Zone ToRs prepared and submitted to SMC for the appointment of Engineering Consultants by 30th June 2019                          | 1 x Civic Zone ToRs submitted to SMC for the appointment of Engineering Consultants by 30th June 2019                                       | N/A                 | Civic zone ToRs prepared for the appointment of Engineering Consultants but not submitted to SMC.                                        | National Treasury through a letter received in Feb 2019 requested that detailed feasibility studies be undertaken once the feasibility studies have been concluded. | ToRs for the appointment of Consultant to do feasibility studies have been submitted to SMC. Engineering work will only commence once the feasibility studies have been concluded. | 6 months                                               | Copy of letter dated February 2019 received from National Engineering work will only commence once the feasibility studies have been concluded. |
| C                                                         | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 26        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Neighbourhood Development Partnership Grant (NDPG) | Edendale Town Centre: Old Edendale Road Upgrade [Design]                                 | 22   | Urban Network Strategy and Planning                                                     | Submission of Old Edendale Road Upgrade ToRs to SMC for the appointment of Engineering Consultants by 30th June 2019  | 1 x Old Edendale Road Upgrade ToRs prepared and submitted to SMC for the appointment of Engineering Consultants by 30th June 2019           | 1 x Old Edendale Road Upgrade ToRs prepared and submitted to SMC for the appointment of Engineering Consultants by 30th June 2019           | R500,000.00         | A report / ToRs for the appointment of Engineering Consultants has been submitted and approved by the Bid Specification Committee [SCM]. | N/A                                                                                                                                                                 | N/A                                                                                                                                                                                | N/A                                                    | Copy of Bid Spec approval                                                                                                                       |
| C                                                         | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 27        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Local Economic Development                         | Informal Economy Policy                                                                  | All  | Existing Informal Economy Policy                                                        | Final Draft situational Analysis submitted to SMC                                                                     | Final Draft situational Analysis for the Informal Economy Policy prepared and submitted to SMC for Approval by the 30th of June 2019        | Final Draft situational Analysis for the Informal Economy Policy prepared and submitted to SMC for Approval by the 30th of June 2019        | N/A                 | The procurement process took longer. The appointment was only finalised in June 2019.                                                    | The inception meeting will be held in July 2019 and all policy formulation processes will follow.                                                                   | 9 months                                                                                                                                                                           | Copy of appointment letter and Correspondence from SCM |                                                                                                                                                 |

# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                  |              |                                     |                                                |                                                      |         |                                                                                                                                   |                                                                                                                  |                                                                                                                                  |                                                                                                                                                  |                                                             |                                           |                                                                  |                                                                                                   |                                                                                              |
|---------------------------------------------------|---------------|----------------------------------|--------------|-------------------------------------|------------------------------------------------|------------------------------------------------------|---------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                    | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA       | PROGRAMME                                      | PROJECT                                              | WARD    | BASELINE / STATUS QUO                                                                                                             | MEASURABLE OBJECTIVE                                                                                             | ANNUAL TARGET / OUTPUT                                                                                                           | PERFORMANCE MEASURE                                                                                                                              | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                                           |                                                                  |                                                                                                   |                                                                                              |
|                                                   |               |                                  |              |                                     |                                                |                                                      |         |                                                                                                                                   |                                                                                                                  |                                                                                                                                  |                                                                                                                                                  | ANNUAL ACTUAL                                               | ACTUAL ANNUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION                                             | CORRECTIVE MEASURE                                                                                | Timeframe TO IMPLEMENT MEASURES                                                              |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 28        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Business Retention and Expansion               | Development of Municipal Business Incentive Policy   | ALL     | Local Economic Development Strategy                                                                                               | Draft Business Incentive Policy developed and submitted to SMC for onwards transmission to Council               | Draft Business Incentive Policy developed and submitted to SMC for onwards transmission to Council by the 30th of June 2019      | Date draft Business Incentive Policy developed and submitted to SMC for onwards transmission to Council                                          | 3 (100% - 129%)                                             | N/A                                       | N/A                                                              | N/A                                                                                               | Copy of Draft Msunduzi Business Incentive Policy, Attendance Register, Agenda and SMC report |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 29        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | BUSINESS REGISTRATION                          | BUSINESS REGISTRATION DATABASE                       | ALL     | 488 Businesses visited to initiate Business Registration and inclusion in the database of all businesses by the 30th of June 2018 | 500 Businesses to be visited to initiate Business Registration and inclusion in the database of all businesses   | 500 Businesses to be visited to initiate Business Registration and inclusion in the database of all businesses by 30th June 2019 | Number of Businesses to be visited to initiate Business Registration and inclusion in the database of all businesses                             | 3 (100% - 129%)                                             | N/A                                       | N/A                                                              | Schedule of Business Registration                                                                 |                                                                                              |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 30        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | BUSINESS LICENSING                             | Business license applications received and processed | ALL     | Average of 11 days taken to process Business License applications after date of receipt by the 30th of June 2018                  | Average of 11 days taken to process Business License applications after date of receipt by the 30th of June 2019 | Average of 11 days taken to process Business License Applications after date of receipt by the 30th of June 2019                 | Number of days taken to process Business License applications after date of receipt                                                              | 2 (70% - 99%)                                               | N/A                                       | Business unit not able to confirm date received vs date approved | Sub-unit to develop a reporting template that shows date of application and date of approval      | Schedule of Licence applications processed                                                   |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 31        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | REGULATIONS/ ENFORCEMENT OF BUSINESS LICENSING | Enforcement of Business Regulations                  | ALL     | 512 Businesses inspected for valid Business Licenses by the 30th of June 2018                                                     | 520 Businesses to be inspected for valid Business Licenses                                                       | 520 formal Businesses to be inspected for valid Business Licenses by 30th of June 2019                                           | Number of Businesses inspected for valid Business Licenses                                                                                       | 1 (69% & below)                                             | N/A                                       | Business unit not able to confirm number of businesses inspected | Sub-unit to develop a reporting template that shows date of business inspection and date approval | Schedule of Formal Business Visited for inspection                                           |
| C                                                 | C2            | 5 - GROWING THE REGIONAL ECONOMY | DS 32        | NKPA 3 - LOCAL ECONOMIC DEVELOPMENT | Informal Economy Support                       | Informal Economy data base for ward 1 and 2          | 1 and 2 | Home Based Business policy                                                                                                        | Informal Economy Database for Msunduzi Municipality Zone 1 (Ward 1 and 2) created                                | Informal Economy Database for Msunduzi Municipality Zone 1 (Ward 1 and 2) created by the 30th of June 2019                       | SMC report on the Informal Economy Database for Msunduzi Municipality Zone 1 (Ward 1 and 2) submitted for consideration by the 30th of June 2019 | 3 (100% - 129%)                                             | N/A                                       | N/A                                                              | N/A                                                                                               | Copy of database and SMC report                                                              |

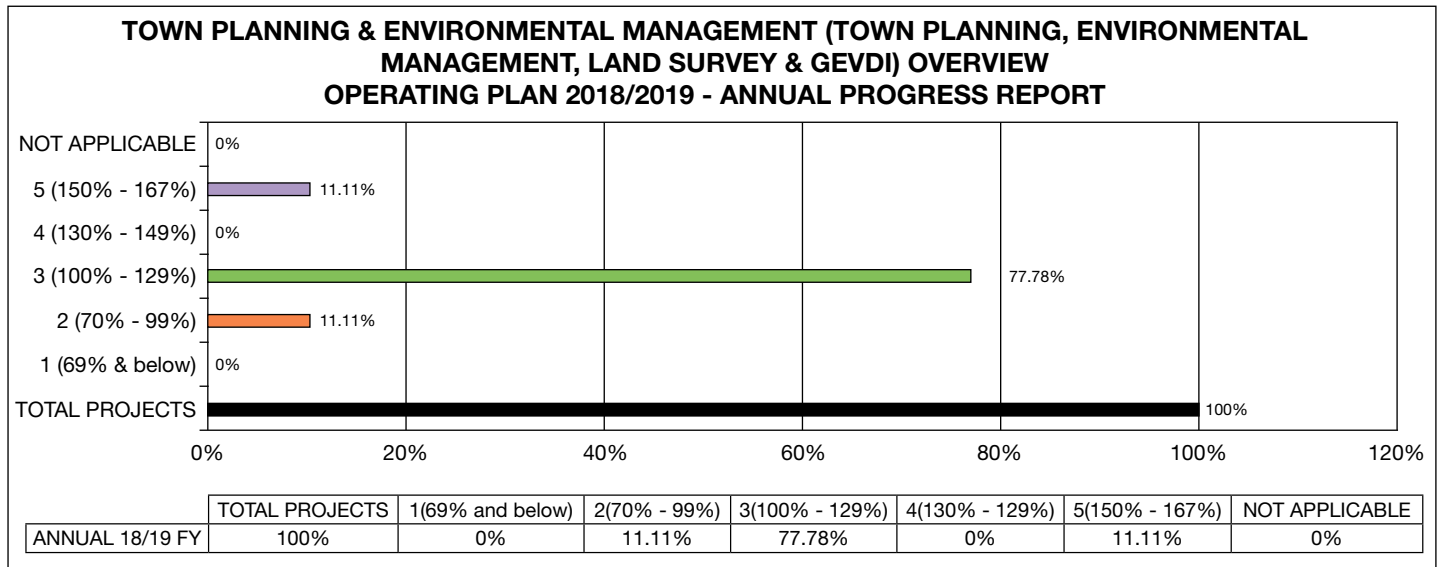
**TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) OVERVIEW**  
**SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) OVERVIEW**

