



ÉDUMBE MUNICIPALITY

**SECTION 72 MID-YEAR BUDGET
AND PERFORMANCE
ASSESSMENT REPORT**

2023/2024 FINANCIAL YEAR

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

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CHAPTER 1

1.1. MESSAGE BY THE ACCOUNTING OFFICER

As the Accounting Officer of eDumbe Municipality, I am taking this opportunity again to express my sincere gratitude thanks to His Worship Hon. Mayor M.S. Mkhabela, Executive Committee Members and the whole Council for trusting me and my management team with the responsibility of being the agency of change in this municipality. Since we started with our responsibilities as Municipal management team, we have committed ourselves in working as one team with one vision and mission.

In terms of Section 72 of the Municipal Finance Management Act, 56 of 2003, Municipalities are required to prepare the Mid-Term Performance Report that forms part of the Annual Report. This Performance Report is based on organisational objectives and the progress made by eDumbe Local Municipality.

The report indicates Municipal performance on targets in the 2023/2024 Service Delivery Budget and Implementation Plan (SDBIP) that was approved by Council on the 29th of May 2023. This is in a form of a template that was prepared to monitor performance at an operational level.

CoGTA defines PMS as “a strategic approach to management which equips leaders, managers, employees and stakeholders at different levels, with a set of tools and techniques to regularly plan, continuously monitor and periodically measure and review performance of the organisation (municipality) in terms of indicators and targets for efficiency, effectiveness and impact”.

Performance Management System is also intended to assist Council to improve service delivery by channelling its resources to meet performance targets and in doing so, ensures that the municipality achieves its strategic objectives as contained in its IDP. Service delivery excellence has its firm basis on providing the optimum services to the community of eDumbe and its periphery

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Looking at the Performance of the Municipality for 2023/2024 Mid-Year, a lot of strategies and improvement plans has to be put in place to fulfill the objectives of the IDP. **One has to acknowledge the fact that eDumbe Municipality managed to obtain Unqualified Audit opinion for 2022/2023 financial year which is a very good achievement when comparing with other financial years, however the Municipality still has to look at the few material findings raised in order to obtain a Clean Audit for 2023/2024 financial year.**

Let me take this opportunity to thank all staff members, strategic personnel and all my management for once again giving it their best performance for the success of the municipality

Yours in Service Delivery

MR JFK KHUMALO

MUNICIPAL MANAGER (EDUMBE MUNICIPALITY)

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1.2. LEGISLATIVE MANDATE

Section 72 of the Municipal Finance Management Act No 56 of 2003 states that, the Accounting Officer of a municipality must by 25 January of each year assess the performance of the municipality during the first half of the financial year, taking into account (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan.

1.3. OVERVIEW

A Municipality's Performance Management System is the primary mechanism to monitor, review and to improve the implementation of the Municipal IDP, and to measure the progress made in achieving the objectives set out in the IDP. The performance system provides early warning on poor or non service delivery and facilitate decision-making.

The Municipality should set out indicators and targets to compile a Municipal scorecard. Indicators are then cascaded into Departmental SDBIP's and are to be set on a SMART principle as follows:

- Specific
- Measurable
- Achievable
- Relevant, and
- Time bound

The Key Performance Areas as appear and reported on eDumbe Municipal Scorecard and SDBIP are as follows:

- Basic Service Delivery
- Municipal Financial Viability and Management
- Good Governance and Public Participation
- Local Economic Development
- Municipal Institutional Development and Transformation
- Cross Cutting Interventions

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Timeous and regular reporting of performance by Departments on the above KPA's is then crucial. It also allows for better preparation for audit. Section 56 Manager's performance are evaluated based on these KPA's and will be weighted in two components, KPA – 80% and Competencies – 20%. (a set of expectations on good management practice).

Purpose of the Report

The main purpose of this report is to account to the MEC for Local Government, Provincial legislature, NCOP, Minister of Cooperative Governance and Traditional Affairs, National Treasury, Auditor-General and to the citizens of South Africa on progress being made by municipalities towards achieving the mid-term goals of “a better life for all”. Furthermore, the report is a key performance report to the communities and other stakeholders in keeping with the principles of transparency and accountability of government to the citizens. It subscribes to the South African developmental nature of participatory democracy and cooperative governance and responds to the principles of the Constitution, Batho Pele, White Paper on Local Government, MSA and the MFMA

The Assessment Process and the Methodology followed in Compiling the Report

According to the provisions of the Municipal Systems Act, 32 of 2000, municipalities must monitor and measure the progress of their performance by preparing quarterly and mid-year performance reports, in terms of Chapter 6 of the MSA, on performance management systems. These quarterly and mid-year reports make up the municipalities' annual performance reports (Section 46 report), which are submitted to the Auditor-General, together with the financial statements, for auditing. After adoption of the audited performance report by the municipal council, it must then be submitted to the MEC for Local Government.

Compilation and Structure of the Report

The report should present the status of current progress on mid-term performance which has been conducted. This is followed by the SDBIP assessment attached as Annexure 1 showing the status of each Key Performance Indicator, Portfolio of evidence, Variances and Corrective Measures on KPI's that were not achieved.

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CHAPTER 2 - GOVERNANCE

2.1. ADMINISTRATIVE GOVERNANCE

The main focus in this key performance area is the institutional and organizational capacity of municipality to perform their functions and fulfill their developmental role as stipulated in the Constitution and the White Paper on Local Government. Institutional and organizational reform in local government is the key to sustainable municipalities. Having been allocated separate powers and functions entrenched in the Constitution; municipalities had to organize themselves in preparation to fulfill these functions and powers. Organizational transformation in local government is further explicitly prescribed in Section 51 of the Municipal Systems Act which provides as follows:

A municipality must, within its administrative and financial capacity, establish and organise its administration in a manner that would enable the municipality to:-

- a. be responsive to the needs of the local community;
- b. facilitate a culture of public service and accountability amongst its staff;
- c. ensure that its political structures, political office bearers and managers and other staff members align their roles and responsibilities with the priorities and objectives set out in the municipality's integrated development plan;
- d. establish clear relationships, and facilitate co-operation, co-ordination and communication, between-
 - i. its political structures, political office bearers, its administration and the local community
 - ii. its political structures, political office bearers and administration and the local community;
- e. organise its political structures, political office bearers and administration in a flexible way in order to respond to changing priorities and circumstances;
- f. perform its functions—
 - i. through operationally effective and appropriate administrative units and mechanisms, including departments and other functional or business units; and
 - ii. when necessary, on a decentralised basis;

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- iii. assign clear responsibilities for the management and co-ordination of these administrative units and mechanisms;
- iv. hold the municipal manager accountable for the overall performance of the administration;
- v. maximise efficiency of communication and decision-making within the administration;
- vi. delegate responsibility to the most effective level within the administration;
- vii. involve staff in management decisions as far as is practicable; and
- viii. provide an equitable, fair, open and non-discriminatory working environment

This key performance area focuses on organizational capacity and includes indicators that show progress on how the municipality has organized itself in terms of building capacity to deliver, compliance with equity targets as well as implementing both the organizational and individual performance management systems. Municipal performance in this KPA is assessed in the following six (6) focus areas:

- Performance Management Systems.
- Filling of Section 57 Manager positions;
- Signed performance agreements by Section 57 Managers;
- Disciplinary processes against Section 57 Managers;
- Employment Equity; and
- Skills development.

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Administration is currently led by Mr JFK Khumalo the Municipal Manager who was appointed by Council in November 2022. Two vacant Senior management positions were then filled during the financial year under review, i.e. Director Corporate Services Mr VB Mbatha, Director Infrastructure Mr MS Khanyile. Both Directors were appointed by Council in November 2023. Director Community Services and Director Planning position are vacant and not budgeted for. Mr ZR Thusi the CFO was appointed in October 2022 (last financial year). Having filled positions for Section 54/56 Managers will assist the eDumbe Council to mitigate any risks identified and further improve the audit outcome.

eDumbe Municipality	MID-TERM (2023/2024)		
	No of posts approved	No of posts filled	No of vacant positions
Municipal Manager	1	1 Filled by Mr JFK Khumalo)	0
Chief Financial Officer	1	1 (Filled by Mr ZR Thusi)	0
Director Infrastructure Services	1	1 (Filled by Mr MS Khanyile)	0
Director Planning Department	1	Vacant	1
Director Corporate Services	1	1 (Filled by Mr VB Mbatha)	0
Director Community Services	1	Vacant	1
TOTAL	6	4	2

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2.2. POLITICAL GOVERNANCE

The current Council consists of 19 representatives from six different political Parties which are as follows:

- 6 X NFP Councillors
- 5 X ANC Councillors
- 5 X IFP Councillors
- 1 x DA Councillor
- 1 X EFF Councillor
- 1 X ABC Councillor

Among the elected Councillors and during the inauguration, seats were allocated as follows:

- Cllr MS Mkhabela – His Worship the Mayor (NFP)
- Cllr DJ Nhlengethwa – Honourable Speaker of the Council (NFP)
- Cllr SJ Kunene – Honourable Deputy Mayor (ANC)
- Cllr VA Mthethwa – Whip of Council (ANC)
- Cllr ND Ndlangamandla – EXCO Member (IFP)

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CHAPTER 3

3.1. MID-TERM ORGANISATIONAL PERFORMANCE

The MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development

3.2. SUMMARY OF MUNICIPAL MID-TERM PERFORMANCE 2023/2024 FINANCIAL YEAR

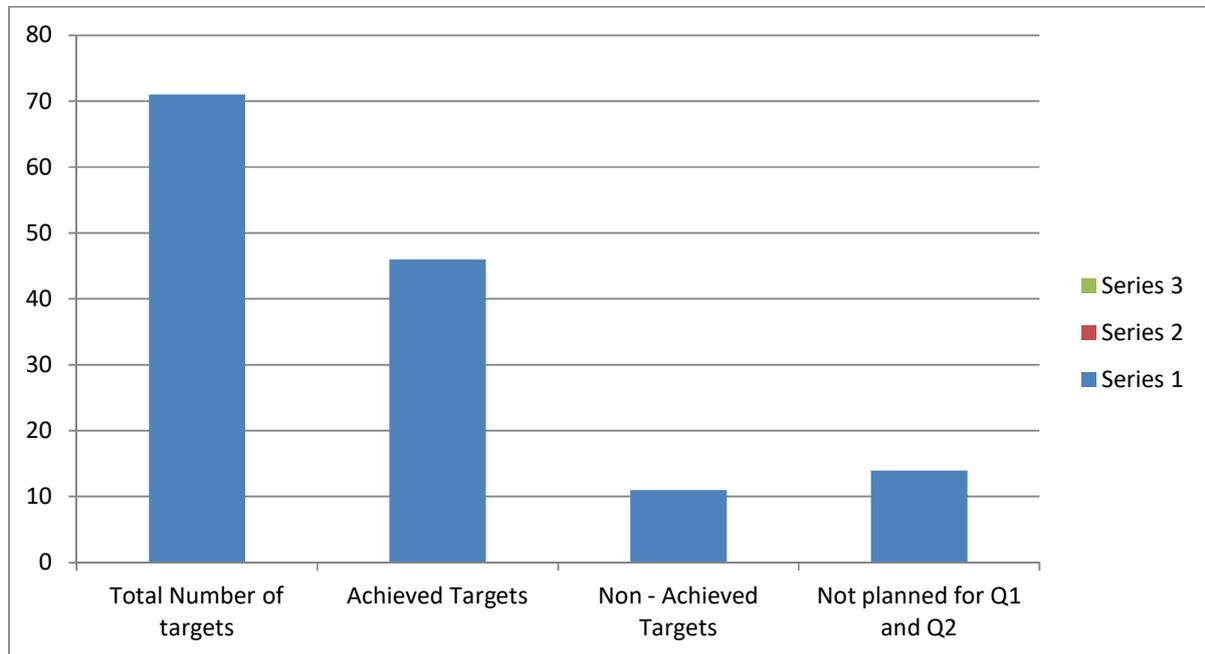
The information provided on the table below indicates the overall mid-term performance status on key performance indicators as listed on the 2023/2024 SDBIP. The analysis on targets were performed in line with the 6 national KPAs as regulated in the Municipal Systems

Table 1

Total number of targets	71
Q1&2 Achieved targets	46
Q1&2 Targets NOT Achieved	11
Targets not planned for Quarter 2	14
% of Achieved Targets	65%
% of Non- Achieved Targets	15%
% of Targets not planned for Quarter 2	20%

The below table indicates the overall scoring

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A detailed report on each target indicating the status of achievement is listed on Annexure A of the report, which gives analysis to the Organisational SDBIP.

3.3. HIGHLIGHTS ON EACH KEY PERFORMANCE AREA

3.3.1. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

The performance on these KPA indicated a very good improvement as most indicators that were planned for Quarter 1&2 were of course achieved i.e performing of IT back-ups, performance of restores and registers, reviewing of access logs. The listed IT functions were performed on monthly basis as required.

All compliance reports were compiled and tabled to Council within the stipulated timeframes as per regulations i.e. signing of Performance Agreements by Municipal Manager and Director, adoption of 2023/2023 SDBIP, IDP and Budget

Back to Basics campaign and Waste Pickers outreach programmes were conducted as planned in quarter 1, led by Waste Management Section.

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Below graph indicates the SDBIP performance on Municipal Institutional Development and Transformation.

MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	2023/2024 (MID-TERM)
Total targets(only those planned for Q1&2)	9
Achieved targets	9
Targets not achieved	0
Percentage of achieved targets	100%
Percentage of targets not achieved	0%

3.3.2. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Free basic Services

Consumers with a property value of R110 000 and less are still benefiting as indigent consumers and they receive a certain rebate on monthly basis for waste and property rates. The Municipality also pays Eskom beneficiaries for their first 50 KHW on monthly basis, however the existing register was found to be inadequate by Auditor General, hence the Municipality has issued an advert inviting consumers to register. Verification will then be done before the implementation of the new register to ensure credibility,

MUNICIPAL INFRASTRURE GRANT (MIG) PROJECTS

Performance on some Capital project is good as the below table illustrate projects under implementation through the MIG and Small Town funding and the construction status as at December 2023.

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STATUS ON CAPITAL PROJECTS

PROJECT NAME	WARD	BUDGET	STATUS AS AT 31 DEC 2023
Nqabeni Access Road	5	R4 500 000.00	95% Construction
Lindelani Access Road	3	R4 800 000.00	95% Construction
Kwabhukuda Pedestrian Bridge	7	R2 800 000.00	60% Construction
Kwangwanya Bridge	2	R4 400 000.00	15% Construction
Kwankomo Bridge	6	R3 100 000.00	95% Construction
Rehabilitation of Paulpietersburg Road	9	R78 577 000.00	60% Construction

Challenges for MIG Projects

KwaNgwanya bridge has not met 60% target as per SDBIP projections. Delays were due to disagreements between the Consultant and Contractor in terms of cost estimates that were determined by Engineer. Several meetings were then held in the presence of the Municipality in an attempt to resolve the issue and eventually they came into an agreement with the correct cost estimates.

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Capital Projects –INEP Funded Projects

The Electrical and Mechanical Unit for the Second Quarter of the 2023/2024 Financial Year performed as follows:

PROJECT NAME	WARD	BUDGET	STATUS
kwaSonkela Electrification Phase 3	1	R5 705 000.00	78% Construction
KwaLembe Electrification	1	R24 00 000.00	58% Construction
Moscow Electrification	4	R1 900 000.00	80% Construction
Emahhulumbe Electrification	7	R2 500 000.00	46% Construction
Emasimini Electrification	2	R2 000 000.00	80% Construction
Kwakhambule Electrification	7	R3 300 000.00	76% Construction
Esikhaleni MV Link Line upgrade	7	R3 500 000.00	76% Construction

CHALLENGES FOR IMPLEMENTATION OF INEP PROJECTS

EmaHhulumbe and kwaLembe Electrical Projects did not meet the target of 60% as per SDBIP projections. This is due to budget reduction, some projects were then put to standstill. Among other projects are, emaHhulumbe and kwaLembe Electrification projects. Reason for opting to sacrifice these projects was mainly due to the fact that the projects in essence were still in design stage and the rest of the projects are nearing completion.

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Below graph indicates the SDBIP performance on Basic Service Delivery and Infrastructure Development

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	2022/2023 (MID-TERM)
Total targets	17
Achieved targets	12
Targets not achieved	5
Percentage of achieved targets	64%
Percentage of targets not achieved	29%

3.3.3. LOCAL ECONOMIC DEVELOPMENT

The Municipality received a Budget allocation of R1 638 000 for implementation of EPWP in 2023/2024 which will be paid in tranches. This grant focuses on creating work opportunities. As per the incentive agreement between eDumbe Municipality and the Department of Public Works, eDumbe has a target of 156 and 57 FTE's Work Opportunities to be created.

Work Opportunities created through MIG, INEP and COGTA grants are also reported as EPWP, this also includes security services

A total of 115 work opportunities are created through Capital projects and EPWP grant as at Dec 2023.

Below graph indicates the SDBIP performance on Local Economic Development

LOCAL ECONOMIC DEVELOPMENT	2022/2023 (MID-TERM)
Total targets (only those planned for Q1&2)	3
Achieved targets	3
Targets not achieved	0
Percentage of achieved targets	100%
Percentage of targets not achieved	0%

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3.3.4. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Most of the Public Participation programmes were achieved as planned by December 2023. IDP and Budget road show with Community members were held in all Wards (1-10) where the Honourable Mayor was taking Community's wish list for inclusion in the Municipal IDP.

- Special Programmes i.e Horse riding event was held with success in December 2023.
- Again the Art and culture programme, Ingoma and Cothoza was successfully held in December 2023.
- Council Structures i.e. Council, EXCO meetings were held as per the schedule.

CHALLENGES

Finance Portfolio, Corporate and Community Services Portfolio meetings were not convened as required in Quarter 1. Infrastructure and Planning Portfolio meeting was also not convened as required in Quarter 2 due to the non submission of items by Department concerned.

Below graph indicates the SDBIP performance on Good Governance and Public Participation

GOOD GOVERNANCE AND PUBLIC PARTICIPATION	2022/2023 (MID-TERM)
Total targets	20
Achieved targets	14
Targets not achieved	4
Percentage of achieved targets	70%
Percentage of targets not achieved	20%

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3.3.5. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The above Key Performance Area focuses on improving Municipal financial viability by ensuring revenue collection, expenditure on Capital and operational budget and submission of in-year financial reports in line with legislations.

CHALLENGES

Few Creditors were not paid within 30 days as per regulation, those amounts were accumulated from previous years. The Municipality has shown a big improvement on payment of Creditors when comparing with the previous years. Debtors book balance keeps increasing due to high indigent rate at eDumbe. Consumers are not paying for the service charges, i.e. property rates, refuse removal.

There is still a challenge on Asset Verifications, the Department concerned advised that a system for assets is required to assist with the verification.

Below graph indicates the SDBIP performance on Municipal Financial Viability and Management

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	2022/2023 (MID-TERM)
Total targets	9
Achieved targets	6
Targets not achieved	2
Percentage of achieved targets	55%
Percentage of targets not achieved	22%

3.3.6. CROSS CUTTING INTERVENTIONS

IDP Process plan was approved in August 2023 which is within the stipulated timeframe.

IDP processes including Community Participation through IDP and Budget roadshows were successfully conducted in Quarter 2.

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Below graph indicates the SDBIP performance on Cross Cutting Interventions

CROSS CUTTING INTERVENTIONS	2022/2023 (MID-TERM)
Total targets(only those planned for Q1&2)	2
Achieved targets	2
Targets not achieved	0
Percentage of achieved targets	100%
Percentage of targets not achieved	0%

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CHAPTER 4: FINANCIAL SERVICES

1. MIDTERM REPORTING LEGISLATION

Section 54 outlines Budgetary Control and early identification of financial problems, and states that

1) *On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must:*

- a) *Consider the statement or report*
- b) *Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;*
- c) *Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;*
- d) *Issue any appropriate instructions to the accounting officer to ensure:*
 - i. *that the budget is implemented in accordance with the service delivery and budget implementation plan; and*
 - ii. *that spending of funds and revenue collection proceed in accordance with the budget;*
- e) *Identify any financial problems facing the municipality, including any emerging or impending financial problems; and*
- f) *In the case of a section 72 report, submit the report to the council by 31 January of each year.*

2) *If the municipality faces any serious financial problems, the Mayor must:*

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- a) *Promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include:*
 - i. *steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;*
 - ii. *the tabling of an adjustments budget; or*
 - iii. *steps in terms of Chapter 13; and*
 - b) *Alert the council and the MEC for local government in the province to those problems.*
- 3) *The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.*

Chapter 13 (135) of MFMA – which outlines Resolution of Financial Problems; states that:

- a) *The primary responsibility to avoid, identify and resolve financial problems in a municipality rest with the municipality itself.*
- b) *A municipality must meet its financial commitments.*
- c) *If a municipality encounters a serious financial problem or anticipates problems in meeting its financial commitments, it must immediately:*
 - i. *Seek solutions for the problem.*
 - ii. *Notify the MEC for local government and the MEC for finance in the province; and*
 - iii. *Notify organised local government*

This report has been prepared in terms of the Local Government: Municipal Finance Management Act Number 56 of 2003: Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

2. MAYORS REPORT

For the mid-year budget and performance assessment, the mayor's report must also provide _

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- (a) A summary of the past year's annual report, and progress on resolving problems identified in the annual report and the audit report.
- (b) A summary of any potential impact of the national adjustments budget and the relevant provincial
- (c) A recommendation as to whether an adjustments budget for the municipality is necessary

1.1 Summary of the previous year's annual report

Whilst EDumbe has over years has been experiencing financial challenged it need to start maintaining a strong financial position through having sufficient reserves. Our reserves depleted for a long time as were financing long term contracts, capital, and operational projects internally. The municipality is experiencing a service delivery backlog and financial intervention is from National Treasury. Due to the rural nature of the municipality, we rely heavily on government grants as we have a low revenue base and There Municipality fall in to a rural areas where unemployment rate its above 60 percent and as resulted in low colletion and most people around this are indigent .