- 1.1 TOTAL PROJECTS: 9
- 1.1.1 OPERATING PROJECTS 9
- 1.1.2 CAPITAL PROJECTS 0

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR |               |                                                     |              |                                                                |                                          |                                                                                                  |                                    |                                                                                                                                                                                                                                              |                                                                                                                                                                                        |                                                                                                                                                                                                                 |                                                                                                                                                                                                                      |                                                                                                                                                        |                 |                      |                                                                            |                                                                       |                                         |
|---------------------------------------------------|---------------|-----------------------------------------------------|--------------|----------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------|----------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|
| INDEX                                             | IDP REFERENCE | CDS REFERENCE                                       | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME                                | PROJECT                                                                                          | WARD                               | TUS Q/UO                                                                                                                                                                                                                                     | MEASURABLE OBJECTIVE                                                                                                                                                                   | ANNUAL TARGET GET / OUTPUT                                                                                                                                                                                      | PERFORMANCE MEASURE                                                                                                                                                                                                  | ANNUAL ACTUAL PERFORMANCE REPORTING 2018/2019 (1.2.3.4.5. Not Applicable)                                                                              |                 |                      |                                                                            | SOURCE DOCUMENT                                                       |                                         |
|                                                   |               |                                                     |              |                                                                |                                          |                                                                                                  |                                    |                                                                                                                                                                                                                                              |                                                                                                                                                                                        |                                                                                                                                                                                                                 |                                                                                                                                                                                                                      | ANNUAL TARGET                                                                                                                                          | ANNUAL ACTUAL   | REASON FOR DEVIATION | CORRECTIVE MEASURE                                                         |                                                                       | Timeframe TO IMPLEMENT RECTIVE MEASURES |
|                                                   |               |                                                     |              |                                                                |                                          |                                                                                                  |                                    |                                                                                                                                                                                                                                              |                                                                                                                                                                                        |                                                                                                                                                                                                                 |                                                                                                                                                                                                                      |                                                                                                                                                        |                 |                      |                                                                            |                                                                       |                                         |
| F                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | TP & EM 07   | NKPA 6 - CROSS CUTTING                                         | Land use management system               | Final draft Ecosystem Services Plan (ESP) - Finalization of 9 key areas.                         | 23, 24, 25, 26, 27, 32, 33, 36, 37 | Key area seven: Thornville and Umhlaas Road (4 100ha) and Key area four: Hekeke and Sobantu (approx 1480ha) complete. Grids 9D to 13D of Key area Nine: CBD (approx 6 000ha) complete and progress report submitted to SMC in the 2017/18 FY | Map for 9 key areas identified as part of the Ecosystem Services Plan (ESP) developed and submitted to SMC by the 31st of March 2019.                                                  | 1 x Map for 9 key areas identified as part of the Ecosystem Services Plan (ESP) developed and submitted to SMC by the 31st of March 2019.                                                                       | Date map for 9 key areas identified as part of the Ecosystem Services Plan (ESP) developed and submitted to SMC by the 31st of March 2019.                                                                           | 1 x Map for 9 key areas identified as part of the Ecosystem Services Plan (ESP) developed and submitted to SMC by the 31st of March 2019.              | 3 (100% - 129%) | N/A                  | N/A                                                                        | Maps, GIS files                                                       |                                         |
| F                                                 | F1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | TP & EM 08   | NKPA 6 - CROSS CUTTING                                         | Climate Change policy review and update  | Climate Change policy review and update                                                          | All                                | Climate Change Policy (2014)                                                                                                                                                                                                                 | Final revised Climate Change Policy submitted to SMC by the 31st of May 2019                                                                                                           | Final revised Climate Change Policy submitted to SMC by the 31st of May 2019                                                                                                                                    | Date Final revised Climate Change Policy submitted to SMC                                                                                                                                                            | Final revised Climate Change Policy submitted to SMC by the 31st of May 2019 (file no R10426)                                                          | 3 (100% - 129%) | N/A                  | N/A                                                                        | Final climate change policy and SMC report with File reference number |                                         |
| E                                                 | E1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | TP & EM 09   | NKPA 6 - CROSS CUTTING                                         | Drafting By-Laws                         | Environmental Management By-Laws                                                                 | All                                | Internal review of Environmental By-laws from other local municipalities                                                                                                                                                                     | Progress report submitted to OMC on the draft Environmental Management bylaw                                                                                                           | Progress report submitted to OMC on the draft Environmental Management bylaw by the 30th of June 2019                                                                                                           | Date Progress report submitted to OMC on the draft Environmental Management bylaw                                                                                                                                    | Progress report submitted to OMC on the draft Environmental Management bylaw by the 30th of June 2019                                                  | 3 (100% - 129%) | N/A                  | N/A                                                                        | OMC REPORT                                                            |                                         |
| A                                                 | A2            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | TP & EM 10   | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Environmental Management Framework (EMF) | Review of the adopted Municipal Environmental Management Framework (EMF) and migration to ARC 10 | All                                | Inception report, refinement of datasets and spatial layers, public consultation database complete, SDST tool and City-Local Environmental Attributes Map complete excluding the biodiversity layer                                          | Final refined biodiversity dataset, Final EMF report, public consultation, migration to Arc10 and ArcPro project close out and submission of final revised EMF report submitted to SMC | Final refined biodiversity dataset, Final EMF report, public consultation, migration to Arc10 and ArcPro project close out and submission of final revised EMF report submitted to SMC by the 30th of June 2019 | Date Final refined biodiversity dataset, Final EMF report, public consultation, migration to Arc10 and ArcPro project close out and submission of final revised EMF report submitted to SMC by the 30th of June 2019 | All spatial layers complete except for the biodiversity layer BAC approved contract extension for 6 months                                             | 2 (70% - 99%)   | N/A                  | Contact provincial conservation authority who is undertaking this pro bono | N/A                                                                   | Emails, BAC resolution                  |
| F                                                 | F2            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | TP & EM 11   | NKPA 6 - CROSS CUTTING                                         | Storm water sock                         | Maintenance of one storm water sock                                                              | 28,30,31 and 35                    | Storm water sock designed and installed                                                                                                                                                                                                      | 100% maintenance of one Storm Water Sock by the 30th of June 2019                                                                                                                      | 100% maintenance of one Storm Water Sock by the 30th of June 2019                                                                                                                                               | Percentage maintenance of one Storm Water Sock                                                                                                                                                                       | 100% maintenance of one Storm Water Sock by the 30th of June 2019                                                                                      | 3 (100% - 129%) | N/A                  | N/A                                                                        | Maintenance Report                                                    |                                         |
| F                                                 | F2            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | TP & EM 12   | NKPA 6 - CROSS CUTTING                                         | Trash Boom                               | Maintenance of one trash boom                                                                    | 28,30,31 and 35                    | Trash boom designed and installed                                                                                                                                                                                                            | 100% maintenance of one Trash Boom by the 30th of June 2019                                                                                                                            | 100% maintenance of one Trash Boom by the 30th of June 2019                                                                                                                                                     | Percentage maintenance of one Trash Boom                                                                                                                                                                             | 100% maintenance of one Trash Boom by the 30th of June 2019                                                                                            | 3 (100% - 129%) | N/A                  | N/A                                                                        | Maintenance Report                                                    |                                         |
| F                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | TP & EM 14   | NKPA 6 - CROSS CUTTING                                         | Standard Operating Procedure (SOP)       | SOP for internal departmental environmental authorization process                                | All                                | Currently no SOP                                                                                                                                                                                                                             | Standard Operating Procedures for internal departments on the Environmental Authorization Process completed and submitted to SMC by the 30th of June 2019                              | Standard Operating Procedures for internal departments on the Environmental Authorization Process completed and submitted to SMC by the 21st June 2019                                                          | Date Standard Operating Procedures for internal departments on the Environmental Authorization Process completed and submitted to SMC by the 30th of June 2019                                                       | Standard Operating Procedures for internal departments on the Environmental Authorization Process completed and submitted to SMC by the 21st June 2019 | 3 (100% - 129%) | N/A                  | N/A                                                                        | SMC Report                                                            |                                         |