The below table is the Consolidated table of actual expenditure to date. It comprises of Adopted Budget for 2023/24 and Actual expenditure for 2023/24

Consolidated Overview of the final Budget 2023/24

	Original Budget	Year to Date /Mid Year Budget.	Actual as at 31/12/2023	YTD Variance	YTD variance %
Total Revenue	R 252 840 000	R 126 420 000	R169 176 000	R 71 325 000	73%
Total Expenditure	R 209 220 000	R 104 610 000	R 91 157 000	(R 13 433 000)	-13%
Total	R 43 620 000	R 21 810 000	R 78 019 000	R 57 892 000	

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1.2 Financial problems or risks facing the municipality.

It is a known fact that due to the non-payment of debtors and endemic poverty in the area, the collection rate for municipal services and Rates debt recovery is low. This has a detrimental effect on the municipality's financial resources.

Financial administration should be the second most important focus point of municipality with basic service delivery as the most important. Any additional resources should be directed at developing a financial administration turnover strategy and The was adopted by Council on a current period and implanted accordingly if debtor who the Municipality from previous paid half of their debt The Municipality give the 50% as discount of other 50% off (Debtor) . It must concentrate on in-service training and assistance on every aspect of financial administration with detail to the lowest level and administrative powers be delegated to the lowest level without impeding on proper internal control.

1.3 Remedial Action Taken on Audit Outcomes of Prior Year

EDumbe Local Municipality had received the Unqualified Audit from Auditor General, with emphasis of Matter.

The Municipality put extensive effort into implementing the recommendations in respect of prior year's findings that were made during the previous audit. All the audit recommendations are within the Audit Action Plan where progress is regularly monitored. The Audit Action Plan form part of the 2023/24 Annual Report.

The annual report of the 2022/23 financial year is covered in a separate report to Council. Any problems and/or corrective actions identified in the oversight by Council will be monitored and action for correction in the current financial year.

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1.4 Mid-Year Performance Assessment Municipal Adjustments Budgets

A municipality may revise an approved annual budget through an adjustments budget.

An adjustments budget—

- Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year.
- May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for.
- May, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality.
- May authorize the utilization of projected savings in one vote towards spending under another vote.
- May authorize the spending of funds that were unspent at the end of the past financial year where the under spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council.
- May correct any errors in the annual budget; and
- May provide for any other expenditure within a prescribed framework.

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year.”

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3. THE EXECUTIVE SUMMARY

The executive summary of the mid-year budget and performance assessment must, in addition to the information in executive summary of the monthly budget statement as well as on the quarterly report on the implementation of the budget and the financial affairs for the municipality provide a summary of the impact of the national adjustments budget and the relevant provincial adjustments budget.

INTRODUCTION

The Mid-Year Review has been prepared in terms of the Local Government: Municipal Budget and Reporting Regulations (as per the prescribed formats) Government Gazette 32141, 17 April 2009.

It must be noted that in all instances where the tables contained within this report include the audited outcomes for 2022/23 that these results are based on the audited annual financial statements that were audited by the Auditor General in accordance with Section 126 (3) of the Municipal Finance Management Act.

4. BUDGET OVERVIEW–2023/24 MID-TERM BUDGET PERFORMANCE

OPERATING REVENUE

It should be noted that column full year forecast should be used as guidance for adjustments except for projects and programmes that are seasonal in nature. Line managers are expected to study their expenditure trends as they have an insight at this stage considering the duration and payment schedule for such projects. Under normal circumstances, Pro-rata expenditure should be around 100% and 110%as at December 2023 and departments need to analyse all votes that are against the norm to be considered during the adjustment budget.

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Monthly Budget Statement Summary

For the month of December 2023, the municipality have realised a revenue of R169 176 million this is due to the grants received, an equitable trench as well as own revenue.

Operating expenditure year to date expenditure is R91 157 million against the budgeted expenditure of R209 180 million with a variance of 13 433.

The total outstanding debtors' amount to 209 285 million Total amounts of creditors is R 4.1 million which included prior year accruals.

The municipality is under spending when compared to their projections as per table General Expenditure. This is since Accrual was not taken care of when the budget was approved. The Available Cash received get allocated to creditors owed first before if get distributed to the approved Budget activities.

The Monthly Financial Performance by Revenue Source municipality have managed to collect as per below

MID-TERM REVENUE ANALYSES - DECEMBER 2023						
SOURCE OF REVENUE	ORIGINAL BUDGET	MIDTERM YEAR TO DATE BUDGET	Year TO Date Actual.	Variance	% Variance	COMMENTS
Rates	32,541.000		24,098.000	15,287.000	173%	The municipality needs to implement debt management and credit control policy to improve the collection rates
Electricity	53,445.000	26 653 000	17,541.000	26,653.000	(34%)	
Refuse	1,468.000	734 000	1 158 000	425 000	58%	The service rendered to the community affecting collection refuse. The refuse trucks its collection of refuse in town and eDumbe Location
Sale of Goods and Rendering of services	272 000	136 000	39 000	(97000)	(72)	The line item was decrease that was not anticipated but will correct adjusted budget. Shows the negative of collection of 97bthousand and the its negative 72 %
Fines	3,244.000	1 622 000	822,000	800 000	23%	The under collection was cause by Roads Project its undergoing in Town car drivers are not using our roads now. The budget needs to be revised. New strategies need to be introduced to improve collection
Licenses and permits	1 248 000		624 000	289 00	289%	Negative collection on this item
Rental From Fixed Assets	1 820 580.00		773 628.06	1 046 951.94	42%	More correction on this item
Operational Revenue	980 000		312 000	177 000	-36%	The decrease of line items it's the hall hirer was renovated on first six month

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

						affected our revenue buries fees decreases. The must be corrected on a Adjustment budget.Negative percentage of 36% to cut the expenditure that is finance by this item.
Interest on Investment	1 249 000		912 000		0	Collected more we anticipated on investment on line items will adjusted accordingly on adjusted budget.
Transfers and subsidies	107 057 000		118 356 000		64 828 000	Grant all received as per DORA however we realization was more than that was budget for its because of a New Grant that we received Department of Transport KZN this will be included in a adjusted budget.
Interest on non exchange	767 000		1 889 000		1 506 000	the Interest on outstanding debtors to be corrected on adjusted budget
Other Gain			128 000			The line was not budget but we did receive any amount disposing the asset that was left on prior year. Also, to be included in adjustment budget.
TOTAL INCOME	210 000 000	169 176 000	169 176 000	71 325 000	73%	The BTO is busy with the reconciliation to ensure that funds are receipted in the correct votes to ensure that we are not overstating our budget

KZN261 eDumbe - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2021/22	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		28 624	30 903	29 127	2 508	15 119	15 452	(333)	-2%	29 127
Service charges - electricity revenue		29 211	44 160	31 742	4 312	15 144	22 080	(6 936)	-31%	31 742

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	1 573	2 927	4 162	133	823	1 463	(640)	-44%	4 162	
Rental of facilities and equipment	1 449	1 928	1 760	359	801	964	(163)	-17%	1 760	
Interest earned - external investments	539	1 249	1 348	83	443	625	(182)	-29%	1 348	
Interest earned - outstanding debtors	7 902	6 952	6 780	719	4 257	3 476	781	22%	6 780	
Dividends received	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	3 529	3 228	3 371	361	714	1 614	(900)	-56%	3 371	
Licences and permits	1 179	1 842	1 413	80	580	921	(340)	-37%	1 413	
Agency services	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	129 289	97 923	95 542	32 115	77 189	48 962	28 228	58%	95 542	
Other revenue	(14 471)	1 182	661	89	143	591	(447)	-76%	661	
Gains	(42)	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)	188 784	192 295	175 906	40 759	115 215	96 147	19 067	20%	175 906	
Expenditure By Type	-	-	-	-	-	-	-	-	-	
Employee related costs	71 575	72 836	76 412	6 417	37 903	36 418	1 485	4%	76 412	
Remuneration of councillors	7 377	7 473	6 696	801	4 021	3 736	285	8%	6 696	
Debt impairment	22 490	7 384	12 360	-	-	3 692	(3 692)	-100%	12 360	
Depreciation & asset impairment	49 944	12 006	11 236	-	-	6 003	(6 003)	-100%	11 236	
Finance charges	1 262	-	190	-	-	-	-	-	190	
Bulk purchases – electricity	36 000	40 023	30 128	2 276	19 689	20 011	(323)	-2%	30 128	
Inventory consumed	128	-	1 024	-	-	-	-	-	1 024	
Contracted services	27 425	29 065	26 904	3 697	12 427	14 532	(2 105)	-14%	26 904	
Transfers and subsidies	683	1 003	-	-	-	501	(501)	-100%	-	
Other expenditure	14 735	16 858	11 114	2 059	7 443	8 429	(986)	-12%	11 114	
Losses	-	-	-	-	-	-	-	-	-	
Total Expenditure	231 618	186 648	176 064	15 249	81 483	93 324	(11 841)	-13%	176 064	
Surplus/(Deficit)	(42 834)	5 647	(158)	25 510	33 732	2 824	30 908	0	(158)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	41 892	33 405	36 055	2 201	15 458	16 703	(1 244)	(0)	36 055	

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(942)	39 052	35 897	27 711	49 190	19 526	-	35 897
Taxation	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(942)	39 052	35 897	27 711	49 190	19 526	-	35 897
Attributable to minorities	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(942)	39 052	35 897	27 711	49 190	19 526	-	35 897
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(942)	39 052	35 897	27 711	49 190	19 526	-	35 897

References

1. Material variances to be explained on Table SC1

Total Revenue (excluding capital transfers and contributions) including capital transfers/contributions etc

	230 676	225 700	211 961	42 960	130 673	112 850	211 961
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Based on the above analysis, the collection levels are very low meaning that the municipality is depending on grant funding. Therefore, the municipality needs to invest in Infrastructure Assets i.e., to priorities in Road and Electricity Infrastructure and look at other Sources of funding that may increase revenue base such as New Developments, Property Investments, Rental of Municipal Houses and revising existing lease agreements to identify if what we get is market related or not

- Our Billing system needs to improve to work reasonably well. The audit needs to take place to identify gaps, errors and areas which are not being billed. This in the process of being addressed when we start employing the Debt Management and Credit Control Policy implementation.
- Electricity Meter readings- All queries need to be attended to and the fact that officials can't read some meters to access control.
- Credit control and debt management policy. This policy had been approved by the eDumbe Council and only needed to be promulgated into a bylaw. This would be done in the very near future.
- Indigent policy - The municipality has a policy and busy updating the indigent register and those listed would be double-checked once we have established a cheaper way of verification.
- Cleaning up of data – This project is on the pipeline. With the Compilation of Final Valuation Roll was done to be release for consumers inspection and Debt Management in place, it will address done.

Monthly Financial Performance by Revenue Type

KZN261 eDumbe - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<u>Revenue</u>										
Exchange Revenue										
Service charges - Electricity		28 544	53 445	-	3 028	17 541	26 653	(9 112)	-34%	53 445

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Service charges - Water	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	-	-	-	-	-	-	-	-	-	-
Service charges - Waste management	2 766	1 468	-	245	1 158	734	425	58%	1 468	
Sale of Goods and Rendering of Services	146	272	-	5	39	136	(97)	-72%	272	
Agency services	-	-	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	-	-	
Interest earned from Receivables	5 369	6 235	-	458	2 746	3 117	(371)	-12%	6 235	
Interest from Current and Non Current Assets	1 022	1 249	-	107	914	625	-	-	1 249	
Rental from Fixed Assets	1 619	1 522	-	137	713	761	(48)	-6%	1 522	
Licence and permits	394	734	-	9	124	367	(243)	-66%	734	
Operational Revenue	(6 029)	980	-	61	312	490	(177)	-36%	980	
Non-Exchange Revenue	-	-	-	-	-	-	-	-	-	
Property rates	28 832	32 541	-	1 475	24 098	8 811	15 287	173%	32 541	
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	2 386	3 244	-	101	822	1 622	(800)	-	3 244	
Licence and permits	791	1 248	-	37	335	624	(289)	-	1 248	
Transfers and subsidies - Operational	112 519	107 057	-	33 922	118 356	53 528	64 828	-	107 057	
Interest	3 291	767	-	326	1 889	383	1 506	-	767	
Other Gains	8	-	-	-	128	-	128	-	-	
Discontinued Operations	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)	181 657	210 761	-	39 912	169 176	97 851	71 325	73%	210 761	

Monthly Financial Performance by Expenditure Type

KZN261 eDumbe - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		78 812	78 210	-	7 326	41 466	39 105	2 361	6%	78 210

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Remuneration of councillors	8 081	8 533	-	1 231	4 495	4 267	229	5%	8 533
Bulk purchases – electricity	35 590	48 090	-	2 859	22 893	24 045	(1 152)		48 090
Inventory consumed	(6)	-	-	-	-	-	-		-
Debt impairment	1 667	-	-	-	-	-	-		-
Depreciation and amortisation	16 362	12 642	-	-	-	6 321	(6 321)	-100%	12 642
Interest	1 527	1 282	-	1	1	641	(640)	-100%	1 282
Contracted services	26 124	34 224	-	4 472	13 241	17 112	(3 871)	-23%	34 224
Transfers and subsidies	-	-	-	-	-	-	-		-
Irrecoverable debts written off	7 902	7 099	-	182	606	3 549	(2 944)		7 099
Operational costs	19 491	19 101	-	2 755	8 455	9 550	(1 096)	-11%	19 101
Losses on Disposal of Assets	-	-	-	-	-	-	-		-
Other Losses	-	-	-	-	-	-	-		-
Total Expenditure	195 551	209 180	-	18 825	91 157	104 590	(13 433)	-13%	209 180

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

KZN261 eDumbe - Table C1 Monthly Budget Statement Summary - M06 December

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	28 832	32 541	–	1 475	24 098	8 811	15 287	173%	32 541
Service charges	31 310	54 913	–	3 273	18 699	27 387	(8 688)	-32%	54 913
Investment revenue	1 022	–	–	–	–	–	–		–
Transfers and subsidies - Operational	1 022	1 249	–	107	914	625	290	46%	1 249
Other own revenue	119 471	122 058	–	35 056	125 465	61 029	64 436	106%	–
Total Revenue (excluding capital transfers and contributions)	181 657	210 761	–	39 912	169 176	97 851	71 325	73%	210 761
Employee costs	78 812	78 210	–	7 326	41 466	39 105	2 361		78 210
Remuneration of Councillors	8 081	8 533	–	1 231	4 495	4 267	229		8 533
Depreciation and amortisation	16 362	12 642	–	–	–	6 321	(6 321)		12 642
Interest	1 527	1 282	–	1	1	641	(640)		1 282
Inventory consumed and bulk purchases	35 584	48 090	–	2 859	22 893	24 045	(1 152)		48 090
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	55 184	60 423	–	7 408	22 302	30 212	(7 910)	-26%	60 423
Total Expenditure	195 551	209 180	–	18 825	91 157	104 590	(13 433)	-13%	209 180
Surplus/(Deficit)	(13 894)	1 581	–	21 087	78 019	(6 739)	84 758	-1258%	1 581
Transfers and subsidies - capital (monetary allocations)	40 905	42 079	–	5 816	20 898	21 040	(142)	-1%	42 079
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	27 011	43 660	–	26 903	98 917	14 300	84 616	592%	43 660

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	27 011	43 660	-	26 903	98 917	14 300	84 616	592%	43 660
<u>Capital expenditure & funds sources</u>									
Capital expenditure	55 732	36 938	-	5 229	56 133	11 249	44 884	399%	36 938
Capital transfers recognised	47 983	35 570	-	5 227	54 468	10 565	43 903	416%	35 570
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	7 750	1 369	-	1	1 665	684	981	143%	1 369
Total sources of capital funds	55 732	36 938	-	5 229	56 133	11 249	44 884	399%	36 938
<u>Financial position</u>									
Total current assets	147 167	54 721	-		164 003				54 721
Total non current assets	391 038	370 025	-		447 171				370 025
Total current liabilities	178 696	10 657	-		152 850				10 657
Total non current liabilities	391	-	-		391				-
Community wealth/Equity	347 649	414 129	-		446 464				414 129
<u>Cash flows</u>									
Net cash from (used) operating	(181 404)	(47 290)	-	(7 699)	261 728	(15 112)	(276 840)	1832%	(47 290)
Net cash from (used) investing	(433 666)	42 479	-	(5 229)	(56 133)	21 239	77 373	364%	42 479
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the month/year end	(619 070)	(29 511)	-	-	205 617	(18 572)	(224 189)	1207%	-
<u>Debtors & creditors analysis</u>									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<u>Debtors Age Analysis</u>									
Total By Income Source	5 547	2 850	726 ²	2 291	2 629	7 164	16 116	169 962	209 285
<u>Creditors Age Analysis</u>									

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Total Creditors	3 941	351	-	(8)	-	-	255	(0)	4 538
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KZN261 eDumbe - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
	1									
Vote 1 - Executive & Council		13 954	14 854	-	4 951	11 141	7 427	3 714	50.0%	14 854
Vote 2 - Finance and Admin		85 279	114 384	-	16 022	104 399	49 663	54 737	110.2%	114 384
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Community and Social Services		22 032	18 388	-	6 971	16 716	9 194	7 522	81.8%	18 388
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		11 850	21 305	-	2 008	6 648	10 653	(4 005)	-37.6%	21 305
Vote 9 - Planning & Development		82 626	77 513	-	15 497	49 138	38 757	10 381	26.8%	77 513
Vote 10 - Road Transport		-	-	-	-	-	-	-		-
Vote 11 - Energy Sources		5 321	4 758	-	142	1 211	2 379	(1 168)	-49.1%	4 758
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-		-
Vote 13 - Waste Management		-	-	-	-	-	-	-		-
Vote 14 - Other		1 500	1 638	-	137	821	819	2	0.3%	1 638
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	222 562	252 840	-	45 728	190 074	118 891	71 183	59.9%	252 840

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Expenditure by Vote	1									
Vote 1 - Executive & Council		22 489	23 090	-	3 822	11 676	11 545	131	1.1%	23 090
Vote 2 - Finance and Admin		85 992	80 931	-	6 245	30 856	40 465	(9 609)	-23.7%	80 931
Vote 3 - Internal Audit		-	50	-	-	-	25	(25)	-100.0%	50
Vote 4 - Community and Social Services		21 536	22 699	-	2 951	10 405	11 349	(945)	-8.3%	22 699
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		39 226	52 529	-	3 317	26 275	26 265	11	0.0%	52 529
Vote 9 - Planning & Development		24 799	25 665	-	2 490	11 780	12 833	(1 053)	-8.2%	25 665
Vote 10 - Road Transport		-	-	-	-	-	-	-		-
Vote 11 - Energy Sources		1 520	4 257	-	-	166	2 129	(1 963)	-92.2%	4 257
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-		-
Vote 13 - Waste Management		-	-	-	-	-	-	-		-
Vote 14 - Other		-	-	-	-	-	-	-		-
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	195 562	209 220	-	18 825	91 158	104 610	(13 453)	-12.9%	209 220
Surplus/ (Deficit) for the year	2	27 000	43 620	-	26 903	98 917	14 280	84 636	592.7%	43 620

MID- YEAR BUDGET AND PERFORMANACE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

KZN261 eDumbe - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		28 544	53 445	-	3 028	17 541	26 653	(9 112)	-34%	53 445
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		2 766	1 468	-	245	1 158	734	425	58%	1 468
Sale of Goods and Rendering of Services		146	272	-	5	39	136	(97)	-72%	272
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		5 369	6 235	-	458	2 746	3 117	(371)	-12%	6 235
Interest from Current and Non Current Assets		1 022	1 249	-	107	914	625	-	-	1 249
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 619	1 522	-	137	713	761	(48)	-6%	1 522
Licence and permits		394	734	-	9	124	367	(243)	-66%	734
Operational Revenue	(6 029)	980	-	-	61	312	490	(177)	-36%	980
Non-Exchange Revenue										
Property rates		28 832	32 541	-	1 475	24 098	8 811	15 287	173%	32 541
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 386	3 244	-	101	822	1 622	(800)	-	3 244
Licence and permits		791	1 248	-	37	335	624	(289)	-	1 248
Transfers and subsidies - Operational		112	107	-	-	118	-	-	-	107
Interest		519	057	-	33 922	356	53 528	64 828	-	057
Fuel Levy		3 291	767	-	326	1 889	383	1 506	-	767
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		8	-	-	-	128	-	128	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		181 657	210 761	-	39 912	169 176	97 851	71 325	73%	210 761
Expenditure By Type										
Employee related costs	-	78 812	78 210	-	7 326	41 466	39 105	2 361	6%	78 210

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Remuneration of councillors	8 081	8 533	-	1 231	4 495	4 267	229	5%	8 533
Bulk purchases - electricity	35 590	48 090	-	2 859	22 893	24 045	(1 152)		48 090
Inventory consumed	(6)	-	-	-	-	-	-		-
Debt impairment	1 667	-	-	-	-	-	-		-
Depreciation and amortisation	16 362	12 642	-	-	-	6 321	(6 321)	-100%	12 642
Interest	1 527	1 282	-	1	1	641	(640)	-100%	1 282
Contracted services	26 124	34 224	-	4 472	13 241	17 112	(3 871)	-23%	34 224
Transfers and subsidies	-	-	-	-	-	-	-		-
Irrecoverable debts written off	7 902	7 099	-	182	606	3 549	(2 944)		7 099
Operational costs	19 491	19 101	-	2 755	8 455	9 550	(1 096)	-11%	19 101
Losses on Disposal of Assets	-	-	-	-	-	-	-		-
Other Losses	-	-	-	-	-	-	-		-
Total Expenditure	551	209	-	18 825	91 157	104	(13 433)	-13%	209
Surplus/(Deficit)	(13 894)	1 581	-	21 087	78 019	(6 739)	84 758	(0)	1 581
Transfers and subsidies - capital (monetary allocations)									
Transfers and subsidies - capital (in-kind)	40 905	42 079	-	5 816	20 898	21 040	(142)	(0)	42 079
Surplus/(Deficit) after capital transfers & contributions	27 011	43 660	-	26 903	98 917	14 300			43 660
Income Tax	-	-	-	-	-	-			-
Surplus/(Deficit) after income tax	27 011	43 660	-	26 903	98 917	14 300			43 660
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-			-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality	27 011	43 660	-	26 903	98 917	14 300			43 660
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-			-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-			-
Surplus/ (Deficit) for the year	27 011	43 660	-	26 903	98 917	14 300			43 660

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

KZN261 eDumbe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Multi-Year expenditure appropriation</u>	2									
Vote 1 - Executive & Council		-	-	-	-	-	-	-		-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-		-
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-		-
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		-	-	-	-	-	-	-		-
Vote 9 - Planning & Development		-	-	-	-	-	-	-		-
Vote 10 - Road Transport		-	-	-	-	-	-	-		-
Vote 11 - Energy Sources		-	-	-	-	-	-	-		-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-		-
Vote 13 - Waste Management		-	-	-	-	-	-	-		-
Vote 14 - Other		-	-	-	-	-	-	-		-
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
<u>Single Year expenditure appropriation</u>	2									
Vote 1 - Executive & Council		-	-	-	-	-	-	-		-
Vote 2 - Finance and Admin		1 321	1 369	-	1	1 665	684	981	143%	1 369
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Community and Social Services		386	-	-	-	-	-	-		-
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		8 736	10 526	-	1 746	8 262	-	8 262	#DIV/0!	10 526

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Vote 9 - Planning & Development		55 710	16 957	-	3 482	12 111	8 478	3 633	43%	16 957
Vote 10 - Road Transport		(17 115)	-	-	-	-	-	-		-
Vote 11 - Energy Sources		6 694	8 087	-	-	34 095	2 087	32 008	1534%	8 087
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-		-
Vote 13 - Waste Management		-	-	-	-	-	-	-		-
Vote 14 - Other		-	-	-	-	-	-	-		-
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	55 732	36 938	-	5 229	56 133	11 249	44 884	399%	36 938
Total Capital Expenditure		55 732	36 938	-	5 229	56 133	11 249	44 884	399%	36 938
Capital Expenditure - Functional Classification										
Governance and administration		1 321	1 369	-	1	1 665	684	981	143%	1 369
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		1 321	1 369	-	1	1 665	684	981	143%	1 369
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		(16 729)	-	-	-	-	-	-		-
Community and social services		386	-	-	-	-	-	-		-
Sport and recreation		(17 115)	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		62 404	25 043	-	3 482	46 206	10 565	35 641	337%	25 043
Planning and development		55 710	16 957	-	3 482	12 111	8 478	3 633	43%	16 957
Road transport		6 694	8 087	-	-	34 095	2 087	32 008	1534%	8 087
Environmental protection		-	-	-	-	-	-	-		-
Trading services		8 736	10 526	-	1 746	8 262	-	8 262	#DIV/0!	10 526
Energy sources		8 736	10 526	-	1 746	8 262	-	8 262	#DIV/0!	10 526
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	55 732	36 938	-	5 229	56 133	11 249	44 884	399%	36 938
Funded by:										

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

National Government		37 481	35 570	-	5 227	20 373	10 565	9 808	93%	35 570
Provincial Government		10 502	-	-	-	34 095	-	34 095	#DIV/0!	-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-		-
Transfers recognised - capital		47 983	35 570	-	5 227	54 468	10 565	43 903	416%	35 570
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		7 750	1 369	-	1	1 665	684	981	143%	1 369
Total Capital Funding		55 732	36 938	-	5 229	56 133	11 249	44 884	399%	36 938

KZN261 eDumbe - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		21 026	19 889	-	24 725	19 889
Trade and other receivables from exchange transactions		29 364	32 448	-	27 786	32 448
Receivables from non-exchange transactions		(9 746)	3 121	-	7 383	3 121
Current portion of non-current receivables		-	-	-	-	-
Inventory		57	139	-	184	139
VAT		105 889	(876)	-	103 062	(876)
Other current assets		577	-	-	864	-
Total current assets		147 167	54 721	-	164 003	54 721
Non current assets						
Investments		-	-	-	-	-
Investment property		20 119	-	-	20 119	-

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Property, plant and equipment	370 914	369 673	-	427 046	369 673
Biological assets	-	-	-	-	-
Living and non-living resources	-	-	-	-	-
Heritage assets	-	147	-	-	147
Intangible assets	4	205	-	6	205
Trade and other receivables from exchange transactions	-	-	-	-	-
Non-current receivables from non-exchange transactions	-	-	-	-	-
Other non-current assets	-	-	-	-	-
Total non current assets	391 038	370 025	-	447 171	370 025
TOTAL ASSETS	538 205	424 746	-	611 174	424 746
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Financial liabilities	-	-	-	-	-
Consumer deposits	244	-	-	245	-
Trade and other payables from exchange transactions	23 363	1 283	-	11 178	1 283
Trade and other payables from non-exchange transactions	19 644	-	-	10 543	-
Provision	32 659	-	-	30 548	-
VAT	102 787	9 374	-	100 337	9 374
Other current liabilities	-	-	-	-	-
Total current liabilities	178 696	10 657	-	152 850	10 657
Non current liabilities					
Financial liabilities	-	-	-	-	-
Provision	-	-	-	-	-
Long term portion of trade payables	-	-	-	-	-

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Other non-current liabilities		391	-	-	391	-
Total non current liabilities		391	-	-	391	-
TOTAL LIABILITIES		179 087	10 657	-	153 241	10 657
NET ASSETS	2	359 118	414 089	-	457 933	414 089
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		347 548	414 129	-	446 364	414 129
Reserves and funds		100	-	-	100	-
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	347 649	414 129	-	446 464	414 129

KZN261 eDumbe - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(19 654)	26 098	-	746	16 094	13 049	3 045	23%	26 098
Service charges		(29 474)	37 968	-	4 256	17 161	18 984	(1 823)	-10%	37 968
Other revenue		925	25 303	-	488	3 058	12 652	(9 594)	-76%	25 303
Transfers and Subsidies - Operational		41 197	107 516	-	738	20 791	53 758	(32 967)	-61%	107 516
Transfers and Subsidies - Capital		(1 000)	42 079	-	-	-	21 040	(21 040)	-100%	42 079
Interest		-	1 249	-	-	-	625	(625)	-100%	1 249
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(173 398)	(287 483)	-	(13 927)	204 624	(135 209)	(339 832)	251%	(287 483)
Finance charges		-	(20)	-	-	-	(10)	(10)	100%	(20)
Transfers and Subsidies		-	-	-	-	-	-	-		-

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NET CASH FROM/(USED) OPERATING ACTIVITIES	(181 404)	(47 290)	–	(7 699)	261 728	(15 112)	(276 840)	1832%	(47 290)
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–		–
Payments									
Capital assets	(433 666)	42 479	–	(5 229)	(56 133)	21 239	77 373	364%	42 479
NET CASH FROM/(USED) INVESTING ACTIVITIES	(433 666)	42 479	–	(5 229)	(56 133)	21 239	77 373	364%	42 479
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–		–
Payments									
Repayment of borrowing	–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES	–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD	(615 070)	(4 811)	–	(12 927)	205 594	6 128			–
Cash/cash equivalents at beginning:	(4 000)	(24 700)	–	–	22	(24 700)			22
Cash/cash equivalents at month/year end:	(619 070)	(29 511)	–		205 617	(18 572)			–

Income performance

Total revenue (Incl. grants)

Above is the C4 – Financial Performance schedule for the Municipality. The actual total revenue including grants from July 2023 to December 2023 is at R 169.2 million and Total expenditure is at R 91.2 Million. It shows that the council is operating at an actual projected of the to date budget R104,6 million. The Financial Performance is prepared in the accrual basis.

Operating Revenue by Source

The table indicates billing for service charges for property rates, electricity, and refuse. Billing for property rates reflects expected revenue of R 16 163 000 from July 2023 to December 2023.

The collection of billed amounts for rates remains a huge challenge. Most of the customers are not paying rates which have resulted to the increase on outstanding debtors. The revenue enhancement strategy has been developed and the Revenue Section is currently implementing the strategy which will be closely monitored by the department and reports will be sent to MANCO, EXCO and Council meetings. The MANCO have also established the Debt Steering Committee which also deals with the matters.

Services charges

Services charges: We have done collection of 16 094% of the Mid-Year budget. Refuse revenue collected is at 23% to date. Table indicates that from the Services charges actual collected from July to December is R 17 161 000 and refuse actual is R 1 158 000, which includes revenue from services rendered by the municipality including electricity, refuse. The major problem is most customers from eDumbe Location that are not buying electricity which makes life difficult for the municipality to sustain the electricity business.

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

Licences and permits.

Licences and permits for the midyear budget is R 367 000 million. The R 124 000 disclosed here is all actual cash received.

Revenue from operating grants

Revenue from operating grants is at 59% of the year-to-date budget. Operating grants received came to R 118 356 Million out of the budgeted year to date of R 53 5280 Million, which we have received most of the operating grant that was due to us this mid-year.

Other revenue

Other revenue collected is R312 000 and year to date budget R 490 000 and variance -36% other revenue collected includes collections from eDumbe dam, Insurance claim, Clearance certificate, connection fee, re-connection fee, tender monies, burial fees, and hall hire fees.

Total revenue

Total Revenue (excluding Capital transfers and contributions) came to R 118 356 million (20% variance) compared to the budget year to date of R53 528 Million as at the end of the Mid-Year This includes revenue from services rendered by the municipality, which are electricity, refuse, Rates, Licences and permits, Traffic fine and rental facilities.

Expenditure performance

Operating Expenditure by type

In accordance with Municipal Finance Management Act No. 56 of 2003 section 99, this deals with expenditure management. Section 99(2) the accounting officer has taken all reasonable steps to ensure that – Internal controls are in place such as procedure for authorization, approval, withdrawals, and payment of funds.

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

This report includes other expenditure which are travel and subsistence claims, Advertising, Cleaning Materials, printing and stationery, Fuel, Telkom etc. A contracted service includes payments to Grass cutting, Security Services, Rental of office equipment and others. Council to note that Depreciation is non- cash item, but provision must be made for it.

Employee related costs.

The municipality is currently spending R 41.4million on employee cost and R 4,4 million remuneration for councillors for the first quarter.

Employee related costs and remuneration of councillor's actual comes to only 52% of the budgeted year to date amount of R 4,4 million for Employee related cost and Council for the Mid Year.

This monthly expenditure management ensures that funds of the Municipality are spent in terms of an approved budget and sets up controls to minimize misuse of funds through fraud and corruption and it ensures that the municipality is financially viable.

Operating expenditure year to date expenditure is 91,157 million against the budgeted expenditure of R104 590million with a variance of (R 13 433). Total amount of creditors R 4,1 million which includes prior year accruals. Payments are not yet all processed within 30 days of receipt of invoice due to financial constraints.

During the Assessment review it was identified that municipality has incurred unforeseeable and unavoidable expenditure recommended by the mayor of the municipality. Some errors were identified during the year. Some votes have been under/overspent due its nature. The municipality needs to reprioritise.

a. Table C5: Monthly Budget Statement -Capital Expenditure

KZN261 eDumbe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - M06 December

Vote Description R thousand	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote	1									
Expenditure of multi-year capital appropriation										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-
1.1 - Mayor and Council										
1.2 - Municipal Manager, Town Secretary and Chief Executive										
Vote 2 - Finance and Admin		1 321	1 369	-	1	1 665	684	981	143%	1 369
2.1 - Administrative and Corporate Support		2 158	1 173	-	-	12	587	(574)	-98%	1 173
2.2 - Asset Management		(836)	196	-	1	1 653	98	1 555	1591%	196
2.3 - Finance		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		386	-	-	-	-	-	-	-	-
4.1 - Aged Care		-	-	-	-	-	-	-	-	-
4.2 - Animal Care and Diseases		-	-	-	-	-	-	-	-	-
4.3 - Cemeteries, Funeral Parlours and Crematoriums		-	-	-	-	-	-	-	-	-
4.4 - Community Halls and Facilities		386	-	-	-	-	-	-	-	-
Vote 8 - Health		8 736	10 526	-	1 746	8 262	-	8 262	#DIV/0!	10 526
8.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
8.2 - Electricity		8 736	10 526	-	1 746	8 262	-	8 262	#DIV/0!	10 526
Vote 9 - Planning & Development	55 710	16 957	-	3 482	12 111	8 478	3 633	43%	16 957	
9.1 - Economic Development/Planning	55 710	16 957	-	3 482	12 111	8 478	3 633	43%	16 957	

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

9.10 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport	(17 115)	-	-	-	-	-	-	-	-
10.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
10.2 - Sports Grounds and Stadiums	(17 115)	-	-	-	-	-	-	-	-
Vote 11 - Energy Sources	6 694	8 087	-	-	34 095	2 087	32 008	1534%	8 087
11.1 – Roads	6 694	8 087	-	-	34 095	2 087	32 008	1534%	8 087
11.10 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management	-	-	-	-	-	-	-	-	-
15.6 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
15.7 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
15.8 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
15.9 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
15.10 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
Total single-year capital expenditure	55 732	36 938	-	5 229	56 133	11 249	44 884	0	36 938
Total Capital Expenditure	55 732	36 938	-	5 229	56 133	11 249	44 884	0	36 938

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

The assessment of Project are appointed by Municipality and Back Logs that are facing Municipality.

BID/ A1:L300N NUMBER	DESCRIPTION OF GOODS/SERVICES/PROJECTS	CATEGORY	CONTRACT VALUE AS PER CONTRACT	CONTRACT AMOUNT PAID	BALANCE OF CONTRACT VALUE	% EXPENDITURE	CONTRACT START DATE	
EDUMPRO02/2021/22	ELECTRIFICATION OF INFILLS	Capital Expenditure	R 595 560.74	R 595 560.74	R -	100.00%	2022-09-21	
EDUMPRO02/2021/22	ELECTRIFICATION OF EMASIMINI	Capital Expenditure	R 2 000 000.00	R 1 985 752.84	R 14 247.16	99.29%	2023-07-03	Project original budget
EDUMPRO02/2021/22	ELECTRIFICATION OF MOSCOW	Capital Expenditure	R 1 900 000.00	R 1 899 502.30	R 497.70	99.97%	2023-07-03	Project original budget
EDUMT03/2023/24	CONSTRUCTION OF NQABENI ACCESS ROAD	Capital Expenditure	R 3 528 604.16	R 2 801 380.27	R 727 223.89	79.39%	2023-09-15	Project original budget
EDUMT05/2022/23	PHASE 5 COMMUNITY HALL	Capital Expenditure	R 642 210.43	R 642 210.43	R -	100.00%	2023-09-12	Adjusted budget
EDUMPRO01/2021/22	Ezixeni Sportfield	Capital Expenditure	R 34 239.83	R 34 239.83	R -	100.00%	2022-07-01	Adjusted budget
EDUMPRO04/2021/22	EDUMBE ROADS	Capital Expenditure	R 33 669 214.78	R 11 655 501.60	R 22 013 713.18	34.62%	2023-06-23	Adjusted budget
EDUMPRO02/2021/22	ESIKHALENI MV LINK LINE	Capital Expenditure	R 3 500 000.00	R 2 007 586.50	R 1 492 413.50	57.36%	2023-07-03	Project original budget.
EDUMT01/2022/23	CONSTRUCTION OF KWANKOMO BRIDGE	Capital Expenditure	R 2 887 944.00	R 2 887 944.00	R -	100.00%	2022-09-09	Project original budget
EDUMPRO01/2021/22	CONSTRUCTION OF KWABHUKUDA BRIDGE	Capital Expenditure	R 398 944.41	R 398 944.41	R -	100.00%	20-Jan-23	
EDUMPRO02/2021/22	KHAMBULE ELECTRIFICATION Phase 2	Capital Expenditure	R 3 300 000.00	R 3 090 725.47	R 209 274.53	93.66%	2022-07-03	Adjusted Budget
EDUMPRO01/2021/22	CONSTRUCTION OF KWANGWANYA BRIDGE	Capital Expenditure	R 4 300 000.00	R 975 193.93	R 3 324 806.07	22.68%	2023-07-03	Project original budget
EDUMT04/2020/21	PIVAAN PEDESTRIAN BRIDGE	Capital Expenditure	R 67 544.75	R 67 544.75	R -	100.00%	2020-11-25	adjusted budget
EDUMT06/2022/23	Ezixeni Sportfield	Capital Expenditure	R 496 008.62	R 496 008.62	R -	100.00%	12-Sep-22	Adjusted Budget
EDUMT02/2021/22	Mphelandaba Pedestrian Bridge	Capital Expenditure	R 152 420.20	R 152 420.20	R -	100.00%	2021-06-30	Adjusted Budget
EDUMT02/2023/24	Construction of Kwabhukuda bridge	Capital Expenditure	R 2 407 354.46	R 329 189.80	R 2 078 164.66	13.67%	2023-09-15	Adjusted Budget
EDUMT06/2020/21	Construction of Mdwadlaza Pedestrian bridge	Capital Expenditure	R 69 136.14	R 69 136.14	R -	100.00%	2020-07-01	Adjusted Budget

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EDUMT03/2022/23	CONSTRUCTION OF BILANYONI SMME	Capital Expenditure	R 167 507.58	R 167 507.58	R -	100.00%	2022-09-09	Adjusted budget
EDUMPRO02/2021/22	OBIVANE ELECTRIFICATION PHASE2	Capital Expenditure	R 349 999.99	R 349 999.99	R -	100.00%	01-Jul-21	Adjusted Budget
EDUMPRO04/2021/22	EDUMBE ROADS	Capital Expenditure	R 35 981 691.25	R 16 325 914.42	R 19 655 776.83	45.37%	23-Jun-23	Adjusted budget
EDUMT05/2022/23	CONSTRUCTION OF PHASE 5 COMMUNITY HALL	Capital Expenditure	R 400 736.87	R 400 736.87	R -	100.00%	2022-09-12	Adjusted Budget
EDUMPRO06/2018/19	KwaSonkela Electrification Projects (phase4)	Capital Expenditure	R 5 705 000.00	R 3 090 296.52	R 2 614 703.48	54.17%	2022-07-01	Project original budget
EDUMPRO04/2021/22	EDUMBE ROADS	Capital Expenditure	R 8 906 906.97	R 4 623 194.68	R 4 283 712.29	51.91%	2023-06-23	Adjusted budget
EDUMPRO01/2021/22	LINDELANI ACCESS ROAD P	Capital Expenditure	R 672 000.00	R 372 480.56	R 299 519.44	55.43%	2022-08-19	Project original budget
EDUMT01/2023/24	CONSTRUCTION OF LINDELANI ACCESS ROAD	Capital Expenditure	R 3 856 953.36	R 3 052 367.86	R 804 585.50	79.14%	2023-09-15	Project original budget

Table C5 indicates the year actual expenditure on capital expenditure for all votes of Capital expenditure amounts to R 56.1 million were realized against the budgeted amount of R 36.9 million as at the end December 2023. That includes the Grant that was received from Department of Transport of R 78 M for small Town Rehabilitation for Paulpietersburg Town This expenditure is in a form of infrastructure projects and motor vehicles and office equipment. Furthermore, the adjustment budget will include that Project that undergoing in Paulpietersburg Town. Also the following grants will be adjusted as per new gazettes that was realize by National Treasury for MIG and Energy cut however the challenge will be facing by Municipality for cutting project was already appointed service providers.

Monthly Statement Cash Flow

KZN261 eDumbe - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(19 654)	26 098	–	746	16 094	13 049	3 045	23%	26 098
Service charges		(29 474)	37 968	–	4 256	17 161	18 984	(1 823)	-10%	37 968
Other revenue		925	25 303	–	488	3 058	12 652	(9 594)	-76%	25 303
Transfers and Subsidies - Operational		41 197	107 516	–	738	20 791	53 758	(32 967)	-61%	107 516
Transfers and Subsidies - Capital		(1 000)	42 079	–	–	–	21 040	(21 040)	-100%	42 079
Interest		–	1 249	–	–	–	625	(625)	-100%	1 249
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(173 398)	(287 483)	–	(13 927)	204 624	(135 209)	(339 832)	251%	(287 483)
Finance charges		–	(20)	–	–	–	(10)	(10)	100%	(20)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		(181 404)	(47 290)	–	(7 699)	261 728	(15 112)	(276 840)	1832%	(47 290)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(433 666)	42 479	–	(5 229)	(56 133)	21 239	77 373	364%	42 479
NET CASH FROM/(USED) INVESTING ACTIVITIES		(433 666)	42 479	–	(5 229)	(56 133)	21 239	77 373	364%	42 479
CASH FLOWS FROM FINANCING ACTIVITIES										

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Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
Payments									
Repayment of borrowing	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	(615 070)	(4 811)	-	(12 927)	205 594	6 128			-
Cash/cash equivalents at beginning:	(4 000)	(24 700)	-	-	22	(24 700)			22
Cash/cash equivalents at month/year end:	(619 070)	(29 511)	-		205 617	(18 572)			-

References

1. Material variances to be explained in Table SC1

The municipality's cash flow is positive currently, which shows that the municipality still has recover its financial stability, but the status has improved as compared to the previous years; this is due to the approved cost cutting measures that the municipality is strongly applying. The second tranche of the equitable share and other conditional grants have also contributed on revenue increase. Also, the monies that are not used immediately are being invested in call accounts to attract. There are no Borrowing that exist within the institution except money owed by creditors.