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR                                                                 |               |                                     |              |                               |                           |                                                                         |                                 |                                                          |                                                                                                                                   |                                                                                                                                                         |                                                                                                                                                         |                                                                                                                                                            |                                    |                      |                    |                                                  |                                                                                                      |     |     |                                                                                                      |                                   |
|-------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------|--------------|-------------------------------|---------------------------|-------------------------------------------------------------------------|---------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------------|------------------------------------------------------------------------------------------------------|-----|-----|------------------------------------------------------------------------------------------------------|-----------------------------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES                                                         |               |                                     |              |                               |                           |                                                                         |                                 |                                                          |                                                                                                                                   |                                                                                                                                                         |                                                                                                                                                         |                                                                                                                                                            |                                    |                      |                    |                                                  |                                                                                                      |     |     |                                                                                                      |                                   |
| SUB UNIT: TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (TOWN PLANNING, ENVIRONMENTAL MANAGEMENT, LAND SURVEY & GEVDI) |               |                                     |              |                               |                           |                                                                         |                                 |                                                          |                                                                                                                                   |                                                                                                                                                         |                                                                                                                                                         |                                                                                                                                                            |                                    |                      |                    |                                                  |                                                                                                      |     |     |                                                                                                      |                                   |
| INDEX                                                                                                             | IDP REFERENCE | CDS REFERENCE                       | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA | PROGRAMME                 | PROJECT                                                                 | WARD                            | BASIS QUO                                                | MEASURABLE OBJECTIVE                                                                                                              | ANNUAL TARGET / OUTPUT                                                                                                                                  | PERFORMANCE MEASURE                                                                                                                                     | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                                                                |                                    |                      |                    |                                                  |                                                                                                      |     |     |                                                                                                      |                                   |
|                                                                                                                   |               |                                     |              |                               |                           |                                                                         |                                 |                                                          |                                                                                                                                   |                                                                                                                                                         |                                                                                                                                                         | ANNUAL ACTUAL                                                                                                                                              | ACTUAL (1,2,3,4,5, Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES       | SOURCE DOCUMENT                                                                                      |     |     |                                                                                                      |                                   |
| F                                                                                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 15   | NKPA 6 - CROSS CUTTING        | Environmental Assessments | Strategic Environmental Assessment (SEA) for the Bishopstowe Study Area | 28, 29, 30, 31, 32, 34, 35 & 38 | Public Consultation for the Bishopstowe SEA complete     | 1 x Strategic Environmental Assessment for the Bishopstowe Area completed and submitted to the Environmental Management unit      | 1 x Strategic Environmental Assessment for the Bishopstowe Area completed and submitted to the Environmental Management unit by the 30th June 2019      | Date 1 x Strategic Environmental Assessment for the Bishopstowe Area completed and submitted to the Environmental Management unit by the 30th June 2019 | 1 x Strategic Environmental Assessment for the Bishopstowe Area completed and submitted to the Environmental Management Unit on the 20th of September 2018 | N/A                                | N/A                  | N/A                | Final Bishopstowe SEA & Project Close Out Report |                                                                                                      |     |     |                                                                                                      |                                   |
| F                                                                                                                 | F1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | TP & EM 16   | NKPA 6 - CROSS CUTTING        | Environmental Assessments | Development of an SEA for the Vulindlela Area                           | 1-9 and 39                      | Service provider appointed by 30 June 2018 in 2017/18 FY | 75% draft Strategic Environmental Assessment for the Vulindlela Area completed and submitted to the Environmental Management unit | 75% draft Strategic Environmental Assessment for the Vulindlela Area completed and submitted to the Environmental Management unit by the 30th June 2019 | 75% draft Strategic Environmental Assessment for the Vulindlela Area completed and submitted to the Environmental Management unit by the 30th June 2019 | 92% draft Strategic Environmental Assessment for the Vulindlela Area completed by the 30th June 2019                                                       | N/A                                | N/A                  | N/A                | 3 (100% - 129%)                                  | 92% draft Strategic Environmental Assessment for the Vulindlela Area completed by the 30th June 2019 | N/A | N/A | 92% draft Strategic Environmental Assessment for the Vulindlela Area completed by the 30th June 2019 | Final Progress Report and Invoice |



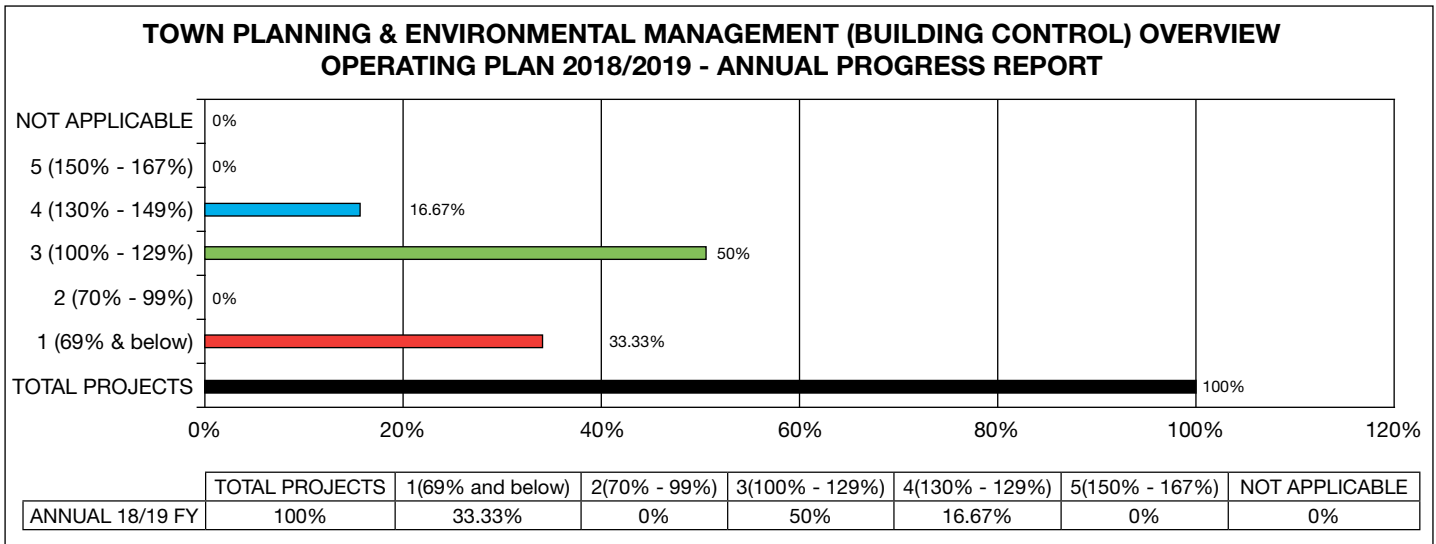
**TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL) OVERVIEW**

- 1.1 TOTAL PROJECTS: 6**
- 1.1.1 OPERATING PROJECTS 6**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR

| INDEX | IDP REFERENCE | CDS REFERENCE                                       | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME                                                                      | PROJECT                                                                                                             | WARD | BASELINE / STATUS QUO                                                                                                                                                                                 | MEASURABLE OBJECTIVE                                                                                                                                                                                  | ANNUAL TARGET GET / OUTPUT                                                                                                                                                                                 | ANNUAL TARGET MEASURE                                                                                                                                                                                 | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |                             |                             |                             | CORRECTIVE MEASURE | REASON FOR DEVIATION | ACTUAL (1,2,3,4,5, Not Applicable)                        | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES        | SOURCE DOCUMENT |
|-------|---------------|-----------------------------------------------------|--------------|----------------------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------|----------------------|-----------------------------------------------------------|---------------------------------------------------|-----------------|
|       |               |                                                     |              |                                                                |                                                                                |                                                                                                                     |      |                                                                                                                                                                                                       |                                                                                                                                                                                                       |                                                                                                                                                                                                            |                                                                                                                                                                                                       | ANNUAL ACTUAL                                               | ANNUAL ACTUAL               | ANNUAL ACTUAL               | ANNUAL ACTUAL               |                    |                      |                                                           |                                                   |                 |
|       |               |                                                     |              |                                                                |                                                                                |                                                                                                                     |      |                                                                                                                                                                                                       |                                                                                                                                                                                                       |                                                                                                                                                                                                            |                                                                                                                                                                                                       | (1,2,3,4,5, Not Applicable)                                 | (1,2,3,4,5, Not Applicable) | (1,2,3,4,5, Not Applicable) | (1,2,3,4,5, Not Applicable) |                    |                      |                                                           |                                                   |                 |
| A     | A1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | BC & LIC 01  | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Optimize system, procedures and processes for Infrastructure Planning & Survey | Improve Building Plan Applications                                                                                  | All  | 95% of Building Plan Applications <500m2 to be processed for approval through plan process within average of 30 days                                                                                  | 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                             | % 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 2019           | 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 2019    | 3 (100% - 129%)                                             | N/A                         | N/A                         | N/A                         | N/A                | N/A                  | Matrix of plans submitted to PAC for approval             |                                                   |                 |
| E     | E2            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                 | BC & LIC 02  | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION                | Improve Infrastructure Planning & Survey compliance and risk management        | Implement Infrastructure Planning & Survey compliance and risk management                                           | All  | 600 building inspections conducted for illegal building works                                                                                                                                         | 600 building inspections conducted for illegal building works                                                                                                                                         | Number of building inspections conducted for illegal building works by the 30th of June 2019                                                                                                               | 600 building inspections conducted for illegal building works by the 30th of June 2019                                                                                                                | 4 (100% - 149%)                                             | N/A                         | N/A                         | N/A                         | N/A                | N/A                  | Matrix of contraventions served by the building inspector |                                                   |                 |
| A     | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | BC & LIC 03  | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Optimize system, procedures and processes for Outdoor Advertising Signage      | Improve processes for Signage Applications for all Posters, Banners & Flags                                         | All  | Average number of 3 days taken to process (approve or decline) all poster, Banner or Flag applications                                                                                                | Average number of 3 days taken to process (approve or decline) all poster, Banner or Flag applications                                                                                                | Number of days taken to process Applications                                                                                                                                                               | Average of 3 days after receipt of application taken to process (approve or decline) all poster, Banner or Flag applications by the 30th of June 2019                                                 | N/A                                                         | N/A                         | N/A                         | N/A                         | N/A                | N/A                  | List of applications received by the Signage department   |                                                   |                 |
| A     | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | BC & LIC 04  | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Optimize system, procedures and processes for Outdoor Advertising Signage      | Improve processes for Signage Applications for all Billboard or Ground Sign Applications on Council owned property. | All  | After the new approval process, 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications.                | 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications.                                                | % of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications.                                                       | 95% of all Billboard or Ground Sign applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2019                        | 1 (69% & below)                                             | N/A                         | N/A                         | N/A                         | N/A                | N/A                  | N/A                                                       | Copy of BSC REPORT                                |                 |
| A     | A1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | BC & LIC 06  | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Optimize system, procedures and processes for Outdoor Advertising Signage      | Improve control of all Outdoor Advertising Signage displayed on Council owned property                              | All  | 12 x monthly reports prepared and submitted to SMC on the removal of all illegal advertising signage on Council property, detailing results of the appointed clean-up Co-operatives by 30th June 2018 | 12 x monthly reports prepared and submitted to SMC on the removal of all illegal advertising signage on Council property, detailing results of the appointed clean-up Co-operatives by 30th June 2019 | Number of monthly reports prepared and submitted to SMC on the removal of all illegal advertising signage on Council property, detailing results of the appointed clean-up Co-operatives by 30th June 2019 | 12 x monthly reports prepared and submitted to SMC on the removal of all illegal advertising signage on Council property, detailing results of the appointed clean-up Co-operatives by 30th June 2019 | 3 (100% - 129%)                                             | N/A                         | N/A                         | N/A                         | N/A                | N/A                  | N/A                                                       | Report submitted by the Signage department to SMC |                 |
| E     | E1            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | BC & LIC 10  | NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION                | INSPECTION AND REGULATION OF PROBLEM BUILDINGS                                 | Regulate problem buildings in terms of the Problem Building By-laws and other applicable legislation                | 27   | NIL                                                                                                                                                                                                   | 2 x Bi-annual reports on the problem buildings in the CBD submitted to SMC                                                                                                                            | Number of reports submitted to SMC                                                                                                                                                                         | 2 x Bi-annual reports on the problem buildings in the CBD submitted to SMC by the 30th of June 2019                                                                                                   | 1 (69% & below)                                             | N/A                         | N/A                         | N/A                         | N/A                | N/A                  | N/A                                                       | Copy of report will be provided once sent to SMC  |                 |

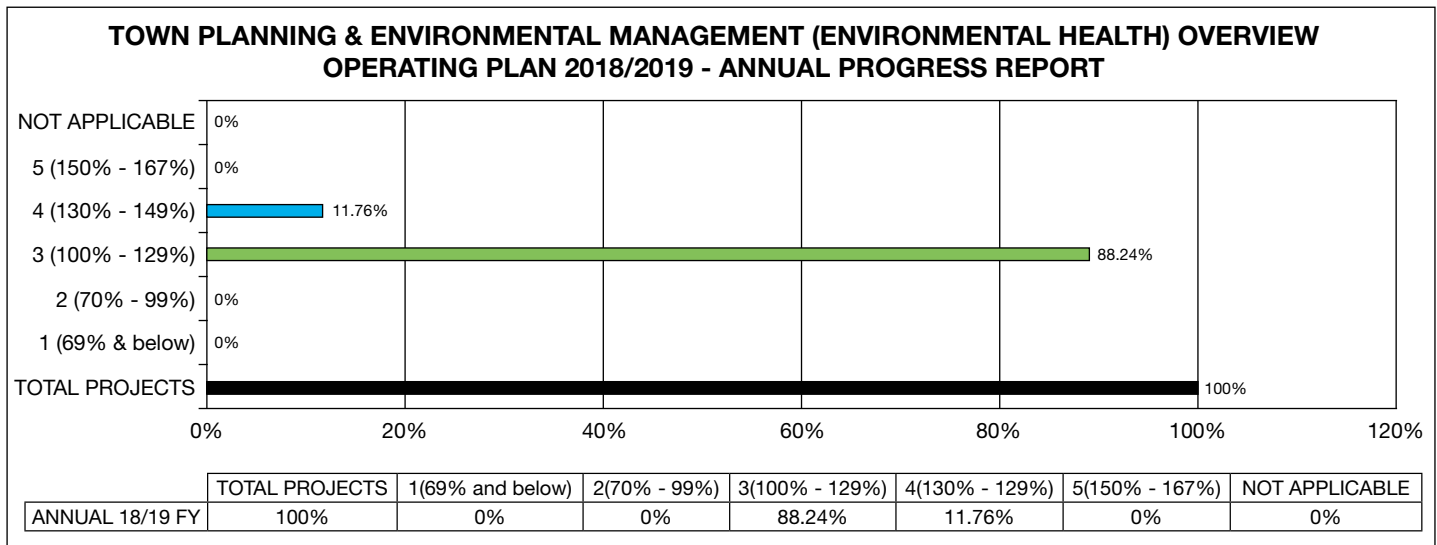
## TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (ENVIRONMENTAL HEALTH) OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT

| 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           |     |

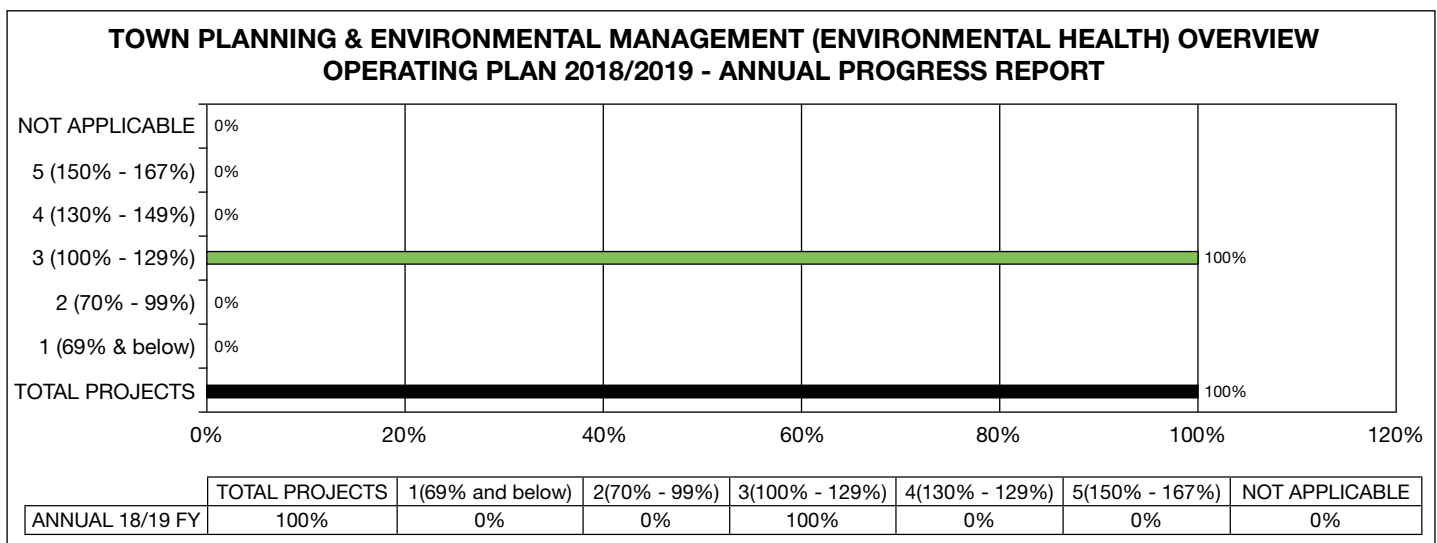
### 1 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (ENVIRONMENTAL HEALTH) OVERVIEW

- 1.1 TOTAL PROJECTS: 19
- 1.1.1 OPERATING PROJECTS 17
- 1.1.2 CAPITAL PROJECTS 2

### 1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



### 2.1 GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR                                            |               |                                                     |                                                                                  |                               |                                                                      |                                                |      |                                                                                                                  |                                                                                                  |                                                                                                                           |                                                                    |                                                                                                                           |                                    |                      |                    |                                            |                             |
|----------------------------------------------------------------------------------------------|---------------|-----------------------------------------------------|----------------------------------------------------------------------------------|-------------------------------|----------------------------------------------------------------------|------------------------------------------------|------|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|--------------------|--------------------------------------------|-----------------------------|
| SUB UNIT: TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) |               |                                                     | BUSINESS UNIT: SUSTAINABLE DEVELOPMENT (BUILDING CONTROL & ENVIRONMENTAL HEALTH) |                               |                                                                      |                                                |      |                                                                                                                  |                                                                                                  |                                                                                                                           |                                                                    |                                                                                                                           |                                    |                      |                    |                                            |                             |
| INDEX                                                                                        | IDP REFERENCE | CDS REFERENCE                                       | OP REFERENCE                                                                     | NATIONAL KEY PERFORMANCE AREA | PROGRAMME                                                            | PROJECT                                        | WARD | BASELINE / STATUS QUO                                                                                            | MEASURABLE OBJECTIVE                                                                             | ANNUAL TARGET GET / OUTPUT                                                                                                | PERFORMANCE MEASURE                                                | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                               |                                    |                      |                    |                                            |                             |
|                                                                                              |               |                                                     |                                                                                  |                               |                                                                      |                                                |      |                                                                                                                  |                                                                                                  |                                                                                                                           |                                                                    | ANNUAL ACTUAL                                                                                                             | ACTUAL (1,2,3,4,5. Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE | Timeframe TO IMPLEMENT CORRECTIVE MEASURES | SOURCE DOCUMENT             |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 02                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Vector Control                                 | All  | 12 000 sites baited and/or treated for Vector Control in 2017/2018 FY                                            | 12 000 sites baited and/or treated for Vector Control                                            | 12 000 sites baited and/or treated for Vector Control by the 30th of June 2019                                            | Number of sites baited and/or treated for Vector Control           | 17 315 sites baited and/or treated for Vector Control by the 31st of June 2019                                            | N/A                                | N/A                  | N/A                | N/A                                        | Vector control register     |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 03                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Food Sampling                                  | All  | 480 Food samples and 480 Food swabs taken & analysed in 2017/2018 FY                                             | 480 Food samples and 480 Food swabs taken & analysed                                             | 480 Food samples and 480 Food swabs taken & analysed by the 31st of June 2019                                             | Number of Food samples and Food swabs taken & analysed             | 493 Food samples and 485 Food swabs taken & analysed by the 31st of June 2019                                             | N/A                                | N/A                  | N/A                | N/A                                        | Laboratory reports          |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 04                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Water Quality Control                          | All  | 1 800 water samples taken & analysed for Water Quality Control in 2017/2018 FY                                   | 1 800 water samples taken & analysed for Water Quality Control                                   | 1 874 water samples taken & analysed for Water Quality Control by the 31st of June 2019                                   | Number of water samples taken & analysed for Water Quality Control | 1 874 water samples taken & analysed for Water Quality Control by the 31st of June 2019                                   | N/A                                | N/A                  | N/A                | N/A                                        | Laboratory reports          |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 05                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Air Quality Management Plan (AQMP)             | All  | Air Quality Management Plan (AQMP) (Baseline Assessment)                                                         | Air Quality Management Plan (AQMP)                                                               | Air Quality Management Plan (AQMP) by 30th of June 2019                                                                   | Air Quality Management Plan (AQMP) completed                       | Air Quality Management Plan (AQMP) by 30th June 2019                                                                      | N/A                                | N/A                  | N/A                | N/A                                        | AQMP document, Invoice      |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 06                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Transportation Assets                          | All  | 3 x LDV canopies purchased in 2017/2018 FY                                                                       | 3 x vehicles (cars) purchased by the 30th of June 2019                                           | 3 x vehicles purchased by the 30th of June 2019                                                                           | Number & Date vehicles purchased                                   | 3 x vehicles purchased by the 30th of June 2019                                                                           | N/A                                | N/A                  | N/A                | N/A                                        | Invoices and delivery notes |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 07                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Laboratory Equipment: Chemical/Microbiological | All  | R60 000 Equipment purchased in 2017/2018 FY                                                                      | Lab Equipment purchased                                                                          | 100% Lab Equipment purchased by the 30th of June 2019                                                                     | % Lab Equipment purchased                                          | 100% Lab Equipment purchased by the 30th of June 2019                                                                     | N/A                                | N/A                  | N/A                | N/A                                        | Invoices                    |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 08                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Health Surveillance of Premises (HSP)          | All  | 8 200 (commercial & residential) premises inspected annually for Environmental Health compliance in 2017/2018 FY | 8 200 (commercial & residential) premises inspected annually for Environmental Health compliance | 8 200 (commercial & residential) premises inspected annually for Environmental Health compliance by the 30th of June 2019 | Number of (commercial & residential) premises inspected            | 8 492 (commercial & residential) premises inspected annually for Environmental Health compliance by the 30th of June 2019 | N/A                                | N/A                  | N/A                | N/A                                        | Cyberfox EHMS report        |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 09                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Food Premises (FP)                             | All  | 2 600 food premises inspected annually for Environmental Health compliance in 2017/2018 FY                       | 2 600 food premises inspected annually for Environmental Health compliance                       | 2 600 food premises inspected annually for Environmental Health compliance by the 30th of June 2019                       | Number of food premises inspected                                  | 2 769 food premises inspected annually for Environmental Health compliance by the 30th of June 2019                       | N/A                                | N/A                  | N/A                | N/A                                        | Cyberfox EHMS report        |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 10                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Health Care risk Waste (HCRW)                  | All  | 500 HCRW premises inspected annually for Environmental Health compliance in 2017/2018 FY                         | 500 HCRW premises inspected annually for Environmental Health compliance                         | 500 HCRW premises inspected annually for Environmental Health compliance by the 30th of June 2019                         | Number of HCRW premises inspected                                  | 736 HCRW premises inspected annually for Environmental Health compliance by the 30th of June 2019                         | N/A                                | N/A                  | N/A                | N/A                                        | Cyberfox EHMS report        |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 11                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Places of Care (POC)                           | All  | 500 POC premises inspected annually for Environmental Health compliance in 2017/2018 FY                          | 500 POC premises inspected annually for Environmental Health compliance                          | 500 POC premises inspected annually for Environmental Health compliance by the 30th of June 2019                          | Number of POC premises inspected                                   | 625 POC premises inspected annually for Environmental Health compliance by the 30th of June 2019                          | N/A                                | N/A                  | N/A                | N/A                                        | Cyberfox EHMS report        |
| F                                                                                            | F2            | 1 - BUILDING A CAPABLE & DEVELOPMENTAL MUNICIPALITY | EH 12                                                                            | NKPA 6 - CROSS CUTTING        | Safeguarding the environment for the optimal health of the Community | Tobacco Control (TOB)                          | All  | 3 000 TOB premises inspected annually for Environmental Health compliance in 2017/2018 FY                        | 3 000 TOB premises inspected annually for Environmental Health compliance                        | 3 000 TOB premises inspected annually for Environmental Health compliance by the 30th of June 2019                        | Number of TOB premises inspected                                   | 3 387 TOB premises inspected annually for Environmental Health compliance by the 30th of June 2019                        | N/A                                | N/A                  | N/A                | N/A                                        | Cyberfox EHMS report        |