Debtors' ageing report

KZN261 eDumbe - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2023/24									
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	3 065	720	540	329	195	206	722	5 909	11 685	7 361
Receivables from Non-exchange Transactions - Property Rates	1400	1 420	1 112	1 054	1 017	988	6 036	8 012	49 617	69 257	65 672
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	267	231	337	192	185	186	1 671	82 033	85 102	84 268
Receivables from Exchange Transactions - Property Rental Debtors	1700	7	5	5	5	5	5	35	50	117	100
Interest on Arrear Debtor Accounts	1810	787	783	791	748	1 256	730	5 664	32 352	43 112	40 750
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	1	-	-	-	-	-	10	1	12	11
Total By Income Source	2000	5 547	2 850	2 726	2 291	2 629	7 164	16 116	169 962	209 285	198 162
2022/23 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	786	802	848	453	515	4 933	4 300	18 935	31 572	29 136
Commercial	2300	1 904	824	601	616	785	685	3 409	25 885	34 710	31 380
Households	2400	1 134	984	1 045	1 005	1 109	894	7 073	115 672	128 917	125 753
Other	2500	1 721	240	232	217	220	652	1 334	9 469	14 086	11 892
Total By Customer Group	2600	5 547	2 850	2 726	2 291	2 629	7 164	16 116	169 962	209 285	198 162

The total debtor's book continues to grow and to-date, total debtors amount to R 209.3 million compare to last assessment this is cause for concern since the culture of non-payment of Services by our customers in all categories as indicated on a ageing and the They did approve the incentive Scheme on beginning of current period and Some customers are paying but its enough because the unemployment rate in Paulpietersburg its above 35 % and Also this most of them are indigent.

An intensive collection drive aimed at ensuring that collection of outstanding debtors is improved is underway. This process was which will start by ensuring that debtors are encouraged to ensure that their current monthly account is settled by implementing the credit control and debt management policy. Also, a Revenue Enhancement Strategy is currently being developed it will include projects such as meter audit, customer care line, correctness of billing and will ensure that queries are attended to timorously, faulty meters are being fixed to ensure the correctness and to avoid customer dissatisfaction. This will ensure Statements to the customers are issued monthly.

The municipality needs to tackle to 100 debtors and to deal with problematic government accounts. However, on Government debt the Public works its paying the Municipality for Services.

Customer care we need to improve on this can find a way of providing a service to customers with a 'one-stop shop' where all accounts could be paid to allow accounts to be paid at banks, the Post Office, retail chain stores, etc.

5. Table SC4- creditors Age Analysis

KZN261 eDumbe - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	11	183	-	-	-	-	-	-	193	193
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	618	166	-	-	-	-	256	(0)	1 040	1 040
Auditor General	0800	-	-	-	-	-	-	0	-	0	0
Other	0900	3 312	2	-	(8)	-	-	(2)	-	3 304	3 304
Total By Customer Type	1000	3 941	351	-	(8)	-	-	255	(0)	4 538	4 538

Table SC4 shows the amount of Creditors ageing as at 31 December 2023. An amount of R 4.5 million remains a liability at the end of the six month and the creditor that is sitting on 181 days its Salga of which we have any arrangement with that department; the table also shows how the municipality arrived to this amount. Even though the municipality is not paying its creditors within 30 days as required by the MFMA, the ageing of the creditors has been reduced as compared to the previous years.

It should be noted that withdrawals in terms of Section 11(1) (b) to (j) of the Local Government Municipal Finance Management Act, 2003 are prohibited and the municipality made no such withdrawals during the midterm from July 2023 to December 2023.

The following information should be noted:

Section 11(1) (b): Expenditure that was authorised in terms of Section 26(4)

- No withdrawals in terms of this section

Section 11(1) (c) Unforeseeable and unavoidable expenditures

- No withdrawals

Section 11(1) (d): Withdrawals in respect of Trust and so forth

- No withdrawals

Overpayments on monies received on behalf of a person or state body

- No withdrawals

Section 11: Withdrawals 11(1) (f): Monies erroneously deposited into bank account

- No withdrawals

Section 11 (1) (g): Guarantees, sureties and security deposits refunded

- No withdrawals

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Investment Portfolio

Investment revenue is the amount of interest earned on the amount invested with various financial institutions registered with South African Banking Council. The total amount of money in the bank amounts to **R 23 million and compare to previous financial its was 27 million that shows the decrease on this financial year as** at the end of December 2023.

In line with the investment policy, funds are invested only on call accounts with FNB and Grindrod institutions. The municipality is still dealing with it financial state which does not allow us to start looking for better interest rates as cash is needed now and then and has no reserves.

eDumbe LOCAL MUNICIPALITY INVESTMENT REGISTER SUMMARY INVESTMENT REGISTER (Regulation 3(1)(g)) 2022/2023							
INSTITUTION	OPENING BALANCE 2023-07-01	Bank charges	INVESTED in current year	Withdrawal	INTEREST	BALANCE 2023-06-30	INTEREST Earned
FNB - 62033660376	26 954 .64	-	87 363 000	66 100 000	413 540	21 703 495	413 540
GRINDROD - 154009	20 241.35	-	-	-	825.56	21 066.91	825.56
FNB - 624218433807	19 694 372.26	-	20 200 000	39 424 000	337 224 .44	807 597.20	337 224.44
FNB - 61328003233	560 976.41	-	13 409 000	13 300 000	96 687.13	766 663.54	96 687.13
FNB - 62219848746	142 648.54	-	-	-	4 742.47	147 391.01	4 742.47
TOTAL	20 445 193.70	-	120 972 000	118 824 000	853 020.52	23 446 214.22	853 020.52
Summary							
Total interest received from these investments (for the period 1 July 2023 to 30 June 2024)						853 020.52	
Total amount on current investments & call account (as at 31 December 2023)						23 446 214.22	

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Grants Income and Expenditure December2023

EDUMBE MUNICIPALITY - GRANTS REGISTER DECEMBER 2023						
GRANT	GRANT' BUDGET(DORA) 2023-2024	AMOUNT RECEIVED	YEAR-TO-DATE PAYMENTS	UNSPENT CLOSING BLANCE	% Spent	COMMENTS
Equitable Share	99 029 000	(74 272 000)	74,272,000	24 757 000.00	75%	The amount was received as per Dora allocation financial year 2023/24. The last trench will be in March as per treasury payment schedule.
FMG	3,000,000	(3,000,000)	2,357 151.20	(642,848.80)	78.57%	The expenditure on this was supposed to be at 50% on mid-year but is sat on 78,57% that good for Municipality and Grants was spent according to plan.
Energy	21 305 000	(10,000,000)	13,736,626.48	1,736,626.48	114.47%	The expenditure was supposed to be at 50% in midyear but now sitting 114 %at which it's good for Municipality. The municipality has used its own funding to pay invoice for this Grant but that amount will be recovered on next trenches .
Department of Transport Roads	78 000 000	39,288,000.00	39,065,250.53	222,749.47	50.08%	The grants were unspent from last year of 19 million that was received in June as per MOA Transport and eDumbe Local Municipality. Any amount received on quarterly base only two trenches that we are waiting from this grant. This be included in a Adjustment budget February.
MIG	20 774 000	(16 ,700, 000)	11 700,573.29	(4,999,427)	86%	The Grant was Received as per Dora Allocation, and this was supposed to be 50% spent on December but we spent 70.06 % as its December expenditure against the amount received. On October we received another allocation or gazette by National Treasury cutting the for MIG that will be corrected in a adjustment budget February
EPWP	1,638,000	(1,840892.44)	821,182.58	(325,817.42)	58%	Received as per Dora Allocation we spent 58% as per December this shows that the next months will have some challenges with this operational Grant.
Art & Culture	3,390,000	(3,390,000)	1,840,892.44	(1,549,107.56)	54%	The amount that was received as Provincial KZN Gazette. This was supposed to be 50% as at December but its 54% as at December
KZNEDTEA	1,000,000	(1,000,000,00)		(1,000,000,00)	0%	Amount was not yet received, and it will be spent during the 3 rd Quarter

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It should be noted that some of the operational grants have low percentage in terms of their spending; this due to the nature of the grant and some expenditures will be reflected in the following months once they are included the approved budget

Table SC8 Councillor and Staff benefits

In terms of section 66 of the Municipal Finance Management Act number 56 of 2003, the Accounting Officer of a Municipality must report to the council on all expenditure incurred by the municipality on staff salaries, allowances, and benefit.

KZN261 eDumbe - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		7 275	7 869	-	1 157	4 098	3 935	163	4%	7 869
Pension and UIF Contributions		-	-	-	-	-	-	-		-
Medical Aid Contributions		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		-	-	-	-	-	-	-		-
Cellphone Allowance		800	648	-	74	397	324	73	23%	648
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		6	16	-	-	-	8	(8)	-100%	16
Sub Total – Councillors		8 081	8 533	-	1 231	4 495	4 267	229	5%	8 533
% increase	4		5.6%							5.6%
Senior Managers of the Municipality										
Basic Salaries and Wages		2 275	3 265	-	378	1 276	1 632	(356)	-22%	3 265
Pension and UIF Contributions		7	11	-	1	4	6	(2)	-38%	11
Medical Aid Contributions		80	74	-	9	54	37	17	47%	74
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		2	4	-	121	121	2	119	5641%	4
Motor Vehicle Allowance		560	760	-	44	259	380	(121)	-32%	760
Cellphone Allowance		109	137	-	10	53	68	(15)	-22%	137
Housing Allowances		351	393	-	34	182	196	(15)	-7%	393
Other benefits and allowances		93	72	-	14	37	36	1	2%	72
Payments in lieu of leave		-	-	-	-	61	-	61	#DIV/0!	-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-

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Scarcity		-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		3 478	4 715	-	610	2 046	2 358	(311)	-13%
% increase	4		35.6%						35.6%
Other Municipal Staff									
Basic Salaries and Wages		53 655	51 921	-	4 771	29 000	25 960	3 040	12%
Pension and UIF Contributions		8 987	8 877	-	797	4 812	4 439	373	8%
Medical Aid Contributions		2 564	3 078	-	214	1 316	1 539	(223)	-14%
Overtime		1 131	1 283	-	87	529	641	(113)	-18%
Performance Bonus		4 086	2 920	-	383	1 062	1 460	(398)	-27%
Motor Vehicle Allowance		1 915	2 156	-	160	970	1 078	(108)	-10%
Cellphone Allowance		306	381	-	24	148	190	(43)	-22%
Housing Allowances		77	105	-	6	38	53	(14)	-27%
Other benefits and allowances		2 047	1 889	-	205	1 363	944	419	44%
Payments in lieu of leave		1 248	309	-	42	55	154	(99)	-64%
Long service awards		385	174	-	-	-	87	(87)	-100%
Post-retirement benefit obligations	2	(1 287)	105	-	7	44	53	(9)	-17%
Entertainment		-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-
Acting and post related allowance		220	298	-	20	84	149	(65)	-44%
In kind benefits		-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		75 335	73 495	-	6 716	39 420	36 748	2 672	7%
% increase	4		-2.4%						-2.4%
Total Parent Municipality		86 893	86 743	-	8 557	45 962	43 372	2 590	6%
Unpaid salary, allowances & benefits in arrears:			-0.2%						-0.2%
Board Members of Entities									
Basic Salaries and Wages								-	

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Pension and UIF Contributions								-	
Medical Aid Contributions								-	
Overtime								-	
Performance Bonus								-	
Motor Vehicle Allowance								-	
Cellphone Allowance								-	
Housing Allowances								-	
Other benefits and allowances								-	
Board Fees								-	
Payments in lieu of leave								-	
Long service awards								-	
Post-retirement benefit obligations								-	
Entertainment									
Scarcity									
Acting and post related allowance									
In kind benefits									
Sub Total - Executive members Board	2	-	-	-	-	-	-	-	-
% increase	4								
Senior Managers of Entities									
Basic Salaries and Wages								-	
Pension and UIF Contributions								-	
Medical Aid Contributions								-	
Overtime								-	
Performance Bonus								-	
Motor Vehicle Allowance								-	
Cellphone Allowance								-	
Housing Allowances								-	
Other benefits and allowances								-	
Payments in lieu of leave								-	
Long service awards								-	
Post-retirement benefit obligations	2							-	
Entertainment									
Scarcity									
Acting and post related allowance									

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In kind benefits										
Sub Total - Senior Managers of Entities	4	-	-	-	-	-	-		-	
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages							-			
Pension and UIF Contributions							-			
Medical Aid Contributions							-			
Overtime							-			
Performance Bonus							-			
Motor Vehicle Allowance							-			
Cellphone Allowance							-			
Housing Allowances							-			
Other benefits and allowances							-			
Payments in lieu of leave							-			
Long service awards							-			
Post-retirement benefit obligations							-			
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
Sub Total - Other Staff of Entities	4	-	-	-	-	-	-		-	
% increase	4									
Total Municipal Entities		-	-	-	-	-	-		-	
TOTAL SALARY, ALLOWANCES & BENEFITS		86 893	86 743	-	8 557	45 962	43 372	2 590	6%	86 743
% increase	4		-0.2%							-0.2%
TOTAL MANAGERS AND STAFF		78 812	78 210	-	7 326	41 466	39 105	2 361	6%	78 210

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Employee related costs

The expenditure to date for employee related costs amounts to R 41.40million against the expected expenditure of R 39.1 million on midyear the variance of 2.3 million of which is not good for the Municipality. The percentage variance 6%. This was cause by the travel allowances of the employees, overtime, wages, Pension and UIF, performance bonuses of Directors as well as they medical aid and temporally works that were under budgeted in current year this will be corrected on adjustment budget included in a original budget. The performance of Directors for prior year or last that was not paid and this was not included in a budget for this period the percentage was more than the was budget for, the budget the increase on salaries was 6% while the assessment of Director was approved at nine percent this will corrected on adjustment budget.

Remuneration of Councillors

The expenditure to date for remuneration of Councillors amounts to R4,5million against the expected budget of R 3.9million and the variance R225, This was cause by the backpay that was approved by MEC of COGTA to pay our councilors' from July furthermore this will be adjusted on our adjustment budget on February.

CHALLENGES: IN YEAR MONITORING (IYM)

- The in-year reporting (IYM) or Schedule C template is not adhered to nor completed; only returns are submitted to treasury. We are still using the manual format when submitting our report
- Lack of review by senior managers on submissions made to Provincial Treasury.
- Cash flow projections for the municipality are prepared on the straight-line basis, therefore not realistic.
- The creditors report which is AC of appendix B and Schedule C report submitted are often not aligned.
- Municipal commitments are also understated as the municipal orders are not all disclosed; therefore, the contracts register, and commitments register not updated monthly.
- The municipal under spending is also due to bid committees not sitting and appointment of bid committees.

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- The municipality not submitting the narrative document and therefore not complying with Municipal Budgeting and Reporting Regulations (MBRR).

6. 2023/24	MID-TERM	BUDGET	PERFORMANCE:
RECOMMENDATIONS			

- The In Year Reporting (IYR) which is schedule C must be submitted monthly and report be submitted to all portfolio using the format not the manual format
- More effort should be put in reviewing the IYM submission made to PT.
- The municipality is advised to revise cash flows to align with municipal procurement plans.
- The municipality must always align AC of appendix B and Schedule C reports.
- The municipality needs to state names of the top 10 creditors. However, the municipality is commended for paying its creditors within 30 days.
- Municipality must update the contracts register and commitments register on monthly basis.
- The municipality is advised to have a schedule of meetings for all bid committees and honor the dates.
- The opening cash flow balance at the beginning of the month must always be captured in the CFA return; and
- The municipality is urged to adhere to submission dates and times and to submit credible reviewed work.

BUDGET PERFORMANCE vs. ADJUSTMENT BUDGET

Factors that inform the need for adjustment of the budget

Having considered the financial performance for the half year period, the following factors informed the need for the adjustment.

- Under collection on own revenue
- Recognition of grants and income that were not budgeted for during the approved 2023/24 final budget
- Capital project that are in progress that need the more funds
- Over/under spending on general expenditure

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2023-24 BUDGET FOCUS AREAS

The local government equitable share will grow at an average annual rate of above 9 per cent over the MTEF, this is because of funds that will be added in 2023/24 to offset the cost pressures of electricity purchases which continue to grow faster than inflation.

The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, we must consider the following when compiling their 2023/24 MTREF budgets:

- Cost Containment Measures are affected and that non-core items as outlined in Circular 82 are kept at a ceiling or reduced.
- Improving the effectiveness of revenue management processes and procedures.
- Ensure locative efficiency and the protection of core service delivery items; and
- The affordability of providing free basic services to all households.
- Implementation of Incentive Scheme

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7. SCM ISSUES

Irregular expenditure

The Municipality reported, through the SCM policy implementation report, an irregular expenditure is yet to be investigated and recovered by the municipality. The irregular expenditure is caused, inter alia, by non-compliance to the PPPFA and SCM regulations.

It is therefore recommended that:

- Compliance to the relevant legislations and regulations is always adhered to minimize and stop the irregular expenditure.
- Recovery of irregular expenditure.

SCM Reg. 36 Deviations from normal procurement processes

The municipality reported a very minimum number of procurements done through SCM Reg. 36. The municipality is applauded for keeping a very minimum number of procurements done through regulation 36.

Compliance issues

- **Website information**

The website of the municipality does not show up to date bid information as required in terms of Supply Chain Management Regulations. For example, the advertisement of all bid invitation, Bid received register & awarded bids.

It is recommended that all the required information be published on the website to achieve the transparency of the procurement system and fairness as envisaged by the MFMA and SCM policy of the municipality.

- **Other matters**
 - Model SCM Policy for infrastructure (MFMA circular 77)
 - Procurement Plan vs. SDBIP & IDP
 - Centralised supplier database (CSD) and adverting of tender as per MFMA circular 83 of

Quarter report is attached

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8. ANNUAL REPORT FOR 2023/24

AUDIT OUTCOME

The financial statements were submitted on time and Final audit Outcome its Unqualified for eDumbe Municipality with Auditor General.

- Irregular Expenditure decrease compared to last however we need to capacitate our unit of SCM and Finance Staff in order not to commit such expenditure and Policy will be implemented going forward in control such irregular expenditure.
- Unauthorised Expenditure this was decrease on financial year however the Council and the MPAC was not approved the unauthorised expenditure and irregular expenditure last year
- Fruitless and wasteful expenditure shows the increase because cash flow challenges this biggest contribute its Eskom and Auditor General
- Commitments understated / increase because the eDumbe Municipality depended on Grant on Capital Project and the Municipality facing the backlogs in term of project.

BTO ASSESSMENT

The functionality of the BTO within our municipality has such challenges:

- Approved of the Organogram and Appointed of Asset Management office.
- No aligned reporting processes.
- Lack of implementation of internal controls (Weak internal controls) and accountability
- No capacitating of staff
- Dependency on consultants
- Subordinates are not supervised as reports are submitted to outside stakeholders without the knowledge of supervisors.
- The intervention through internal audit, when doing their audit charter is critical to BTO, to ensure implementation of the recommendations raised in this report.

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N O.	CHALLENGES PROGRAMMES IDENTIFIED	/	PROGRESS ON RESOLVING PROBLEMS
1.	The municipality does not collect revenue to its maximum level		<p>The municipality is facing serious back blocks especially with the road's infrastructure and maintenance thereafter.</p> <p>The municipality must develop and adopt Revenue Enhancement Strategy</p> <p>There has been a slight improvement for revenue collection. To effectively implement this strategy, we need more funding for installation of meters.</p> <p>We need to maintain credible Indigent register to identify qualifying indigent consumers for free basic services and ensure that we don't increase our debt book with consumers who are indigent.</p>
2.	Non-Payment of Service providers and Inadequate Spending Against Capital Budget.		<p>The municipality is looking at other source of financial modeling to speed up the implementation of projects and to strengthen the municipal cash flows. Several tenders have been advertised for Source of funding.</p> <p>The municipality has multi projects that have not been completed affecting the service delivery and this should be addressed in the next two years once as our financial situation is improving</p>
3.	Grants Expenditure not in line with DORA requirements.		<p>The normally affects and reduces grant allocation for outer year.</p> <p>The municipality to fast-track and accelerate projects and to utilise entire funding as allocated to avoid holding of funds by NT</p>
4.	Inadequate funding for Repairs and Maintenance. The budget does not provide enough funding to meet the demand of repairing existing water infrastructure asset.		<p>Funding should be made available for the Development of Asset Maintenance and Replacement plan. This will assist the municipality to budget accordingly to meet the challenges faced for un-maintained infrastructure assets</p>
5.	Multi Year projects not completed on time and poor contract management		<p>The issue of work in progress remains a challenge even the audit has vast of issues raised for projects not completed on time, non-performing Service Providers (SP's) not charged penalties and extension of Contract now and then.</p> <p>The projects which are under construction to be completed within time frames and be capitalised; and nonperforming SP be charged penalties.</p> <p>The project files be updated monthly with financial and non-financial information, and this will assist in compiling credible Contract Management Register.</p>
6.	Supply Chain Management – Non sitting of bid committees causing delay in the implementation of projects		<p>The bid committees to adhere to the calendar for bid schedule meeting. The report for sitting of bids and implementation of procurement plans be submitted to Municipal Manager monthly</p>
7.	Supply Chain Management – non implementation of SCM policy resulting to deviation from SCM regulations		<p>The deviation reports are being compiled on monthly bases buton investigations have taken place as per the Municipal Public Accounting Committee</p>
8.	Lack of Office Space		<p>ANDM need to source funding for the construction or of municipal office space, this will ensure that service delivery is appropriately implemented and improve performance</p>
9.	No Standard Operating Procedures (SOP's)		<p>The SOPs are currently being reviewed to assist with the segregation of duties within the Budget and Treasury Office (BTO). The document</p>

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		should be ready for implementation by end of January 2025 and are in the stage of finalisation.
10.	Non-Implementation of audit action plan	The non-resolve issues will be included in the audit action plan and implementation is imperative to improve audit opinion Unqualified Audit Opinion that good for Municipality to maintain the audit opinion Some of the queries were addressed during the preparation of Annual Financial Statement (AFS)
11.	Delay in implementation of Data Cleansing project due to planning	The municipality need to launch the Data Cleansing exercise ASAP. Community outreach and other source of communication will be utilised to communicate this project to all communities. SCM bid committee to start the process. The revenue to perform reconciliation between billing system, data collected to date as well valuation roll information
12	Non – implementation of Standard Chart of Accounts (SCOA)	The current financial system has been upgraded to be SCOA compliant. This is an ongoing process, and everyone need to participate and be trained to ensure that everyone understand their requirements

9. RECOMMENDATIONS

RECOMMENDATIONS ON PLANNING AND BUDGET PROCESS

- The municipality must put added effort in ensuring that all the information that is indicated as not submitted/populated in the budget check list is fully submitted and or populated to achieve full compliance.
- The municipality's grant budget must be captured as per DoRA and gazette Provincial allocations.
- The executive summary must encompass all the critical components of the budget.
- Clear and sufficient information on measurable performance objectives and indicators must be included in the budget report.
- An explanation on movements that are above or below the norm must be provided in the municipality's budget report.
- An allocation towards repairs and maintenance budget must be increased.
- The MTREF budget and IDP must be fully aligned and SA tables A4 to A6 must be fully populated.
- The municipality must state clear and measurable objectives and populate Table SA7.
- There must be clear information on how the municipality's SDF, IDP priorities, SDBIP and budget are aligned.

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- Previous years' figures must be submitted to the LG-database; and the municipality must always ensure when preparing its budget that it is fully funded budget and realistic in accordance with Circular

RECOMMENDED for THE BUDGET ADJUSTMENT THAT:

- 1) The Mid-year Budget and Performance Assessment Report of eDumbe Municipality for the period ended 31 December 2023 as referred to in S72 of the MFMA be and are hereby NOTED.
- 2) The Monthly Budget Statement for the month of December 2023 and the supporting documents as referred to in S71 of the MFMA be and is hereby NOTED.
- 3) The Quarterly Budget Implementation Report and supporting documents as referred to in S52 (d) of the MFMA be and is hereby NOTED.
- 4) The Consolidated Report of withdrawals from municipal bank account be and is hereby NOTED.
- 5) The Mid-Year Budget and Performance Assessment 2023/24 be submitted to the Provincial and National Treasury in both electronic and hard copies.
- 6) The revision to the Service Delivery and Budget Implementation plan as referred to in S54(c) of the MFMA be and is hereby APPROVED.
- 7) The service delivery targets and performance indicators in the SDBIP will only be approved by Council following the approval of the adjustment budget.
- 8) The financial problems facing the municipality including any pending financial problems be and is hereby NOTED.
- 9) Instructions as referred to in S54(d)(i) of the MFMA be and is hereby given to the Municipal Manager to ensure that the budget is implemented in accordance with the service delivery and budget implementation plan be NOTED.
- 10) Instructions as referred to in S54 (d) (ii) of the MFMA be and hereby given to the Municipal Manager that spending of funds and revenue collection proceed in accordance with the budget be NOTED.
- 11) The municipality as referred to in S54(2)(a) of the MFMA be and is hereby committing to: -

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

- i. Introduce steps spending since revenue anticipated is less than the projected in the municipality's approved budget.
 - ii. Steps in terms of section Chapter 13 of MFMA is and hereby NOTED.
- 12) The MEC for the Department of Co-operative Governance and Traditional affairs as referred to in S54 (2) (b) of the MFMA be and is hereby alerted to the financial problems facing EDumbe Local Municipality

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7. ICT Contracts				
Name of Service Provider	Service provided	Performance status	Expiry Date	Contract current status
1. Itec Company – copier machines	The service provider supplied and maintains the copier machines.	The performance is satisfactory. However, the refurbishment is required to some machines.	31 May 2025	Ongoing
2. Business Connexion (Pty) Ltd – Internet	The service provider supplies with Internet service.	The service is uninterrupted except in a situation of the total interruption of the network in town caused by Telkom for particular reasons. The main challenge is the stealing of cables at location.	30 September 2022	The process of appointing a new service provider was finalized however the service provider has not resume the service to supply with the Internet.
3. Conlog Electricity (Finance) –	The service provider provides with electricity sales services.	The service is well performed. The SCM process was initiated to appoint new service provider.	30 June 2025	Ongoing
4. PABX s – Telephone system	Business Connexion (Pty) Ltd supplied and delivered with PABX system on an outright purchase condition.	The telephone system is well handled by the municipality by controlling the outgoing calls to avoid the exorbitant loss on this service.	Telkom for voice data – no fixed contract	Ongoing
5. CCG Systems – Financial management	Contract expired in August 2017. MEMORANDUM OF AGREEMENT was	This financial system is well monitored by ICT unit; hence it is functioning well and gets upgraded	Ongoing	Ongoing

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	signed between the municipality and CCG Systems (Camelsa Consulting Group).	timeously.		
6. Sage VIP – Payroll	This is the payroll system responsible for paying employees' salaries and wages	This payroll system functions well and gets upgraded timeously when necessary.	Ongoing	Ongoing

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CHAPTER 5- CORPORATE AND COMMUNITY SERVICES

INFORMATION AND TECHNOLOGY

Challenge	Proposed Solution
1. The ADSL is susceptible to weather conditions and network equipment is ageing.	<ul style="list-style-type: none"> The Internet connection mode has to change from ADSL to Fibre optic and Wireless Internet Access solutions to better improve speed and ensuring reliability and protection from theft.
2. Shortage of working tools and equipment.	<ul style="list-style-type: none"> There is still a shortage of computers or laptops for other municipal staff. The process to purchase other equipment will be implemented in 3rd and 4th quarter in 2023-2024 financial year, budget was made available to add more equipment.
3. The improvement of the server room is inadequate.	<p>The ICT unit still have to purchase the following lacking equipment for the server room:</p> <ul style="list-style-type: none"> Purchase the steel door Concrete ceiling Smoke detector Fire suppressor <p>In the 3rd and 4th quarter in 2023-2024 financial year the ICT unit will ensure that these equipment are purchased.</p>
4. DRP/BCP is not tested, therefore in an event of a disaster (i.e. burnt building, floods etc.) the municipality may encounter difficulties responding to the incident as there is inadequate preparation for the event and this could result a delayed business recovery from the event.	<p>As stated above the ICT unit will ensure that the DRP site is established in 2023-2024 financial year. The service provider for iCloud backup solution was appointed for online backup as additional to the physical DRP server system for information backup.</p>
<p>5. The municipality ICT policies are still using old software version of King III version instead of king IV. Hence the ICT policies and ICT Strategy need a review and approval by the Council.</p> <p>There is shortage of software products licenses (Microsoft office and windows, network firewall).</p>	<p>The appointment of service provider for reviewing the ICT policies to align with the King IV version is required. The budget for the appointment of service provider to review the ICT policies was not made available in 2023-2024 financial year, however, ICT unit will ensure to manoeuvre in its budget and cater for the process of outsourcing of service.</p> <p>The ICT unit will also ensure that in 3rd or 4th quarter of 2023-2024 the software licenses are renewed and also to purchase more licenses e.g. Ms Office 365 and OS licenses.</p>
6. Information Security and Cyber-attacks. The network infrastructure currently in place is inadequate and vulnerable to external and internal attacks (Cyber-attacks and Fraud). The software license for firewall or Licensed firewall had not been purchased in 2022-2023 financial year due to financial constraints.	<p>Software license for firewall or Licensed firewall had to be purchased in 2023-2024 financial year.</p>

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9. SUCCESSFUL PROCUREMENTS

- The repair and maintenance of the UPS unit which was broken in February 2023 was successful.
- The appointment of the service provider for Internet service supply.
- Purchase of 02 laptops.

10. PROCUREMENT OUTSTANDING

- Appointment of service provider for ICT policies review.
- Purchasing and Renewing of Ms Office and OS licenses.
- Establishment of DRP site.
- Purchasing of Server room equipment.
- Purchasing of the working tools e.g. laptops for various departments' staff.

11. MUNICIPAL WEBSITE

The ICT section ensures that all necessary documents as per section 71 of MFMA, 2003 and other documents that need to be uploaded on the website are getting uploaded on time after delivered by the relevant department that requires for such service. The ICT section also ensures that the reporting about this function is done on a monthly basis through the SDBIP reports and signed off by the director for Corporate and Community Services department.

12. COMMENT ON MUNICIPAL WEBSITE CONTENT AND ACCESS

ICT section as a support function unit within the municipality; it works with other directorates and departments to ensure that services reach the community through such facilities as community libraries and multi-purpose community halls. Furthermore, access has been increased by ensuring upwards and backwards compatibility of our systems, to ensure that anyone with a device that can process data and that has access to the Internet can open and access our website content. The municipality should monitor and report on the use of its website by the public, for example, by measuring the number of hits on the website.

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12. CONCLUSION

ICT as a section that plays an integral part in ensuring that all departments of the municipality are seamlessly receiving support with technology as the 4th generation compels that we move to the digitisation model, the municipality equally has a task to ensure that the budget is adequately available for ICT section to fulfil its institutional mandate.

B. ADMINISTRATION SECTION

Administration section consists of Committee (Council support), registry and cleaners. In committee there is Committee Officer, Committee Clerk and on In-service Trainee. Registry has got Registry Officer and Registry Clerk. Cleaners have a supervisor, Cleaners are cleaning administration buildings like main offices, town and satellite offices.

COMMITTEE/COUNCIL SUPPORT

1.1 EXCO Meetings

03 Meetings were facilitated

- 18 Sept 2023
- 26 Sept 2023
- 16 Nov 2023

1.2 Council Meetings

Council meetings:

06 Meetings were facilitated

- 31 Aug 2023
- 28 Sept 2023
- 05 Oct 2023
- 06 Oct 2023
- 28 Nov 2023
- 19 Dec 2023

1.3 Council Committees Meetings

Finance & Community Portfolio Committee

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03 Meetings were facilitated

- 28 July 2023
- 09 Nov 2023
- 23 Nov 2023

Infrastructure & Planning Portfolio Committee

01 Meetings were facilitated

- 28 August 2023

Corporate Services Portfolio Committee

02 meetings were facilitated

- 19 July 2023 (Finance)
- 26 Oct 2023 (Finance)

MPAC

05 meeting were facilitated

- 04 July 2023
- 12 July 2023
- 22 Aug 2023
- 28 Aug 2023
- 16 Nov 2023

1.4 Council Resolution Certificates

- Council resolutions are prepared, filed and issued to the relevant department as and when necessary.

2. Amakhosi Travelling Allowance Claims

- All claims were made in the third quarter 2023 and submitted to Finance Department for processing.

Council Resolution Certificates

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- Council resolutions are filed at Registry and issued to the relevant departments for implementation as and when necessary.

3. CORRESPONDANCE REGISTER

- On daily basis emails and hand delivered mail are received, insert appropriate reference numbers and register the work related letters in the above mentioned register.
- Make copies and distribute to the relevant officials after Municipal Manager's comments.

4. INVOICE REGISTER

- 📄 All invoices received by post or hand delivered are recorded in the invoice register.
- 📄 Invoices are distributed to creditor's office.

5. REGISTER OF FILES OPENED

- 📄 This register is used when there is a record that is created or received and is not accommodated to the existing files.
- 📄 Allocate a reference number for that record and register it in the register of files opened.

6. TENDER OPENING REGISTER

- 📄 Registry staff is part of tender box opening; they register bid documents and quotations received for that particular tender.

7. PHOTOCOPYING, PRINTING AND SCANNING

- 📄 These duties are performed on daily basis as per personnel request.

8. FILING OF CORRESPONDANCE AND CONTRACTS

- 📄 Filing of correspondence is updated on daily basis.
- 📄 Filing of contracts is done when receiving new contracts.

9. CLEANING

Cleaners are using cold water to clean the floors even during winter as the geyser is non-functional.

10. RECEIVING OF APPLICATIONS

Since our nearest post office is currently closed the applications for new vacancies are received via email, printed, registered and are submitted to Human Resources office after the closing date.

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11. CHALLENGES

Council Chamber	Computers	éDumbe Municipality Rules of Orders	Records
<p>Recording microphones needs to be added in order to accommodate the number of Councillors as it has increased.</p>	<p>The Committee Office needs more laptops, desktop in order to store more information and perform duties efficiently.</p>	<p>A workshop is required for Councillors in order to familiarise themselves with legislations.</p>	<p>The Registry Office needs a counter and that was a finding from Provincial Archives office. We use to include this in our budget input but it always doesn't appear on our final budget.</p> <p>A new postbag with padlock and chain is needed.</p> <p>A new desktop is needed.</p> <p>We are having a challenge with starting disposal process other records are written in Afrikaans which makes it difficult for us to sort and list but a letter requesting assistance have been sent to Provincial Archives Pietermaritzburg and we still waiting for their response.</p> <p>Post is now collected once a week in Vryheid post office since our nearest post office is closed until further notice.</p>

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C: COMMUNITY AND SOCIAL SERVICES

1. PURPOSE

The purpose of this document is to present the MID-TERM narrative report on the activities that took place/were performed by the Community Services Section during the 1st and 2ND quarters of the 2023/2024 financial year.

2. BACKGROUND

The Community Services section remains as one of the units that interact mostly with the community at a very local level. Most of the activities performed in this unit are those that emanate from community structures that are recognized by the municipality. A large percentage of the activities performed in the 2023/2024 first six months are derived from the approved 2023/2024 SDBIP of the municipality whilst others are performed as per the mandate of the unit in general. This report covers the period starting from the 1st July 2023 – 31st December 2023.

3. DELIBERATIONS

3.1 DISCUSSION

The approach for this report is to elaborate briefly on the activities performed per sub-unit within Community Services during the reporting period.

4. REPORTS

4.1. Sub-Unit 1 Sports Development

As per the approved SDBIP as well as the approved procurement plan for the 2023/2024 financial year, the Sports Development unit managed to achieve 6 of its targets in this reporting period. The targets achieved are briefly explained below. The targets met are as follows:

PROGRAM	DATE	VENUE
a) Attendance of Dundee July Horse Riding	14-15 July 2023	Dundee
b) Participation in District Indigenous Games Selections	12 August 2023	Emkhwakhweni Sports field, Phongolo
c) Participation in Provincial Indigenous Games	25-30 September 2023	Durban

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d) Hosting of Local Mayoral Cup Games	11 November 2023	Bilanyoni Stadium , Mangosuthu Sports field & Dumbe Regional Stadium
e) Participation in District Mayoral Selections	18 & 25 November 2023	Cecil Emmet Sports field & Ulundi Regional Stadium
f) Participation & attendance of 2023/2024 KZN DSAC SALGA Games	8-11 December 2023	Richards Bay

Dundee July 2023:

Each year the KZN Department of Sports, Arts & Culture (DSAC) hosts this prestigious event to showcase the horse riding talent across the province. All 11 districts in the province take part in this event. Over the years this event has managed to attract people, artists and distinguished people from all walks of life as it also gives an opportunity to the upcoming fashion designers to showcase their work hence boosting the economy of the province and the district at large.

As a norm, this event is held in the UMzinyathi District with eNdumeni Local Municipality (Dundee) being the host local municipality. The Dundee July horse riding event was held from the 14th – 15th July 2023. EDumbe Municipality under the Community services department assisted horse owners from Edumbe to also take part in this prestigious event. They were supported with transporting their horses, at an amount not exceeding R45 000.

District & Provincial Indigenous Games 2023:

These games are different from the sports games that we are accustomed to; their origins are based on games that African people used to play back in the days. The Indigenous games range from Inqathu, Shumpu, Khokho, Juskei, Induku, etc. our municipality assisted our IG players with transport to participate in the IG's District selections that were hosted by uPhongolo municipality on the 12th August 2023. The players who were selected then went on to represented the Zululand District in the Provincial games which were hosted by the eThekweni Metro from the 25th – 30th September 2023.

Local & District Mayoral Games 2023:

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As standard practice, e'Dumbe Municipality hosts their own Local Mayoral Cup Games in order to be able to select teams/squads per sporting code to represent the local municipality in the District cup. Local Mayoral Cup games are hosted before the district cup. The e'Dumbe Local Mayoral Cup Games were held on the 11th November 2023 in 4 separate venues. Athletics were playing in Ward 3 Dumbe Regional stadium, Ladies soccer played at Mangosuthu Sports field, Dance played at Kanye-Kanye Hall and all other codes played at Bilanyoni sports field. Codes were represented as follows per ward:

CODE	WARD/S
Boxing	4 and 10
Karate	4
Dance	4
Athletics	All Wards
Soccer Males	All Males
Soccer Females	1, 3, 4 , and 10
Netball Females	All Wards
Netball Males	3, 4 and 5

Results of the Local Mayoral Cup games for 2023 were as follows:

CODE	POSITION 1	POSITION 2
Soccer Males	Ward 9	Ward 10
Soccer Females	Ward 10	Ward 4
Netball Males	Ward 4	Ward 3
Netball Females	Ward 2	Ward 4

NOTE 1: Karate, Boxing, Dance there were no winners as competition was limited amongst the wards.

NOTE 2: District Mayoral Cup was not held this year; instead the District has selections for different codes on the 18th and 25th November respectively.

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SALGA Games 2023: the 2023 SALGA Games were held from the 8th – 11th December 2023 under the King Cetshwayo District Municipality, host local municipalities being uMhlathuze and uMfolozi Local municipalities. The results for the 2023 SALGA Games are as follows:

CODE	POSITION 1	POSITION 2	POSITION 3
Athletics	eThekwini	Umzinyathi	King Cetshwayo
Basketball Males	UMgungundlovu	eThekwini	iLembe
Basketball Females	UMgungundlovu	eThekwini	uMzinyathi
Boxing	eThekwini	King Cetshwayo	iLembe
Chess	eThekwini	iLembe	King Cetshwayo
Dance	eThekwini	uMkhanyakude	Zululand
Football Females	eThekwini	iLembe	Ugu
Football Males	King Cetshwayo	iLembe	uMkhanyakude
Karate	iLembe	eThekwini	Ugu
Netball Females	King Cetshwayo	Zululand	eThekwini
Netball Males	King Cetshwayo	Zululand	eThekwini
Rugby Males	King Cetshwayo	Zululand	uMzinyathi
Rugby Females	King Cetshwayo	eThekwini	uMzinyathi
Table Tennis	eThekwini	UMgungundlovu	King Cetshwayo
Tennis	eThekwini	King Cetshwayo	Ugu
Volleyball Females	Umkhanyakude	eThekwini	Ugu
Volleyball Males	Umkhanyakude	eThekwini	Ugu

NOTE: Overall Winner for 2023 SALGA Games is eThekwini Metro.

4.2. Sub-Unit 2 Social Cohesion

This sub-unit achieved 10 targets this reporting period. The targets achieved are detailed in the below table:

PROGRAM	DATE	VENUE
Attendance of Umkhosi Wesivivane	3-6 August 2023	KwaKhangela Royal Residence, Nongoma
Attendance of Royal Reed Dance Ceremony	8-10 September 2023	Enyokeni Royal Residence, Nongoma

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Artists Workshop & Profiling	13 September 2023	eDumbe Municipality Council Chamber
Attendance in the Provincial Cothoza Competition	23 September 2023	The Playhouse, Durban
Zion Competition	25 November 2023	Bilanyoni Primary School
Ingoma Yezintombi	23 December 2023	Bilanyoni- Ward 4
Ingoma Competition	26 th December 2023	Kwa Vova – Ward 5
Cothoza & Oswenka Competition	27 th December 2023	eDumbe Community Hall – Ward 3
Ingoma Competition	28 th December 2023	KwaNgwanya-Ward 2
Ingoma Competition	31 st December 2023	Mangosuthu – Ward 10

Umkhosi Wesivivane 2023:

The 1st target achieved is that of attending Umkhosi Wesivivane. It was held on the 3rd – 6th August 2023 at at KwaKhangela Royal Palace. This event is a build up to the main event of Umkhosi Womhlanga. At Umkhosi weSivivane, the Matrons are trained and then they also clean the palace in preparation of Umkhosi Womhlanga. The Social Cohesion Coordinator attended Umkhosi weSivivane.

Umkhosi Womhlanga 2023:

The 2nd target achieved is that of attending the Umkhosi Womhlanga (Royal Reed Dance). Umkhosi Womhlanga for 2023 was held in eNyokeni Royal Palace from the 08th – 10th September 2023. A total of x 466 Virgins/Maidens and x64 Matrons represented eDumbe Municipality in this year's edition of Umkhosi Womhlanga. The Municipality assisted with transport (x27 taxis), t/shirts & Amabhayi for maidens as well as golf t/shirts for the matrons. As per the request of the department (DSAC) the municipality also provided breakfast and lunch for the attendees. The District DSAC was responsible for provision of x1 bus.