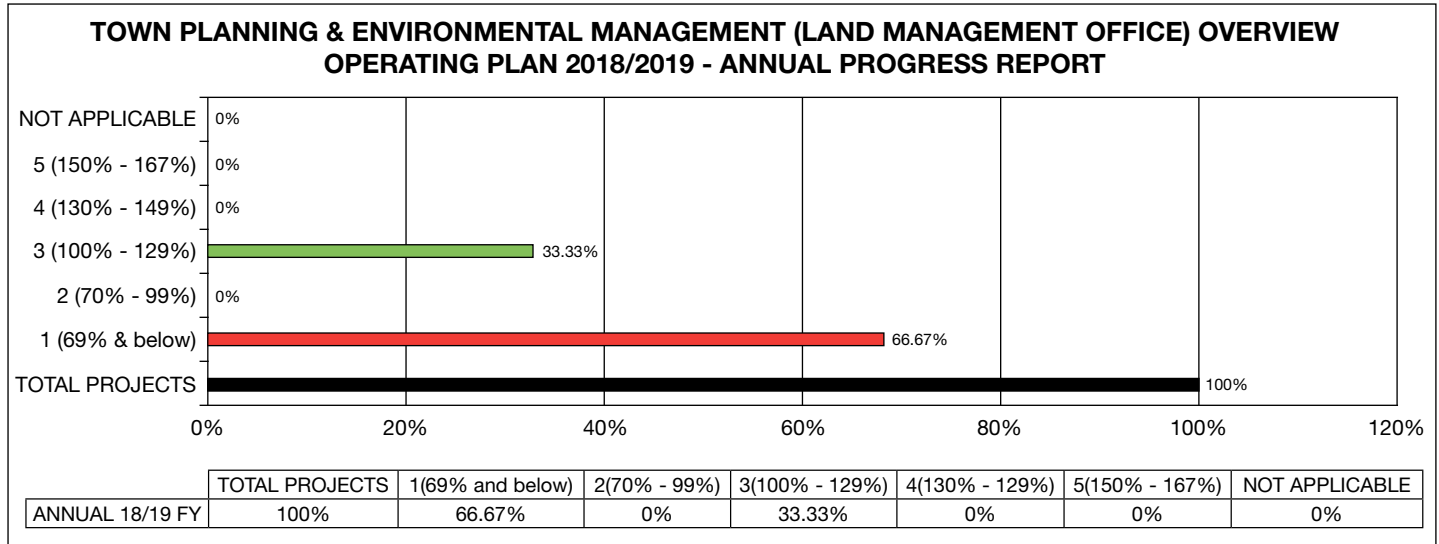
**TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (LAND MANAGEMENT OFFICE) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (LAND MANAGEMENT OFFICE) OVERVIEW**

- 1.1 TOTAL PROJECTS: 6
- 1.1.1 OPERATING PROJECTS 6
- 1.1.2 CAPITAL PROJECTS 0

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



# Msunduzi Annual Report 2018/2019

| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR         |               |                                                        |              |                                                   |                        |                                                                               |            |                                                                                               |                                                                                                                        |                                                                                                                     |                                                                                                                        |                                                                                                                        |                 |                                                                                                                                                                                          |                                                                                                                                                                        |                                                                                                     |                                                    |                                            |
|-----------------------------------------------------------|---------------|--------------------------------------------------------|--------------|---------------------------------------------------|------------------------|-------------------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES |               |                                                        |              |                                                   |                        |                                                                               |            |                                                                                               |                                                                                                                        |                                                                                                                     |                                                                                                                        |                                                                                                                        |                 |                                                                                                                                                                                          |                                                                                                                                                                        |                                                                                                     |                                                    |                                            |
| INDEX                                                     | IDP REFERENCE | CDS REFERENCE                                          | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                     | PROGRAMME              | PROJECT                                                                       | WARD       | BASELINE / STATUS QWO                                                                         | MEASURABLE OBJECTIVE                                                                                                   | ANNUAL TARGET GET / OUTPUT                                                                                          | PERFORMANCE MEASURE                                                                                                    | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT                                                            |                 |                                                                                                                                                                                          | SOURCE DOCUMENT                                                                                                                                                        |                                                                                                     |                                                    |                                            |
|                                                           |               |                                                        |              |                                                   |                        |                                                                               |            |                                                                                               |                                                                                                                        |                                                                                                                     |                                                                                                                        | ANNUAL TARGET                                                                                                          | ANNUAL ACTUAL   | ACTUAL ANNUAL (1.2.3.4.5, Not Applicable)                                                                                                                                                |                                                                                                                                                                        | REASON FOR DEVIATION                                                                                | CORRECTIVE MEASURE                                 | TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES |
| C                                                         | C1, C2 and C3 | 8 - SPATIAL EFFECTIVENESS & JUSTICE                    | TP & EM 18   | NKPA C - Local Economic Development               | Land Management Office | Strategic (Commercial/Industrial) Land Release                                | 19, 22, 36 | Land Audit                                                                                    | 100% disposal of 3 Strategic Sites for investment/economic value by 30th of June 2019                                  | % Disposal of Strategic Sites for investment/economic value by 30th of June 2019                                    | 100% disposal of 3 Strategic Sites for investment/economic value by 30th of June 2019                                  | We have not disposed off the Strategic sites for investment by 30th of June 2019                                       | 1 (69% & below) | BSC report was first submitted 11 June 2018 and have made numerous amendments as per all BSC resolutions, however, there is still no BSC decision                                        | LMO has met with internal legal firm to approve the external legal firm. The Specification are yet to be confirmed and the target BSC Meeting is on the 30th July 2019 | 30 Days to approve the Specs and advertise 30 days and evaluate 30 days. Corrective measure 90 days | BSC updated report and BSC Minutes and Resolutions |                                            |
| F                                                         | F3            | 8 - SPATIAL EFFECTIVENESS & JUSTICE                    | TP & EM 19   | NKPA F - Cross Cutting Issues                     | Land Management Office | Release of Residential Vacant Land                                            | All        | Land Audit                                                                                    | 80% disposal of 50 Residential Sites for Human Settlements completed by the 30th of June 2019                          | % Disposal process of 50 Residential Sites for Human Settlements completed                                          | 80% disposal of 50 Residential Sites for Human Settlements completed by the 30th of June 2019                          | The MADC has finally approved the report by 30th May 2019. We have advertised sites by 30th June 2019                  | 1 (69% & below) | A report request for the disposal of the Residential sites was first submitted 05 December 2018 due to MADC not meeting quorum, pending legal comments and changes enquire on the report | The report is still required to go to SMC, Portfolio Committee, EXCO, Full Council, BSC, BEC and BAC                                                                   | 120 days                                                                                            | EXCO 2018 Resolution and MADC 2019 Resolution      |                                            |
| E                                                         | E2            | Improve the customer experience & Public Participation | TP & EM 20   | NKPA E - Good Governance and Public Participation | Land Management Office | Immovable Land Disposal and Acquisition Policy Review and Development         | All        | Immovable Policy Framework (2007)                                                             | 100% Immovable Land Disposal and Acquisition Policy Review and Development completed by the 30th of June 2019          | % Immovable Land Disposal and Acquisition Policy Review and Development completed                                   | 100% Immovable Land Disposal and Acquisition Policy Review and Development completed by the 30th of June 2019          | 100% Draft reviewed Immovable Land Disposal Policy by 30th June 2019                                                   | 1 (69% & below) | Lack of Human Resource (No staff at all). The 6 Contracts staff's contract was terminated in February 2019                                                                               | The Draft Policy must be advertised for public comments, amending and report to Council to adopt                                                                       | 90 days                                                                                             | Draft reviewed Immovable Land Disposal Policy      |                                            |
| F                                                         | F2            | Spatial effectiveness and justice                      | TP & EM 21   | NKPA F - Cross Cutting Issues                     | Land Management Office | Land Invasion Policy Review and Implementation of Anti-land Invasion Strategy | All        | Land Invasion Policy (1998) and Anti Land Invasion Strategy by Full Council Resolution (2015) | 100% Land Invasion Policy review and Implementation of Anti-land Invasion Strategy completed by the 30th of June 2019  | % Land Invasion Policy review and Implementation of Anti-land Invasion Strategy completed                           | 100% Land Invasion Policy review and Implementation of Anti-land Invasion Strategy completed by the 30th of June 2019  | 100% Draft reviewed Anti-land Invasion Policy by 30th June 2019                                                        | 1 (69% & below) | Lack of Human Resource (No staff at all). The 6 Contracts staff's contract was terminated in February 2019                                                                               | The Draft Policy must be advertised for public comments, amending and report to Council to adopt                                                                       | 90 days                                                                                             | Draft reviewed Anti-land Invasion Policy           |                                            |
| F                                                         | F1            | Spatial effectiveness and justice                      | TP & EM 22   | NKPA F - Cross Cutting Issues                     | Land Management Office | Lamonts Vale Cemetery Planning                                                | 18         | Land Acquisition - Title Deed                                                                 | 100% Service Infrastructure Plan and report completed and submitted to SMC by 30th of June 2019                        | % Service Infrastructure Plan and report completed and submitted to SMC by 30th of June 2019                        | 100% Service Infrastructure Plan and report completed and submitted to SMC by 30th of June 2019                        | 100% Service Infrastructure Plan and report completed and submitted to SMC by 30th of June 2019                        | 3 (100% - 129%) | N/A                                                                                                                                                                                      | N/A                                                                                                                                                                    | N/A                                                                                                 | N/A                                                | Service Infrastructure Plan Report         |
| F                                                         | F1            | Spatial effectiveness and justice                      | TP & EM 23   | NKPA F - Cross Cutting Issues                     | Land Management Office | Ezinketheni Social Development Programme                                      | 30         | Full Council Resolution                                                                       | 100% Environmental Basic Assessment Report prepared and submitted to the relevant authorities by the 30th of June 2019 | % Environmental Basic Assessment Report prepared and submitted to the relevant authorities by the 30th of June 2019 | 100% Environmental Basic Assessment Report prepared and submitted to the relevant authorities by the 30th of June 2019 | 100% Environmental Basic Assessment Report prepared and submitted to the relevant authorities by the 30th of June 2019 | 3 (100% - 129%) | N/A                                                                                                                                                                                      | N/A                                                                                                                                                                    | N/A                                                                                                 | N/A                                                | Environmental Basic Assessment Report      |