Artists Workshop & Profiling:

The 3rd target was that of facilitating profiling & workshop for the Edumbe artists in the film industry. The workshop was done by the district DSAC on the 13th September 2023 at the municipal council chambers. The target beneficiaries were those from the producers, directors, actors, makeup artists, wardrobe, script writers etc in the film industry and those aspiring to be

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in the industry. A total of 27 people attended the workshop and were profiled for future trainings & workshops.

Provincial Cothoza Competition 2023:

Fourth target achieved in this period by this sub-unit is that of assisting x3 groups of Isicathamiya to partake in the Playhouse Provincial Cothoza Competition. The competition was held in Durban on the 23rd September 2023 and the municipality assisted with hiring of x1 65 seater bus for the 3 groups to attend.

Zion Competition 2023:

The Zion competition was held on the 25th November 2023 at Bilanyoni Primary School hall. The competition was a huge success as it was held for the first time. A total of 11 church choirs battled each other on stage and 5 winners walked away with prize monies. The results for the 2023 Zion Competition are as follows:

GROUP	POSITION	AMOUNT WON
JMC	1	R8000
Salem Izethembiso	2	R6000
Jobba Mission	3	R5000
Lord Creation Praises	4	R4000
Umkhumbi ka Noah	5	R2000

Ingoma & Cothoza Competitions 2023:

A total of 4 Ingoma competitions and 1 Cothoza competitions were held in December 2023 in different wards. All these competitions were held under the umbrella of promoting Social Cohesion. The results are as follows:

EVENT	DATE & VENUE	WINNERS
Ingoma Yezintombi	23/12/23-Bilanyoni	1.Selimathunzi 2.Amathula Msindo 3.Oqhawekazi
Ingoma Yezinsizwa	26/12/23-Kwa Vova	1.uThuli lwezinyathi 2.Amavikelambuso 3.Selimathunzi

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		4.Amathole amnyama 5.Amaphikankani
Cothoza Competition	27/12/23- Dumbe Community Hall	1. Ophuzane Young Boys 2. Dumbe Jealous Down 3. Rainbow Nation 4. Inhlokomo 5. Blue Khwezi
Ingoma Yezinsiswa	28/12/23- Kwa Ngwanya	1. Amagcokam a 2. Inyunyana Emnyama 3. Abafana benkululeko 4. Abazoloji
Ingoma Yezinsizwa	31/12/23- Mangosuthu	1. Selimathunzi 2. Uthuli Iwezinyathi 3. Ojikelele 4. Ikameli 5. Amaphikank ani

4.3. Sub-Unit 3 Special Programs

The sub-unit achieved 5 targets in this reporting period. They are as follows:

PROGRAM	DATE	VENUE
Local Senior Citizens Games	19 July 2023	eDumbe Regional Stadium – Ward 3
Participation in District Senior	26 July 2023	Cecil Emmet, Vryheid

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Citizens Games		
Hosting of Isibaya Samadoda	31 July 2023	Tholakele Community Hall-Ward 5
Hosting of Horse Riding Competition	22 December 2023	Dumbe Dam- Ward 9
Elderly Christmas	22 December 2023	Municipal Open Space – Ward 9

Local Senior Citizens Games 2023:

The senior citizens games were held on the 19th July 2023 at Dumbe Regional Stadium. The luncheon clubs from wards battled against each other for selection to represent eDumbe in the district games. The selections were a success. The municipality provided facilities & transport for the games to be a success

District Senior Citizens Games 2023:

The district games were held on the 26th July 2023 at Cecil Emmet sports grounds under Abaqulusi municipality. The municipality provided transport to the participants to represent us. A total of x4 taxis were hired by the municipality to transport our senior citizens to the district games.

Isibaya Samadoda 2023:

Special programmes unit did this programme on the 31st July 2023 at Tholakele Hall in ward 05, this movement strongly aims to promote the well- being of men and alleviate the health issues they face daily, and often contributing to detrimental social ills such as gender based violence, femicide and inequality. It is a platform where men can speak up and discuss issues related to voluntary medical male circumcision, HIV testing services, TB screening, prostate cancer and mental issues. Stakeholders that were also part of the programme were, DSD, DOH, SAPS, NGO's, IEC, Traditional healers, Religious leaders and Home Affairs.

Horse Riding Competition 2023:

The competition was held on the 22nd December 2023. Horse owners and jockeys from eDumbe, Mondlo, Ulundi, Newcastle, Ladysmith, Dundee, Utrecht participated in this competition. The event was also graced by Amakhosi ase Ndlunkulu Inkosi BP Sibisi and

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Inkosi SW Mthethwa. Councilors also attended the event. Winners for the Horse riding competition are:

HORSE NAME	POSITION
Mbayimbayi	1
Alpha & Omega	2
Amazondo	3
Trouble Maker	4
Album	5

Elderly Christmas 2023:

Under the Special Programs umbrella, the Mayor Cllr MS Mkhabela celebrated Christmas earlier with the senior citizens from all 10 wards of eDumbe municipality. Scores of elderly men & women flooded the municipal premises to celebrate with the Mayor and Councilors. They did not go home empty handed, as they were all gifted with grocery hampers. The municipality purchased grocery hampers for the senior citizens as a token of Christmas for them and their families.

4.4. Sub-Unit 4 Waste Management

This sub-unit managed to ensure that waste is collected as per the approved schedule for the quarter in question. As per the schedule this sub-unit collected waste in Ward 2, 3, 4 and 9. The waste collection is done both in households, shops and industrial area. As part of its functions as well, thus sub-unit also cleans the town streets. Town cleaning is done during the week and also on weekends. On weekends cleaning is done by weekend employees.

In terms of outreach programs, this sub-unit conducted 3 clean up campaigns/outreach programs and conducted 1 workshop this period as follows:

PROGRAM	DATE	VENUE
Waste Pickers Workshop	23 August 2023	Dumbe Library
Cleaning Campaign	25 October 2023	Dumbe Dam
Cleaning Campaign	30 November 2023	Dumbe Dam
Illegal Dump Clearing Campaign	20 December 2023	Dumbe Location

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4.5. Sub-Unit 5 Libraries

The 3 libraries managed by the eDumbe Municipality performed as follows in this reporting period:

LIBRARY	PATRONS STATISTICS FOR MID-TERM	CYBERCAFE STATISTICS FOR MID-TERM	OUTREACH PROGRAMS FOR MID-TERM
Paulpietersburg	144	118	4
Bilanyoni	93	132	7
Dumbe	1567	1639	3

D: HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT

Hereunder are the different components of Human Resources:

Human Resources Management

Labour Relations

Human Resource Skills Development

Human Resource Planning

The field of Human Resources combines administrative personnel functions such as recruitment, employment, training and other personnel issues, with employee relations and resource planning and development. The objective is to maximize the return on investment from the human capital within the Municipality and to minimize financial risk. It is therefore the responsibility of the Human Resources Unit in consultation with Management to conduct these activities in an effective, legal, fair and consistent manner. The Human Resources Unit aimed at being an active partner in the facilitation and creation of a self-motivated and progressive Municipal workforce that is focused on Municipal service delivery objectives whilst also achieving personal and career growth as well as self-fulfilment.

1. ORGANIZATION DEVELOPMENT AND STRUCTURE:

The recruitment process used by the Municipality is a consultative and incorporated process. A request to fill a vacant position is received from the relevant Head of Department and once the Municipal Manager approves the request, the position is advertised. On receipt of applications,

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Human Resources do the initial sorting and summary of applicants. Employment Committee is then called to short list candidates. Once this is completed, the interview is arranged and conducted with the applicants. The interviewing panel consists of the (Municipal Manager, Departmental Directors, two councillors (if it's senior position), Human Resources representative and the relevant Unions).

1.1 Positions Advertised (July to Dec 2023)

- Supervisor Waste Collection
- Land Admin Officer

1.2 Interviews seated (July to Dec 2023)

- No

1.3 Appointed employees (July to Dec 2023)

NO:	INITIALS AND SURNAME	DEPARTMENT	POSITION	DATE OF APPOINTMENT	DURATION
1.	Ms P.B. Mabuya	Corporate Services	Cleaner Supervisor	1 July 2023	Permanent
2.	Mrs S.P.N Maseko	Corporate Services	Leave Management & Auxiliary Clerk	1 Sept 2023	Permanent
3.	Ms N.A. Madonsela	Corporate Services	Registry Clerk	1 Sept 2023	Permanent
4.	Mr M.S. Khanyile	Infrastructure Services	Director Infrastructure	1 Nov 2023	Permanent
5.	Mr V.B. Mbatha	Corporate Services	Director Corporate	1 Nov 2023	Permanent

1.4 Fixed Term Contracts (July to Dec 2023)

The Municipality has appointed

- Supervisor Building Maintenance for 7 months
- Two(2) General Assistance for three months
- Expanded Public Work Programme (EPWP) workers (January 2023 to January 2024)

1.5 Staff Induction

All appointed staff is always inducted by Human Resources Section.

1.6 Promotion

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The municipality does not have the policy for promotion; we follow selection and recruitment policy approved by Council.

1.7 Employees Resigned/Retired/Contract Ended/Deceased & Dismissed(July to Dec 2023)

NO:	NAME	POSITION	REASON	DATE
1.	Ms N.S.S. Xaba	Internal Auditor Officer	Resigned	16 November 2023
2.	Ms N.L. Manzini	Tourism Officer	Resigned	30 November 2023
3.	Mr S.Z. Mjadu	VIP Guard	Deceased	08 December 2023

2. LEAVE RECORDS (July to Dec 2023)

2.1. Leave Administration and Management

Municipal leave records are updated on weekly basis and also captured on the system. Municipal staff have adapted the culture of taking 16 days leave compulsory and employees ensures that the leave that the vacation leave is approved before taking it.

Senior Managers also take 10 days compulsory in a cycle those who have not taken the compulsory leave Human Resource Unit has choice to forfeited them, each employee has two files one is for personnel (Particulars) documents and the other is for leave records.

NB: *We currently experiencing problems with our system since July, it doesn't allow us to access on it we have reported to our fellow colleague from finance.*

2.3. Leave paid (July to Dec 2023)

- Ms N.S.S. Xaba
- Ms N.L. Manzini

2.4. Pro -Rata bonuses paid (July to Dec 2023)

- Ms N.S.S. Xaba
- Ms N.L. Manzini

3. JOB PROFILES AND WAGE CURVE IMPLEMENTATION:

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The Municipality did the Job Evaluation in 2015 and the outcome was implemented, the salary and wage collective agreement was implemented for 2021 July to 2024 June.

3.1. Job description

All Municipal employees have signed job descriptions and are kept on their personal files

4. EMPLOYMENT EQUITY:

In compliance with the Employment Equity Act, Act 55 of 1998, the éDumbe Local Municipality appointed Mr V.B. Mbatha to developed a five year Employment Equity Plan, starting from 2022 to 2027. The progress and developments of the Employment Equity Plan are annually reported to the Department of Labour at the end of January of each year.

5. WORKPLACE SKILLS PLAN:

The Workplace Skills Plan for 2021/22 for the Municipality was finalized and delivered to LGSETA together with the Annual Training report for 2021/22 on due date, i.e. 30 April 2022.

6. TRAINING & DEVELOPMENT:

- None

7. HUMAN RESOURCES POLICIES:

Through leadership from the Director: Corporate and Community Services, various Human Resources and Administrative Policies were drafted and approved by Council. The process commenced with the identification of critical areas of concern, prioritisation and selection of HR interventions and agreement on time frames for delivery. Various presentation sessions to all Departments as well as Councillors took place and the Council have already adopted the following Policies in 2023 such as:

- Recruitment and Selection
- Remuneration Policy
- Leave policy

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- Acting policy
- Subsistence & Travelling policy
- Overtime policy
- Housing policy
- Training and Development policy

8. LABOUR DISPUTES AND OUTCOMES:

The purpose of a disciplinary code and procedures is to regulate standards of conduct and incapacity within an Organization. The aim of discipline is to correct unacceptable behaviour and adopt a progressive approach in the workplace.

8.1. Grievances and dismissals

Grievance procedures forms are available in Human Resource Unit and Municipal staff is aware of them and they are attended timeously if there is any that has been submitted the below are ongoing matters:

LABOUR MATTERS

AGGRIEVED	GRIEVANCE	STATUS
1. Mr M.N. Mathabela (I.C.T. Manager)	The matter concerned his election to serve as shop-steward by his union.	The matter remains unresolved.
2. Mr M.F. Madi (PMU Technician)	The matter concerned his claim of Unfair labour practice by the employer and the aggrieved applied to SALGBC for arbitration and matter was finalised on the 20 th of June 2023. The application was dismissed however the employee took the matter to Labour Court.	At Labour court.
3. Mr I.M. Hadebe & Mr N. Khumalo	The matter concerned the reshuffling of Mr Hadebe and Mr N. Khumalo to other sections without prior consultation and they took the matter to the Bargaining Council at arbitration level.	The matter is ongoing.
4. Grass cutters (Mayisela & 12 Others)	The matter concerns non-renewal of the EPWP's contract and they took for Unfair Dismissal to SALGBC the matter is due to proceed on the 11&12 September 2023.	Finalised.
5. Mr M. Mbatha	The matter concerns the termination of contract	The matter is ongoing.

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8.2 Pending and finalised Municipal Cases

LITIGATION

ATTORNEYS	MATTERS	STATUS
AfriForum vs. éDumbe Municipality	The Municipality was sued for not paying R14 884.81. AfriForum claimed at the time that they have repaired certain portion of the urban roads without the permission of the municipality and needed to be refunded of that money. The municipality took a decision to defend itself.	The matter died down due to non-existence of agreement between parties.
MSN Investments	The municipality has been sued by MSN Investments claiming that he was appointed by acting Municipal Manager verbally to continue working for the council for the finalization of Annual Financial Statements. MSN Investment is claiming R78 906 for work performed. The legal cost estimated was R50 000.	The absence of written agreement led to the matter not proceeded with by the claimant.
Mott MacDonald (Pty) Ltd	The matter concerns the unpaid invoice claimed by the company. The municipality is not liable for payment as the mandate to provide housing lies with the KZN Department of Human Settlement. However the matter was referred to our attorneys for advice. Furthermore their proposal has not reach the either the municipality nor KZN dept of Human Settlement as they are party to the matter.	Not finalised due to claimant resorting to out of court settlement but the municipality is not acceding to their proposal.
Mgemfu trading projects vs ELM	The municipality has been sued by Mgemfu trading and projects for the amount of R120 000.00 claiming that he was appointed to deliver 100 000 refuse bags for the municipality, R6000.00 for unpaid invoices for partial delivery of the aforesaid, and R114 000 for loss of income as a result of the unlawful cancellation of the appointment.	The matter was settled through agreement that the municipality was not prepared to pay.
MMSD Transport and General services vs ELM	The municipality is being sued by MMSD transport and general trading for loss of income claiming that he was appointed by the then Acting Municipal Manager for the Supply and delivery of wet fuel for which those services	The matter was settled through the engagement between the

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	were never utilized.	municipality and the then Acting MM and eventually the service provider discontinued with the matter.
Maximum Profit Recovery vs ELM	The municipality was challenged by Maximum profit recovery for the deemed unlawful terms surrounding the advertisement and appointment of MBD consulting for the recovery of VAT.	The matter is at SCA.
Faizel Kotwal & Kotwal Motor Spares vs ELM & Vincent Muzivele Magwaza	The matter relates to a letter of demand dated 15 May 2023. The municipality had denied liability for the damages suffered by the claimant.	Not finalised and awaiting further action from the claimant's attorneys.

9. ATTENDANCE BY EMPLOYEES AT WORK:

All departments have attendance registers, the registers are checked by Manager Human Resources on monthly basis before processing the salary of each and every employee. It is the responsibility of Supervisors to check attendance registers on daily basis, if the employee did not sign the attendance register and no leave form éDumbe Municipality applies no work no pay.

10. OVERTIME/STANDBY

All employees that have worked over time and being on standby were paid **(July to Dec 2023)**

July	August	September	October	November	December
R126 678.97	R17 059.98	R154 343.84	R235 255.66	R121 970.76	R147 816.99

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11. LONG SERVICE PAID (July to Dec 2023)

Initials and Surname	Number of years
Mr B.E. Thabede	20
Ms N.S.S. Xaba	10
Mr S.M. Kunene	15
Ms T.O. Mbatha	15
Ms S.F. Ngobese	20
Mr M.S. Nkosi	10
Mr S.M. Ngema	10
Mr M.M. Ndlozi	10
Mr S.M. Sibiya	10
Mr R.B. Vundla	15

12. LOCAL LABOUR FORUM

- We had no LLF meeting seated

13. STAFF MEETING

- 15 September 2023

14. GENERAL

The challenges in Human Resource section:

- Being under staff only three employees to deal with Human Resource Unit.
- Not having sufficient Budget for Human Resources operations
- Not having enough tools of trade

15. CONCLUSION

In the absence of sufficient resources to address service delivery requirements, challenges will always be there in any public sector organisation and therefore this Municipality is no exception but gradually the impact to the well-being of people about what we do, will be felt no matter how small it would be to the citizens of éDumbe in its entirety.

E: PUBLIC SAFETY

1. Vehicles Testing Station {VTS}

The sub-section deals mainly with Testing of vehicles for Roadworthiness. This sub-section has 12 in number of equipment that needs to be calibrated and it is inspected by SABS annually. The revenue generated by this sub-section is for municipality. South African Bureau

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of Standards {SABS} only takes 3% of each vehicle that has been tested for every six months. This sub-section is manned by x2 Examiners with Grade A, X1 Pit Assistant.

REVENUE COLLECTED FROM JULY TO DECEMBER 2023

ITEM	July - Sept 2023	Oct – Dec 2023	+/-VARIANCE
COR Applications	R13'770.00	R5'050.00	R8'720.00
COR Issued	R5 400.00	R1'920.00	R3'480.00

Drivers Licence Testing Centre {DLTC}

The sub-section deals mainly with applications of Driving licence and learners licence, testing and issuing of Learners Licence and Driving Licence, Driving Licences renewals, application and issue Professionals Driving Permits{PrDP}as well as Eye Test. The total revenue generated by this sub-section is for the municipality. This sub-section is manned by 6 employees x2 Examiners with Grade A, X1 Examiner with Grade L, X1 Examiner with Grade F, X1Supervisor and x2 Cashier.

REVENUE COLLECTED FROM JULY TO DECEMBER 2023

ITEM	July –Sept 2023	Oct –Dec 2023	+/-Variance
Drivers Tests	R12'650.00	R300.00	R12'350.00
Learners Tests	R17 400.00	R.7'050.00	R10'350.00
Learners Licence Issued	R3 660.00	R1'200.00	R2460.00
PDPs	R20 550.00	R14'676.00	R5'874.00
Driving Licence Cards Issued	R47 880.00	R24'111.00	R23'220.00
Temporary & Duplicates	R13 950.00	R6'660.00	R7'290.00

NB. Please take note that the collection of revenue has dropped specially on Driving licence sub-section due to none application for Driving test (Bookings). The testing of Driving licence will be resumed as soon as the road constructors 'are done with rehabilitation of roads.

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3. Registration and licensing of vehicles:

The sub-section deals with functions related to vehicles mainly Registration and Licensing. Agency fee calculated at 8.55% of the total revenue is retained by the municipality. This sub-section is manned by 3 employees comprising of x1 Supervisor, x2 Cashiers.

Agency fee calculation increase from 8.69% to 10%

ITEM	July - Sept 2023	Oct - Dec 2023	+/-Variance
Agency Fee	R101'783.80	R98'437.25	R3'346.55.

4. Traffic

This sub-section deals with all traffic related matters through National Road Traffic Act, Criminal procedure act and Municipal By-Laws. The revenue generated by this sub-section is for the Municipality. It is manned by x1 Traffic Chief Officer, x1 superintendent, x1Senior Traffic officer, x 5 Traffic officers and x1 Traffic clerk. Two traffic officers have been moved from performing their duties on the road to test vehicles and drivers in the office therefore we request two additional trained traffic officers to replace these two officers

- **SECTION 56 NOTICES ISSUED FOR THE MONTH OF JULY 2023 TO DECEMBER 2023**

SECTION 56 NOTICES ISSUED	TOTAL	AMOUNT
July - Sept 2023	155	R114'300,00
Oct - Dec 2023	93	R75'300.00

- **REVENUE COLLECTED ON SECTION 56 NOTICES FOR JULY 2023 TO DECEMBER 2023**

JULY - SEPT 2023	OCT - DEC 2023	+/- VARIANCE	% INCREASE	% DECREASE
R57'000,00	R73'800,00	R16'800.00		

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5. ROAD MARKINGS

None.

6. STAFF TRAINING AND ORGANISATIONAL STRUCTURE CHANGES

None.

7. OVERTIME

Overtime was paid during this period to all junior staff members with the exception to Manager Public Safety for duties performed.

8. FIRE

This sub-section deals with fire related functions throughout the whole of eDumbe Area {10 Wards}. It is controlled by the Fire Brigade Act, Standard Municipal By-Laws and Building Regulation SABS 0400-1990. The equipment, to service the community the Fire Team has one bakkie, one truck SAMAL 50 of which is dilapidated, one old Bakkie and two Bakkie Sakkie and 12 beaters. It is manned of 9 Fire Fighters that do all the functions.

9. Achievements

The section managed to conduct Festive Season Traffic Awareness Campaign on the 13th December 2023.

10. Disaster Management

These sub-section deals with all issues related to Disaster and it works hand in hand with Fire Sub-section. This sub-section report all incidents occurred in eDumbe area to Council and District Disaster Management .It is manned by Acting Disaster officer (Manager Public Safety) and Nine Fire Fighters

SUMMARY STATISTICS ON –HR-HEAVY RAIN, FI-FIRE, LT-LIGHTNING, HS-HAILSTORM, F-FLOODS, SW-STRONG WIND

eDumbe municipality summary statistics

Wards	Types of incidents	Number of incidents	Household affected	People affected	Fatalities	Injuries	ASSISTANTS GIVEN
1	LIGHTNING, HEAVY RAIN & FIRE	1LT, 4HR & 1FI	6	41	0	0	3 BOX-B, 3 PLASTIC SHEET &

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							3SPONGE
2	STRONG WIND & LIGHTNING	1ST & 1LI	2	6	0	0	2BOX-B
3	HEAVY RAIN & STRUCTURAL FIRE	1HR & 3FI	4	21	1	0	4BOX-B , 3SPONGE & 3PLASTIC SHEETS
4	STRUCTURAL FIRE	1FI	1	4	0	0	1BOX-B
5	STRUCTURAL FIRE & HEAVY RAIN	1FI & 2HR	3	13	0	0	3 PLASTIC SHEETS & 1 B BOX
6	NONE	NONE	NONE	NONE	0	0	NONE
7	HAIL STORM, LIGHTNING, STRONG WIND & HEAVY RAIN	1HS , 1HR, 1LI & 2ST	5	40	0	0	3BOX-B & 3PLASTIC SHEETS
8	NONE	NONE	NONE	NONE	0	0	NONE
9	HEAVY RAIN, FIRE ,HAIL STORM, FIRE & STRONG WIND	6HR, 3FI, 2ST & 1HS	12	77	0	0	10BOX-B & 8PLASTIC SHEETS
10	STRONG WIND, HEAVY RAIN & FIRE	1 ST, 3FI, 3LI & 2HR	6	32	0	0	3BOX-B, 6 SPONGE & 3PLASTIC SHEETS
TOTAL	FI, HS,ST, LI & HR	12FI,11HS,6ST & 16HR	41	234	1	0	26PLS & 27B BOX & 12 SPONGE

11. CHALLENGES

- Alarm System and Fencing of the premises/yard
- Office Space
- Shortage of Fire Equipment
- Disaster officer or Fire Chief

12. GENERAL

Desired State for Public Safety

- To have Disaster Centre and Fire Equipment
- Disaster Officer
- Fire Engine

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CHAPTER 6 : PLANNING AND INFRASTRUCTURE DEPARTMENT

- **Integrated Development Planning**

During quarter 2, the IDP Process Plan suggests that IDP Road Shows which is known as Public Participation be done for each ward. Ten (10) wards were visited by His Worship the Mayor, Cllr. S Mkhabela and Councillors supported by the Administration led by the Municipal Manager, Mr. JFK Khumalo.

After the IDP Road shows followed the sitting of the IDP Representative Forum, wherein all the sector departments are invited to make their presentation.

1. **Local Economic Development**

- **Business Licensing and Co-operative Registration**

- The process of business licensing is ongoing and the sub unit of LED helps businesses to obtain licenses after various inspections have been done.
- Cooperatives are also supported only when they come to seek assistance
- Business trainings have been conducted by SEDA with training on various aspects of business including application for funding.

- **Informal Traders Support**

- Due to budgetary constraints, the planned demarcation of trading bays and numbering did not happen. In Quarter 3, efforts shall be made that a portion of LED budget be made available to ensure the implementation of Informal Traders Bylaws by earmarking and demarcating trading bays to ensure the effectiveness of Trading Permits.
- Also the Gazetting of Informal Traders By-law did not take place due to budgetary constraints.

Co-operatives

The support usually given to cooperatives by eDumbe Council through the LED Funding/ Budget did not take place due to budgetary constraints.

2. **Tourism**

- The Tourism Officer who has been in the helm since 2015 until December 2023 has submitted her resignation letter to the municipality until end of December 2023. Therefore, the position is vacant and would request an amicable replacement, someone who would beat the odds to make this office functional amid challenges experienced due to budgetary constraints.
- Our position as Town Planning Department regarding the tourism business, eDumbe is not marketable due to the following reasons:

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

- The tourism office needs to be painted and renovated to entice and attract the public.
- Our attempts to eDumbe Municipal website to include Tourism business has not been successful due to budgetary constraints. However, an effort was made by tourism team to collect all the information

3. Building Inspections and Land Administration

- Numerous attempts have been made to have the following post advertised as they are budgeted for.
 - (i) Building Inspector
 - (ii) Land Administration Officer
- Due to budgetary constraints, the position of Building Inspector has been held in abeyance until further notice by Department of Corporate Services
- The position of Land Administrator has been advertised before closing for festive season holidays. Currently we are waiting for Human Resources to conduct short listing and proposed suitable dates for the interviews.

4. GIS License

- Our efforts as Town Planning Unit, together with Budget and Treasury Department, has been to obtain the Geographic Information System (GIS) License.

INFRASTRUCTURE DEPARTMENT

Roads Infrastructure

Roads conditions in Paulpietersburg town, éDumbe Location and Bilanyoni and the entire wards in the municipality area of jurisdiction are bad. The Municipality does not have enough funds to address the concerns around the in éDumbe roads. Roads needs to be rehabilitated as they are ageing and cannot be patched anymore. MIG funds are not sufficient to cover this cost. In other ward roads are also eroded by water storms.

Municipal Buildings

The department is responsible for the planning and provision of new municipal buildings, maintenance of various structures. To create new facilities while upgrading existing ones to be easily accessible and suitable for community needs. These include pay points, libraries, community halls, municipal offices, dumping site offices, public ablutions and taxi rank,

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municipal houses, and other leased municipal buildings. The strategies of this department are as follows:

- Implementing programmes to upgrade existing municipal buildings and facilities
- Constructing new facilities for enhanced service delivery
- Constructing facilities closer to the communities
- Installing and implementing security measures that minimize vandalism and theft at municipal buildings
- Raising awareness of energy saving for users of municipal buildings
- Ensuring continuous usage of green materials for energy-saving retrofits on new and existing buildings
- The service delivery priorities are to interact smoothly with the community and other departments without disturbance to ensure accurate implementation of planning and maintenance of municipal buildings while adhering to the National Building Regulations Act

In the current FY the municipality is constructing three community halls in wards 3,5,7 and 8 with ablution facilities.

MUNICIPAL INFRASTRURE GRANT PROJECTS FOR 2023/24 FINANCIAL YEAR

BRIEF SCOPE AND PROGRESS TO DATE PER PROJECT

1. PROJECT NAME: REGRAVELLING OF NQABENI ACCESS ROADS IN WARD 5

Scope of works:

Regravelling of Nqabeni Access Road, which includes clearing and grubbing, roadbed preparation, installation of prefabricated culverts, mass earthworks, construction of pavement layers of gravel material, stone pitching, gabion protection against erosion, road signs and stormwater drainage

Project Progress:

The project is on practical completion.

Challenges:

The scope of works was completed with the exception of construction minor problems or faults listed by the Project Engineer(snags).

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Proposed Solutions:

Road infrastructure requires ongoing maintenance and repair due to wear and tear, climate related damage and inadequate funding. Backlogs of maintenance projects remains a pressing issue.

Commencement Date: 26 September 2023

Completion Date: 31 December 2023

2. PROJECT NAME: REGRAVELLING OF LINDELANI ACCESS ROAD IN WARD 3

Scope of Works:

Regravelling of Lindelani Access Road, which includes clearing and grubbing, roadbed preparation, installation of prefabricated culverts, mass earthworks, construction of pavement layers of gravel material, stone pitching, gabion protection against erosion, road signs and stormwater drainage

Project Progress:

The project is on practical completion.

Challenge:

The scope of works was completed with the exception of construction minor problems or faults listed by the Project Engineer(snags).

Proposed Solutions:

Road infrastructure requires ongoing maintenance and repair due to wear and tear, climate related damage and inadequate funding. Backlogs of maintenance projects remains a pressing issue.

Commencement Date: 26 September 2023

Completion Date: 31 December 2023

3. PROJECT NAME: CONSTRUCTION OF KWABHUKUDA BRIDGE IN WARD 9

Scope of Works:

The project comprises of a framed structural steel trusses supporting a concrete walkway on permanent steel shuttering supported on reinforced concrete abutments founded on a granite bedrock.

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Project Progress:

Site clearing, Excavations for foundations, Mass Concreting and construction of reinforced concrete bases are complete.

Outstanding Works:

Construction of abutments and piers. Assembling of structural steel bridge and concrete deck. Gabions Protections. Construction of walkways and stone pitching.

Challenges:

The main contractor has not been on site for almost two months due to illness and is in hospital. The subcontractor has proceeded with the concrete works under foundations stage, fortunately the project is still on track and within the approved program.

Proposed Solutions:

The main contractor requested to enter into a cession agreement with the subcontractor to cede all concrete works on foundations to the subcontractor. The contractor will be notified of his request status by the Municipal Manager upon submitting the required medical certificate.

Commencement Date: 26 September 2023

Completion Date: : 31 March 2024

4. PROJECT NAME: CONSTRUCTION OF KWANGWANYA BRIDGE IN WARD 2

Scope of Works:

The project consists of the construction of a portal culvert bridge with provisions of a concrete walkway and gravel road for both vehicles and pedestrians to cross. Also, a gravel road 20m from either side of the bridge, gabion baskets and sandbags on the embankments to prevent erosion and stormwater infrastructure for the crossing and roadway. Demolishing of an existing bridge. Installation of 15m galvanized guardrail with posts. Construction of concrete wing walls and safety bollards. Reno mattresses at the entrance and exit of portal culverts.

Project Progress:

Site Establishment, Clearing and Grubbing are complete .Mass Earthworks, Borrow Material and pavement layers of gravel road in progress.

Outstanding Works:

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Installation of Prefabricated Culverts, Construction of Pavement layers, Erosion Protection, Gabion Protection, Foundations for structures and Concrete work for structures.

Challenge :

This is a turnkey project and its implementation was delayed by the disagreements in terms of cost estimates between the service provider and its contractor. Several meetings were held in the presence of the Municipality in an attempt to resolve the issue and eventually they came into an agreement with the correct cost estimates.

Proposed Solutions:

Matter resolved as the project cost estimates are now realistic, it was agreed during the site handover meeting that the project must be fast tracked in an attempt to meet targets. The progress will be monitored regularly where the executed works have to be in line with the approved program.

Commencement Date: 12 September 2023

Completion Date: 30 June 2024

5. PROJECT NAME: CONSTRUCTION OF KWANKOMO BRIDGE IN WARD 10

Scope of Works:

The project entails construction of a new causeway with reinforced concrete top and bottom slabs, concrete culvert boxes, wing walls, approach slabs, safety bollards, Gabion boxes and Reno Matrasses.

Project Progress:

The project is on practical completion.

Challenge:

The scope of works was completed with the exception of construction minor problems or faults listed by the Project Engineer(snags).

Proposed Solutions:

The contractor will be instructed by the Municipality to fix snags immediately to take the project to works completion before the end of the liability period.

Commencement Date: 12 September 2022

Completion Date: 30 June 2024

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Electrical Section

1. Introduction

Edumbe Municipality was initially allocated R21,305,000.00 as published in the Government Gazette No. 48017 of 10 February 2023. This allocated amount was strictly intended for the Municipality to implement Electrification Projects that were applied for implementation for FY2023/24 which were also duly assessed and verified by DMRE.

However, due to unforeseen circumstances the other various financial constraints the allocated

budget was significantly reduced by a prominent figure of approximately R3 000 000.00 and this halted the overall implementation of INEP projects.

Challenges

Construction on the ground has been ongoing with various projects however, due to budget reduction some of the projects have been put to a stand still. Amongst the projects are kaHhulumbe and kwaLembe Electrification projects. Reason for opting to sacrifice these projects was mainly due

to the fact that the projects in essence were still in design stage and the rest of the projects are nearing completion.

3. Conclusion

We are expecting to achieve the anticipated and planned number of connection to the ongoing projects at the end of this financial year as the progress on the ground is convincing.

Honorable

Mayor was also pleased with the progress on the ground during our last site meetings with various

service providers. However, financial budgetary constraints are very much present to hinder successful completion of these projects. We are determined though to achieve the planned connection by the end of the current FY.

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CHAPTER 7: CONCLUSION

In the absence of sufficient resources to address service delivery requirements, challenges will always be there in any public sector organisation and therefore this Municipality is no exception but gradually the impact to the well-being of people about what we do, will be felt no matter how small it would be to the citizens of éDumbe in its entire

MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- 2023/2024 FINANCIAL YEAR

CHAPTER 8

RECOMMENDATIONS FOR THE MID-TERM BUDGET AND PERFORMANCE ASSESSMENT REPORT

- That the 2023/2024 Mid-Term Budget and Performance Assessment Report of eDumbe Municipality as referred to in Section 72 of the MFMA be and hereby adopted.
- An Adjustments Budget for 2023/2024 be prepared and this must be approved by Council by no later than 28 February 2023 as per Section 72 (3) (a)
- The Mayor must consider revision to the 2023/2024 SDBIP, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the Council following the approval of an adjustment budget
- The 2023/2024 Mid-Term Budget and Performance Assessment report be submitted to the COGTA, Provincial and National Treasury in both electronic and hard copies

CHAPTER 9

ANNEXURE 1

2023/2024 SDBIP PERFORMANCE –MID- YEAR TARGETS VS ACTUALS

EDUMBE LOCAL MUNICIPALITY



2023/2024 SDBIP MID-TERM PERFORMANCE REPORT													2023/2024 QUARTERLY PROJECTIONS					
SDBIP REF	Strategic Objective	Strategy	Strategic Action/ Project	IDP REF NO.	Key Performance Indicator (KPI)	Unit of Measure	Annual Target	Funding Source	BUDGET 2023/2024		WARD INFORMATION	MID-TERM TARGETS VS ACTUAL		STATUS (TARGET ACHIEVED / NOT ACHIEVED)	REASON FOR VARIANCE	MEASURES TO IMPROVE PERFORMANCE	Responsible Department	Portfolio of Evidence
									ANNUAL BUDGET	MID-TERM EXPENDITURE		Q 2 - Target	Q 2 - Actuals					
KPI 1	To improve institutional capacity through Policy Development and Enforcement	Development, review and implementation of Policies	Develop and adopt HR Strategy	1,1,1,5	Date the HR Strategy to be developed and adopted by Council	Date	HR Strategy be developed adopted by 31 March 2024	None	R 0,00	R 0,00	Institutional	N/A	Not planned for Q2		N/A	N/A	Corporate and Community Services	None
KPI 2		Submission of compliance reports in line with legislation	Submit Workplace Skills Plan to LGSETA	1,1,1,4	Date the 2024/2025 Workplace Skills Plan submitted to LGSETA	Date	2024/2025 Workplace Skills Plan submitted to LGSETA by 31 May 2024	None	R 0,00	R 0,00	Institutional	N/A	Not planned for Q2		N/A	N/A	Corporate and Community Services	None
KPI 3		Submitted compliance reports in line with legislation	Submit Employment Equity reports to DoL	1,1,1,6	Date Employment Equity Plan submitted to Department of Labour	Date	Employment Equity Plan submitted to Department of Labour by 31 January 2024	None	R 0,00	R 0,00	Institutional	N/A	Not planned for Q2		N/A	N/A	Corporate and Community Services	None
KPI 4		Improving the ICT Infrastructure	Review ICT Policies		Number of ICT Policies to be reviewed	Number	26 ICT Policies be reviewed by 30 June 2024	None	R 0,00	R 0,00	Institutional	N/A	Not planned for Q2		N/A	N/A	Corporate and Community Services	None
KPI 5			Perform information backups and registers	1,1,1,8	Number of IT Backups and Registers performed	Number	12 monthly IT Backups and Registers performed by 30 June 2024	None	R 0,00	R 0,00	Institutional	3 monthly IT Backups and Registers performed by 31 Dec 2023	All monthly IT backups and registers were successfully performed	Target Achieved	N/A	N/A	Corporate and Community Services	3 monthly IT Backups and Registers performed for Oct 2023 - Dec 2023
KPI 6			Perform information restores		Number of information Restores and Registers performed	Number	4 quarterly information Restores and Register performed by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 Restore and Register performed by 31 Dec 2023	Quarterly Restores and Registers were successfully performed	Target Achieved	N/A	N/A	Corporate and Community Services	Quarter 2 Screen shots and registers
KPI 7			Review Access Logs		Number of Access logs reviewed	Number	12 monthly Access Logs reviewed by 30 June 2024	None	R 0,00	R 0,00	Institutional	3 Access Logs Reviewed by 31 Dec 2023	3 monthly Access logs were reviewed by 31 Dec 2022	Target Achieved	N/A	N/A	Corporate and Community Services	Quarter 2 antivirus software report
KPI 8			Implement Disaster Recovery Plan and Business Continuity Plan tests		Date the IT Disaster Recovery Plan and Business Continuity Plan be implemented (using the icloud back up solution)	Date	IT Disaster Recovery Plan and Business Continuity Plan be implemented by 30 June 2024 (using the icloud back-up solution)	None	R 350 000,00	R 0,00	Institutional	N/A	Not planned for Q2		N/A	N/A	Corporate and Community Services	None
KPI 9			Monitor Antivirus software		Number of antivirus software monitored	Number	4 quarterly Antivirus software monitored by 30 June 2024	Internal Funding	R 30 000,00		Institutional	1 X Monitored antivirus software by 31 Dec 2023	Antivirus was monitored in Quarter 2	Target Achieved	N/A	N/A	Corporate and Community Services	4 quarterly antivirus software reports
KPI 10			Develop and approve 2022/2023 SDBIP	1,1,1,11	Date the 2023/2024 SDBIP is developed and approved by Council	Date	The 2023/2024 SDBIP be developed and approved by 30 June 2023 (i.e. before the start of the financial year)	Internal Funding	R 6 000,00	R 6 000,00	Institutional	Compiled Quarter 2 SDBIP/PMS reports	2023/2024 SDBIP was developed and approved on the 29th of May 2023. Quarter 2 SDBIP report was compiled	Target Achieved	N/A	N/A	Executive	Approved 2023/2024 SDBIP and PMS reports(refer to Q1 file)
KPI 11			Develop and sign 2023/2024 Performance agreement		Date the 2023/2024 performance agreements for all filled Section 54/56 positions to be developed and signed	Date	Performance agreements for all filled Section 54/56 positions be developed and signed by 31 July 2023	Internal Funding	R 6 000,00	R 6 000,00	Institutional	Performance Agreements for all filled Section 54/56 positions be developed and signed by 31 July 2023	Performance Agreements for all filled Section 54/56 positions were successfully signed in Q1	Target Achieved	N/A	N/A	Executive	Signed Performance Agreements (refer to Q1 file)
KPI 12			Compile and adopt the 2022/2023 Annual report		Date the 2022/2023 Annual Report to be compiled and adopted	Date	The 2022/2023 Annual Report to be compiled and adopted by 31 January 2024	None	R 6 000,00	R 0,00	Institutional	N/A	Not planned for Q2		N/A	N/A	Executive	None

KPI 13		Compile and adopt 2022/2023 Mid-term Budget and Assessment Performance report		Date the 2023/2024 Mid-term Budget and Performance Assessment report to be compiled and adopted	Date	2022/2023 Mid term Budget and Performance Assessment report be compiled and adopted by 25 January 2024	None	R 0,00	R 0,00	Institutional	N/A	Not planned for Q2		N/A	N/A	Executive	None
KPI 14		Compile and adopt 2022/2023 Oversight Report		Date the 2022/2023 Oversight report to be compiled and adopted	Date	2022/2023 Oversight Report be compiled and adopted by 31 March 2023 i.e. within 60 days of the tabling of annual report	None	R 6 000,00	R 0,00	Institutional	N/A	Not planned for Q2		N/A	N/A	Executive	None
KPI 15		Update the Municipal website	1,1,1,9	Number of Municipal website updates	Number	4 quarterly updates on Municipal websites by 30 June 2024	Internal Funding	R 50 000,00		Institutional	Signed Screen shots - For updated Municipal website	Municipal website was updated in Quarter 2	Target Achieved	N/A	N/A	Corporate and Community Services	Signed Screen shots - For updated Municipal website
KPI 16	Waste Management	Functionalise B2B/ Cleaning campaigns		Number of Back to Basics / cleaning campaigns to be conducted	Number	4 quarterly B2B/cleaning campaigns be conducted by 30 June 2024	None	R 0,00		Institutional	1 B2B/cleaning campaign conducted by 31 Dec 2023	B2B / cleaning campaign was conducted on the 25 October ,30 November and 20 December 2023	Target Achieved	N/A	N/A	Corporate and Community Services	B2B/ Cleaning campaign reports (including photos)
KPI 17		Conduct Waste Pickers Outreach Programm		Date the Waste Pickers Outreach Program to be conducted	Date	Waste Pickers Outreach Program be conducted by 31 Dec 2023	Internal Funding	R 50 000,00		Institutional	Waste Pickers Outreach Program be conducted by 31 Dec 2023	Target was achieved in Quarter 1	Target Achieved	N/A	N/A	Corporate and Community Services	Waste pickers report (refer to Q1 file)