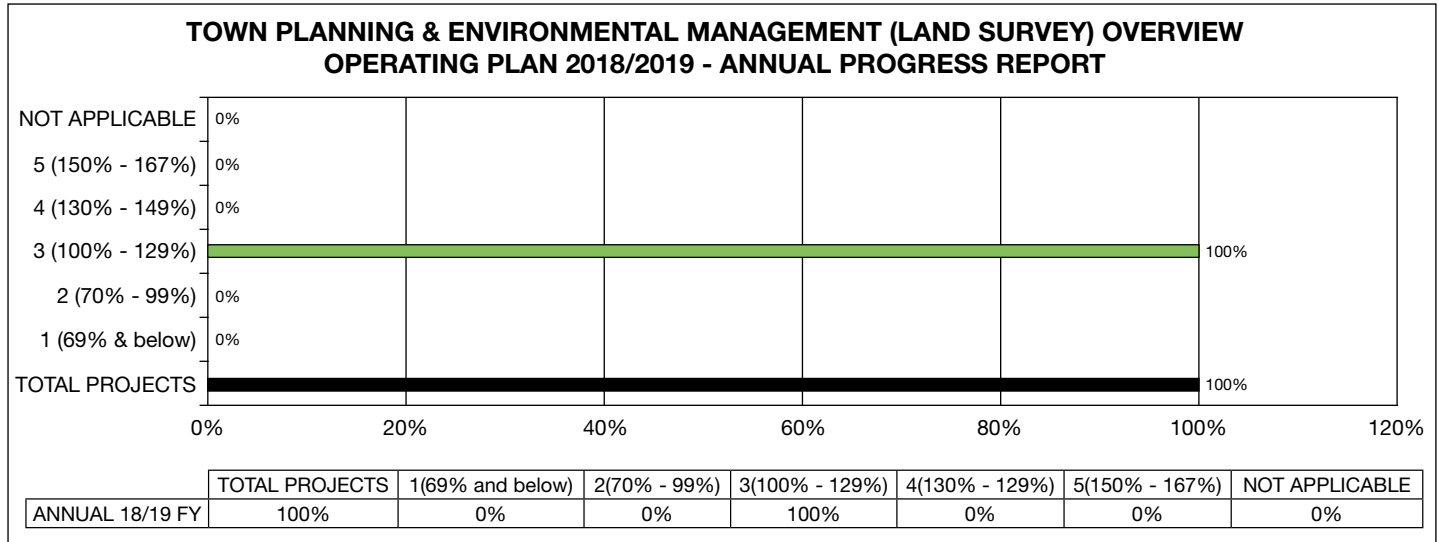
**TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (LAND SURVEY) OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 TOWN PLANNING & ENVIRONMENTAL MANAGEMENT (LAND SURVEY) OVERVIEW**

- 1.1 TOTAL PROJECTS: 4**
- 1.1.1 OPERATING PROJECTS 4**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**





| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR         |               |                                     |              |                                                                |                                                                                |                                                                                         |      |                                       |                                                                                                                                     |                                                                                                                                                                           |                                                                                                                                                         |                                                             |               |                                           |                      |                           |
|-----------------------------------------------------------|---------------|-------------------------------------|--------------|----------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------|-------------------------------------------|----------------------|---------------------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES |               |                                     |              |                                                                |                                                                                |                                                                                         |      |                                       |                                                                                                                                     |                                                                                                                                                                           |                                                                                                                                                         |                                                             |               |                                           |                      |                           |
| INDEX                                                     | IDP REFERENCE | CDS REFERENCE                       | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME                                                                      | PROJECT                                                                                 | WARD | BASELINE / STATUS QUO                 | MEASURABLE OBJECTIVE                                                                                                                | ANNUAL TARGET GET / OUTPUT                                                                                                                                                | PERFORMANCE MEASURE                                                                                                                                     | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |               |                                           |                      |                           |
|                                                           |               |                                     |              |                                                                |                                                                                |                                                                                         |      |                                       |                                                                                                                                     |                                                                                                                                                                           |                                                                                                                                                         | ANNUAL TARGET                                               | ANNUAL ACTUAL | ACTUAL ANNUAL (1.2.3.4.5. Not Applicable) | REASON FOR DEVIATION | CORRECTIVE MEASURE        |
| A                                                         | A1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 01    | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Optimize system, procedures and processes for Infrastructure Planning & Survey | Improve processes for development Applications (Subdivisions & Consolidations of land). | All  | Average of 80 days                    | (80 days) Average number of days taken to process development applications for approval in terms of SPLUMA by the 30th of June 2019 | Average number of days taken to process development applications for approval in terms of SPLUMA                                                                          | (80 days) Average number of days taken to process development applications for approval in terms of SPLUMA by the 30th of June 2019                     | 3 (100% - 129%)                                             | N/A           | N/A                                       | N/A                  | SPLUMA register           |
| A                                                         | A1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 02    | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Optimize system, procedures and processes for Infrastructure Planning & Survey | Improve processes for Building Plan Applications.                                       | All  | Average of 97% within 1 working day.  | 95% of Building Plan Applications to be cleared/declined by Land Survey within 1 working day of receipt of the application          | % of Building Plan Applications to be cleared/declined by Land Survey within 1 working day of receipt of the application, by 30 June 2019                                 | 95% of Building Plan Applications to be cleared/declined by Land Survey Section within 1 working day of receipt of the application by 30th of June 2019 | 3 (100% - 129%)                                             | N/A           | N/A                                       | N/A                  | Building Plan Spreadsheet |
| A                                                         | A1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 03    | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Optimize system, procedures and processes for Infrastructure Planning & Survey | Improve processes for Wayleaves.                                                        | All  | Average of 14 days                    | Average of 30 days taken to process new way leave applications for the Wayleaves Panel from the date of receipt of the application. | Average Number of days taken to process new way leave applications for the Wayleaves Panel from the date of receipt of the application by 30 June 2019                    | Average of 30 days taken to process new way leave applications for the Wayleaves Panel from the date of receipt of the application by 30th of June 2019 | 3 (100% - 129%)                                             | N/A           | N/A                                       | N/A                  | Wayleaves Register        |
| A                                                         | A1            | 8 - SPATIAL EFFECTIVENESS & JUSTICE | IP & S 04    | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | Improve Infrastructure Planning & Survey provision of information.             | Provision of cadastral information to public queries within Timeframe.                  | All  | Average of 100% within 1 working day. | 95% of all public queries for cadastral information responded to within 1 working day of receipt of the query                       | % of all public queries & average number of days taken for cadastral information to be responded to within 1 working day of receipt of the query by the 30th of June 2019 | All public queries (260) were responded to within 1 working day of receipt of the query by the 30th of June 2019                                        | 3 (100% - 129%)                                             | N/A           | N/A                                       | N/A                  | Counter Query register    |

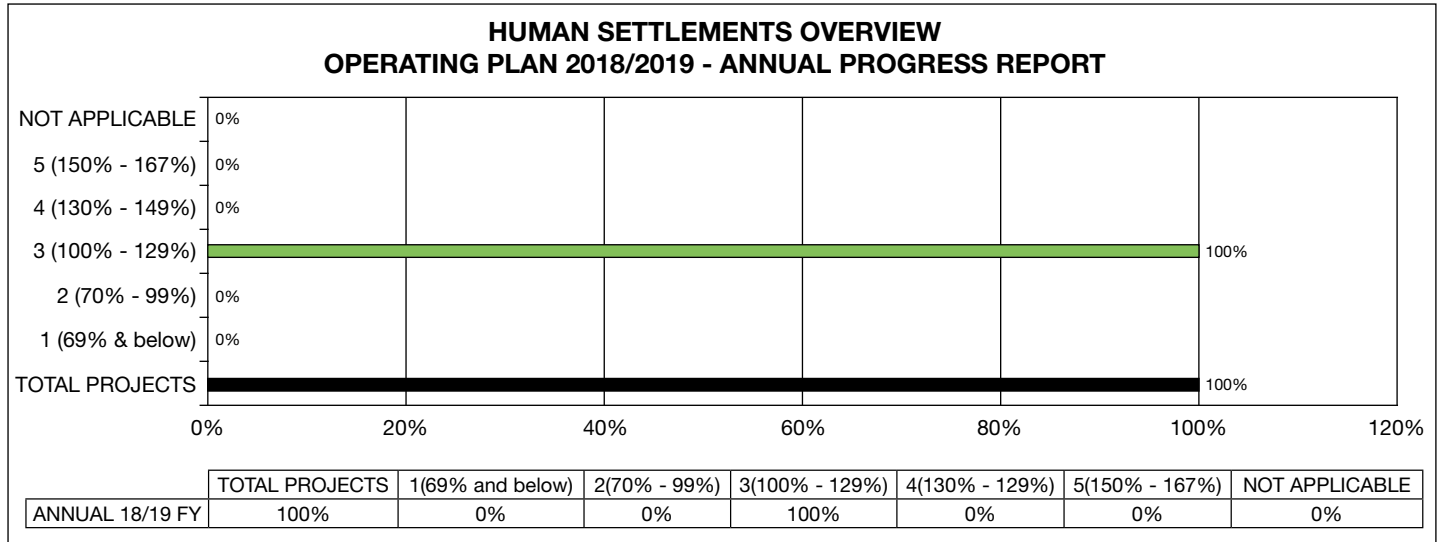
**HUMAN SETTLEMENTS OVERVIEW  
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2018/2019 - ANNUAL PROGRESS REPORT**

| 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 HUMAN SETTLEMENTS OVERVIEW**

- 1.1 TOTAL PROJECTS: 4**
- 1.1.1 OPERATING PROJECTS 4**
- 1.1.2 CAPITAL PROJECTS 0**

**1.2 GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS**



| OPERATIONAL PLAN FOR THE 2018/2019 FINANCIAL YEAR         |               |                    |              |                                                                |                   |                                                                                     |         |                                                                        |                                                                                                             |                                                                                          |                                                                                                             |                                                             |               |                                                    |                      |                                                |
|-----------------------------------------------------------|---------------|--------------------|--------------|----------------------------------------------------------------|-------------------|-------------------------------------------------------------------------------------|---------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------|----------------------------------------------------|----------------------|------------------------------------------------|
| BUSINESS UNIT: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES |               |                    |              |                                                                |                   |                                                                                     |         |                                                                        |                                                                                                             |                                                                                          |                                                                                                             |                                                             |               |                                                    |                      |                                                |
| INDEX                                                     | IDP REFERENCE | CDS REFERENCE      | OP REFERENCE | NATIONAL KEY PERFORMANCE AREA                                  | PROGRAMME         | PROJECT                                                                             | WARD    | BASELINE / STATUS QUO                                                  | MEASURABLE OBJECTIVE                                                                                        | ANNUAL TARGET GET / OUTPUT                                                               | PERFORMANCE MEASURE                                                                                         | PERFORMANCE REPORTING 2018/2019 FY - ANNUAL PROGRESS REPORT |               |                                                    |                      | SOURCE DOCUMENT                                |
|                                                           |               |                    |              |                                                                |                   |                                                                                     |         |                                                                        |                                                                                                             |                                                                                          |                                                                                                             | ANNUAL TARGET                                               | ANNUAL ACTUAL | ACTUAL ANNUAL 2018/2019 (12.3.4.5. Not Applicable) | REASON FOR DEVIATION |                                                |
| A                                                         | A3            | 2 - BACK TO BASICS | HS12         | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | HUMAN SETTLEMENTS | Consolidation and Submission of Accreditation Quarterly Performance Reports to DoHS | N/A     | Requirement for Quarterly Accreditation Performance Reports submission | 4 x Accreditation Quarterly Performance Reports consolidated and submitted to DoHS by the 30th of June 2019 | Number of Accreditation Quarterly Performance Reports consolidated and submitted to DoHS | 4 x Accreditation Quarterly Performance Reports consolidated and submitted to DoHS by the 30th of June 2019 | 3 (100% - 129%)                                             | N/A           | N/A                                                | N/A                  | Copy of Accreditation Report submitted to DoHS |
| A                                                         | A3            | 2 - BACK TO BASICS | HS14         | NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT | HUMAN SETTLEMENTS | Maintenance of Human Settlements Filling System                                     | N/A     | Fully functioning filling system for Human Settlements                 | 100% Maintenance of the Human Settlements Filling System by the 30th of June 2019                           | % Maintenance of the Human Settlements Filling System by the 30th of June 2019           | 100% Maintenance of the Human Settlements Filling System by the 30th of June 2019                           | 3 (100% - 129%)                                             | N/A           | N/A                                                | N/A                  | Copy Documents Received for Filing             |
| E                                                         | E3            | 2 - BACK TO BASICS | HS15         | NKPA 6 - CROSS CUTTING                                         | HUMAN SETTLEMENTS | Housing Consumer Education                                                          | Various | Requirement to conduct housing consumer education                      | 6 x housing consumer education session conducted by the 30th of June 2019                                   | Number of housing consumer education sessions conducted by the 30th of June 2019         | 6 x housing consumer education session conducted by the 30th of June 2019                                   | 3 (100% - 129%)                                             | N/A           | N/A                                                | N/A                  | Attendance Registers                           |
| B                                                         | B3            | 2 - BACK TO BASICS | HS16         | NKPA 2 - BASIC SERVICE DELIVERY                                | HUMAN SETTLEMENTS | Updating of Informal Settlement profiles                                            | Various | 2016 household profiles                                                | 10 x informal settlements profiles updated                                                                  | Number of informal settlements profiles updated by the 30th of June 2019                 | 10 x informal settlements profiles updated by the 30th of June 2019                                         | 3 (100% - 129%)                                             | N/A           | N/A                                                | N/A                  | Copy of updated profiles                       |











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