KPA 2: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

KPI 18	To ensure provision of basic services in a fair, equitable and sustainable manner	Provide free basic services to all indigent households with available resources	Free Basic Electricity	2,1,1,2	Percentage of qualifying indigent consumers as per ESKOM monthly list provided with free basic electricity	Percentage	100% qualifying ESKOM Indigent Consumers provided with free basic electricity (first 50 KWH) by 30 June 2024	EQS	R 200 000,00	R 0,00	All Wards	100% of qualifying ESKOM indigent consumers provided with free basic electricity (first 50 KWH) by 31 Dec 2023	were provided consumers as per eskom indigent list with free basic electricity	Target not Achieved	The existing indigent register was declared invalid due to some beneficiaries which are no longer within the Municipal system	The advert has been issued for new applications	Finance	List of ESKOM indigent beneficiaries
KPI 19			Free Waste Services		Percentage of consumers with a property value of R110 000 and less provided with free basic waste	percentage	100% qualifying consumers with a property value of R110 000 and less provided with free basic waste by 30 June 2024	EQS	As per invoices	As per invoices	Ward 3 ,4 & 9	100% qualifying consumers with a property value of R110 000 and less provided with free basic waste by 31 Dec 2023	100% qualifying consumers with a property value of R110 000 and less provided with free basic waste by 30 Dec 2023	Target Achieved	N/A	N/A	Finance	List of beneficiaries with a property value of R110 and less
KPI 20		Improvement of Access to Roads	Nqabeni Access Road	2,1,1	Percentage of Nqabeni Access road constructed by 30 June 2024	Percentage	100% of Nqabeni Access road be constructed by 30 June 2024	MIG	R 4 500 000,00	R 3 240 516,99	Ward 5	60% of construction completed by 31 Dec 2023	Progress was at 95% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 21			Lindelani Access Road		Percentage of Lindelani Access Road constructed by 30 June 2024	Percentage	100% of Lindelani Access road be constructed by 30 June 2024	MIG	R 4 800 000,00	R 3 424 848,42	Ward 3	60% of construction completed by 31 Dec 2023	Progress was at 95% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 22			Kwabhukuda Brigde		Percentage of Kwabhukuda Pedestrian Bridge constructed by 30 June 2024	Percentage	100% of Kwabhukuda Bridge be completed by 30 June 2024	MIG	R 2 800 000,00	R 728 134,21	Ward 7	60% of construction completed by 31 Dec 2023	Progress was at 60% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 23			KwaNgwanya Bridge		Percentage of kwaNgwanya Bridge constructed by 30 June 2024	Percentage	100% of kwaNgwanya Bridge be completed by 30 June 2024	MIG	R 4 400 000,00	R 975 193,93	Ward 2	60% of construction completed by 31 Dec 2023	Progress was at 15% by 31 Dec 2023	Target not Achieved	Delays on construction were due to disagreements by the Contractor and Engineer in terms of budget/cost estimates which were determined by the Engineer	Corrections were done as the cost estimates are now realistic	Infrastructure and Planning	Progress report and project photos
KPI 24			KwaNkomo Bridge		Percentage of kwaNkomo Bridge constructed by 30 June 2024	Percentage	100% of kwaNkomo Bridge be completed by 30 June 2024	MIG	R 3 100 000,00	R 2 887 944,00	Ward 6	60% of construction completed by 31 Dec 2023	Progress was at 100% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 25			Rehabilitation of Paulpietersburg Road		Kilometres of Paulpietersburg Road rehabilitated by 30 June 2024	Kilometres	7 Kilometres of Paulpietersburg Road be rehabilitated by 30 June 2024	DOT	R 78 577 000,00	R 40 228 203,88	Ward 9	60% of construction completed by 31 Dec 2023	Progress was at 60% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 26		Improvement of access to Electricity	KwaSonkela Electrification Phase 4 Project	2,1,1,3	Percentage of kwaSonkela Electrification Phase 4 project constructed by 30 June 2024	Percentage	100% of kwaSonkela Electrification Phase 4 project be constructed by 30 June 2024	INEP	R 5 705 000,00	R 3 220 683,96	Ward 1	60% of construction completed by 31 Dec 2023	Progress was at 78% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos

KPI 27		KwaLembe electrification		Percentage of KwaLembe Electrification Phase 2 constructed by 30 June 2024	Percentage	100% of KwaLembe Phase 2 Electrification project be constructed by 30 June 2024	INEP	R2 400 00.00	R 0,00	Ward 1	60% of construction completed by 31 Dec 2023	Progress was at 58% by 31 Dec 2023	Target not Achieved	Late appointment of the Contractor	Electrical unit will monitor the project closely to ensure completion within the end of the financial year	Infrastructure and Planning	Progress report and project photos
KPI 28		Moscow electrification		Percentage of Moscow Electrification project constructed by 30 June 2023	Percentage	100% of Moscow Electrification project be constructed by 30 June 2024	INEP	R1 900 00.00	R 1 899 502,30	Ward 4	60% of construction completed by 31 Dec 2023	Progress was at 80% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 29		Emahhulube Electrification		Percentage of Emahhulube Electrification project constructed by 30 June 2024	Percentage	100% of Emahhulube Electrification be constructed by 30 June 2024	INEP	R2 500 00.00	R 0,00	Ward 7	60% of construction completed by 31 Dec 2023	Progress was at 0% by 31 Dec 2023	Target not Achieved	Due to budget reduction, the project was put to a stand still. The project is still on design stage	Project will resume again once funds are available	Infrastructure and Planning	Progress report and project photos
KPI 30		Emasimini Electrification		Percentage of Emasimini Electrification project to be constructed by 30 June 2024	Percentage	100% of Emasimini Electrification be constructed by 30 June 2024	INEP	R2 000 00.00	R 1 985 752,84	WARD 2	60% of construction completed by 31 Dec 2023	Progress was at 80% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 31		Kwakhambule Electrification Phase 2		Percentage of Kwakhambule Electrification Phase 2 to be constructed by 30 June 2024	Percentage	100% of Kwakhambule Electrification Phase 2 be constructed by 30 June 2024	INEP	R3 300 000.00	R 3 090 725,47	WARD 7	60% of construction completed by 31 Dec 2023	Progress was at 76% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 32		Esikhaleni MV Link Line upgrade		Percentage of Esikhaleni MV Link Line upgrade constructed by 30 June 2024	Percentage	100% of Esikhaleni MV Link Line upgrade be constructed by 30 June 2024	INEP	R3 500 00.00	R2007 586.50	WARD 7	60% of construction completed by 31 Dec 2023	Progress was at 46% by 31 Dec 2023	Target not Achieved	Due to budget reduction, the project was put to a stand still. The project is still on design stage	Project will resume again once funds are available	Infrastructure & Planning	None
KPI 33	Ensuring Provision and Maintenance of Municipal Building	Repairs and Maintenance to Municipal Building		Percentage of Municipal Buildings to be maintained	Percentage	100% of Municipal Buildings to be maintained by 30 June 2024	EQS	R 2 157 600,00	R400 000.00	Institutional	60% of maintenance on Municipal Buildings was completed by 31 Dec 2023	Progress was at 60% by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Progress report and project photos
KPI 34	Improvement of access to sustainable human settlement	Facilitate Housing Forums	2,1,1,5	Number of Housing Forum meetings facilitated	Number	4 quarterly Housing Forums facilitated by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 Housing Forums by 31 Dec 2023	Housing Forum meeting was held on the 07 November 2023	Target Achieved	N/A	N/A	Infrastructure and Planning	Attendance Registers and minutes of the quarterly meetings

KPA 3: LOCAL ECONOMIC DEVELOPMENT

KPI 35	To create conducive environment for sustainable economic growth and development	Job creation and promotion of employment opportunities	Implement EPWP Programme	3,1,1,1	Number of Work Opportunities created through EPWP and Capital Projects	Number	160 Work Opportunities created through EPWP and Capital Projects by 30 June 2024	EPWP and Capital Grants Funding	R 1 638 000,00	R 856 825,00	Institutional	Quarterly Report on Work Opportunities created	115 Work Opportunities created through EPWP and Capital Projects by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure Planning	EPWP report
KPI 36		LED Projects	Implement LED projects		Date of LED projects in all Wards to be procured	Date	LED projects in all Wards be procured by 30 June 2024	EQS	R 2 096 000,00	R 0,00	Ward 1 - 10	N/A	Not planned for Q2	Target not Achieved	N/A	N/A	Infrastructure Planning	Project photos and list of Beneficiaries
KPI 37		Processing of business licences	Processing of business licences		Number of business licence applications processed within 21 days	Number	40 business applications (i.e 10 per each quarter) processed within 21 days by 30 June 2024	None	R 0,00	R 0,00	Institutional	10 business licence applications processed by 31 Dec 2023	10 business licence applications processed by 31 Dec 2023	Target Achieved	N/A	N/A	Infrastructure & Planning	Applications, Business licences and proof of payments
KPI 38		Formalizing the Informal Economy through Informal Traders	Formalise the Informal Traders		Number of the meetings with the Informal Traders Committee to be conducted	Number	2 meetings be conducted with Informal Traders Committee by 30 June 2024	None	R 0,00	R 0,00	Institutional	N/A	Not planned for Q2	Target not Achieved	N/A	N/A	Infrastructure and Planning	None
KPI 39		Inspections conducted on business licence compliance	inspections conducted on business licence compliance		Number of inspections conducted on business licence compliance	Number	04 quarterly inspections conducted ensuring business licence compliance by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 round of inspections conducted ensuring business licence compliance by 31 Dec 2023	1 inspection were conducted on the 22 November 2023 ensuring business licence compliance	Target Achieved	N/A	N/A	Infrastructure & Planning	attendance registers for inspection

KPA 4: GOOD GOVERNANCE, COMMUNITY PARTICIPATION & WARD COMMITTEE SYSTEM

KPI 40	To promote effective Community Participation		Facilitate IDP Consultative Meeting	4,1,2,1	Number of IDP road-shows to be facilitated	Number	2 IDP and Budget Road shows be facilitated by 30 June 2024	OWN FUNDING	R 104 800,00	R 104 800,00	Institutional	1 IDP and Budget Road Show	IDP and Budget roadshows were conducted in all Wards during Q2	Target Achieved	N/A	N/A	Infrastructure Planning	Attendance Register and photos
KPI 41			Develop summarized 2022/2023 IDP Booklets		Date the summarized 2023/2024 IDP Booklets to be developed	Date	Summarized 2023/2024 IDP Booklets be developed by 30 June 2024	EQS	R 104 800,00	R 0,00	Institutional	Project Execution	Not planned for Q2	Target Achieved	N/A	N/A	Infrastructure & Planning	None
KPI 42		Implementation of Operation Sukuma Sakhe	Ensure functionality of war rooms	4,1,2,3	Number of War room meetings to be conducted	Number	4 quarterly War room meetings be conducted by 30 June 2024	None	R 0,00	R 0,00	Institutional	Q2 war room meetings held by 31 Dec 2023	No warrom meetings convened in Q2	Target not Achieved	No items were submitted for the facilitation of the meeting	Department concerned will ensure the functionality of War rooms in the next remaining quarters	N/A	None
KPI 43			Participate in uMkhosi Womhlanga/Royal Reed Dance		Date to participate in uMkhosi Womhlanga/Royal Reed Dance	Date	Participated in uMkhosi Womhlanga/Royal Reed Dance by 30 September 2023	EQS	R 200 000,00	R 200 000,00	Institutional	N/A	Target was achieved in Quarter 1 (08 Sep 2023)	Target Achieved	N/A	N/A	Corporate and Community Services	None (refer to Q1 file)
KPI 44		Youth / Sports Development	Participate in Mayoral Games	3,1,2,3	Date to participate in Local Mayoral games	Date	Participated in Local Mayoral games by 30 September 2023	EQS	R 400 000,00	R 400 000,00	Institutional	N/A	Mayoral games were conducted on the 11th of November 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Report for Local Mayoral games and photos
KPI 45			Participate in District and District Mayoral games		Date to participate in District Mayoral games	Date	Participated in District Mayoral games by 31 Dec 2023	OWN FUNDING	R 300 000,00	R 21 400,00	Institutional	Participated in District Mayoral games by 31 Dec 2023	eDumbe participated in District Selection games that were held on the 18th of Nov in preparation for SALGA games	Target Achieved	N/A	N/A	Corporate and Community Services	Documents used during preparation for District Mayoral games
KPI 46			Participate in District and SALGA games		Date to participate in SALGA games	Date	Participated in SALGA games by 31 Dec 2023	OWN FUNDING	R 120 000,00	R 120 000,00	Institutional	Participated in SALGA games by 31 Dec 2023	SALGA games were conducted on the 8 to 11 December 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Report for SALGA games and photos
KPI 47			Participate in Provincial Indigenous games		Date to Participate in Provincial Indigenous games	Date	Participated in Provincial Indigenous games by 31 Dec 2023	OWN FUNDING	R 10 000,00	R 10 000,00	Institutional	Participated in Provincial indigenous games by 31 Dec 2023	Provincial indigenous games were conducted on the 25th -30 September 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Report for Indigenous games (refer to Q1 file)
KPI 48			Edumbe Mayor's Marathon		Date the eDumbe Mayor's Marathon to be conducted	Date	Edumbe Mayor's Marathon be conducted by 31 Dec 2023	OWN FUNDING	R 300 000,00	R 0,00	Institutional	eDumbe Mayor's Marathon conducted by 31 Dec 2023	Mayors Marathon was conducted	Target not Achieved	Target was not achieved due to financial constrains	Target will be budgeted for in the next financial year 2024/2025	Corporate and Community Services	None
KPI 49		Community Special Programmes	eDumbe Annual Horse Riding (Amahhashi) Competition	3,1,2,4	Date the eDumbe Horse Riding Competition (Amahhashi) to be conducted	Date	eDumbe Horse Riding Competition (Amahhashi) be conducted by 30 Sep 2023	OWN FUNDING	R 600 000,00	R 600 000,00	Institutional	N/A	eDumbe Horse Riding Competition was conducted on the 22 December 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Report on Horse Riding competition and photos
KPI 50		Disability Day Commemoration		Date the Disability Commemoration day to be conducted	Date	Disability Commemoration day be conducted by 31 Dec 2023	OWN FUNDING	R 100 000,00	R 0,00	Institutional	Disability commemoration day be conducted by 31 Dec 2023	Disability commemoration day was not held in Q2	Target not Achieved	Target was not achieved due to financial constrains	Target will be budgeted for in the next financial year 2024/2025	Corporate and Community Services	None	
KPI 51	Art & Culture Programmes	Conduct Ingoma & Cothoza Programs		Date the Community Art & Culture Programs (Ingoma Cothoza) to be conducted	Date	Ingoma and Cothoza Art & Culture Programmes be conducted by 31 December 2023	OWN FUNDING	R 120 000,00	R 120 000,00	Institutional	Ingoma Art & Culture programme conducted by 31 December 2023	Ingoma and Cothoza programmes were conducted in November and December 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Report on Ingoma & Cothoza program and photos	
KPI 52		Conduct eDumbe Mayor's Music Festival		Date the eDumbe Mayor's Music Festival to be conducted	Date	eDumbe Mayor's Music Festival be conducted by 31 March 2024	OWN FUNDING	R 90 000,00	R 0,00	Institutional	N/A	Not planned for Q2	Target Achieved	N/A	N/A	Corporate and Community Services	None	
KPI 53	Facilitating the functioning of Council and Council Committees	Facilitate sitting of Council meetings	4,1,1,6	Number of Council meetings to be convened	Number	04 quarterly Council meetings be convened by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 Council Meeting by 31 Dec 2023	2 Council meetings were convened in Q2 on the 28th Nov and 19 Dec 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Notice, agenda and attendance register	
KPI 54		Facilitate sitting of Executive Committee meetings		Number of Executive Committee meetings to be convened	Number	04 quarterly Executive Committee meetings be convened by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 Executive Committee Meeting by 31 Dec 2023	1 EXCO meetings was convened in Q2 on the 16th November 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Notice, agenda and attendance register	

KPI 55		Facilitate sitting of Finance and Community Portfolio Committee meetings		Number of Finance and Community Portfolio Committee meetings to be convened	Number	04 Finance and Community portfolio committee meetings be convened by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 Finance and Community Portfolio Meeting by 31 Dec 2023	1 Finance Portfolio Meeting were convened in Q2 on the 23 November 2023 and 2Community Portfolio Meeting were convened in Q2 on the 09 Nov and 12 Dec 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Notice, agenda and attendance register	
KPI 56		Facilitate sitting of Infrastructure and Planning Portfolio Committee meetings		Number of Infrastructure and Planning Portfolio Committee meetings to be convened	Number	04 Infrastructure and Planning Portfolio Committee meetings be convened by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 Infrastructure and Planning Portfolio Meeting by 31 Dec 2023	No Infrastructure and Planning Portfolio meeting convened in Q2	Target not Achieved	No items were submitted for the facilitation of the meeting	HOD's should ensure items are submitted and meetings do sit as per the schedule	N/A	None	
KPI 57		Facilitate sittings of Community and Corporate Services Portfolio Committee meeting		Number of Corporate Services Portfolio Committee meetings to be convened	Number	04 Corporate Services Portfolio Committee meetings be convened by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 Corporate Services Portfolio Meetings 31 Dec 2023	1 Corporate Portfolio meeting was convened in Q2 on the 26 Oct 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Notice, agenda and attendance register	
KPI 58		Facilitate sittings of Municipal Public Accounts Committee (MPAC) meeting		Number of Municipal Public Accounts Committee (MPAC) to be convened	Number	04 Municipal Public Accounts Committee (MPAC) meetings be convened by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 MPAC Meeting by 31 Dec 2023	1 MPAC meeting was convened in Q2, on the 16 Nov 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Notice, agenda and attendance register	
KPI 59		Facilitate sittings of Audit Committee		Number of Audit Committee Meetings to be convened	Number	04 Audit Committee Meetings be convened by 30 June 2024	EQS	R 300 000,00	R 150 000,00	Institutional	1 Audit Committee Meetings by 31 Dec 2023	1 Audit Committee meeting were convened in Q2, on the 11 Dec 2023	Target Achieved	N/A	N/A	Executive	Notice, agenda and attendance register	
KPA 5: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT																		
KPI 60		Functionality of Audit Committee		Number Audit Committee reports submitted to Council	Number	04 quarterly Audit Committee reports submitted to Council by 30 June 2024	None	R 0,00	R 0,00	Institutional	N/A	Not planned for Q2	Target Achieved	N/A	N/A	Executive	None	
KPI 61		Functionalise Risk Management Committee		Number of Risk Steering Committee Meetings convened	Number	04 quarterly Risk Steering Committee Meetings convened by 30 June 2024	EQR	R 100 000,00	R 0,00	Institutional	1 Risk Steering Committee Meeting by 30 Sep 2023	Risk assessment was conducted on 24-26 November 2023	Target Achieved	N/A	N/A	Executive	Attendance Registers	
KPI 62	To improve municipal financial viability and sound financial management	Payment to creditors to be made within 30 days in terms of section 65 of MFMA	Ensure payment of creditors within 30 days	4,1,1,5	Percentage of monthly Creditors paid within 30 days	Percentage	100% of Creditors paid within 30 days on monthly basis till 30 June 2024	EQS	As per invoices	As per invoices	Institutional	100% Creditors paid within 30 days / Creditors Age Analysis (October - December 2023)	Few Creditor are still not paid within 30 days as at 31 Dec 2023 (debts accumulated from previous years) i.e. SALGA	Target not Achieved	Financial constraints	CFO to make payment arrangements with some of the Municipal Creditors	Finance	Creditors Age Analysis for Dec 2023
KPI 63		Ensuring financial reporting and compliance	Submit in-year Financial Reports in line with legislation	5,1,1,1	Number of Section 71 complied and submitted to Treasury within 10 working days by	Number	12 monthly Section 71 reports compiled and submitted to Treasury by 30 June 2024	None	R 0,00	R 0,00	Institutional	Confirmation of submission by Treasury (Oct - Dec 2023)	monthly section 71 reports were submitted within the stipulated timeframe i.e (Oct to Dec 2023)	Target Achieved	N/A	N/A	Finance	proof of submission
KPI 64		Capital Expenditure Management	Formulate a plan for Capital Budget expenditure	5,1,1,4	Percentage of expenditure on Capital Budget	Percentage	100% expenditure spent on Capital Budget by 30 June 2024	Grants	R 40 905 000,00	R6.003.749.47	Institutional	60% Expenditure (Grant register report for all implemented) Capital projects (Oct Dec 2023)	above 60% on grant spent by July to Dec 2023	Target Achieved	N/A	N/A	Finance	Grant Register (for Oct - Dec 2023)
KPI 65		Expenditure Management	To reduce occurrence / percentage of UIFW expenditure by 30 June 2023		Percentage of reduced occurrence of UIFW expenditure	Percentage	40% reduced occurrence of UIFW expenditure by 30 June 2024	None	R 0,00	R 0,00	Institutional	UIFW register for Oct - Dec 2023	Occurance of UIFW expenditure were reduced in Q2	Target Achieved	N/A	N/A	Finance	List of UIFW transactions as per the financial system
KPI 66		Budget & Treasury Policies and Procedures	Review and approve all budget related policies	5,1,1,1	Date the budget related policies reviewed and adopted	Date	Budget related policies be reviewed and adopted by 30 September 2023	None	R 0,00	R 0,00	Institutional	N/A	Budget related policies was reviewed and adopted by council in Q1	Target Achieved	N/A	N/A	Finance	None (refer to Q1 file)

KPI 67		Contract Management	Monitor performance of Contractors by 30 June 2024		Number of monitoring of Contractors to be conducted	Number	At least 04 Quarterly Monitoring of Contractors to be conducted by 30 June 2024	None	R 0,00	R 0,00	Institutional	1 X Monitoring Report by 31 Dec 2023 (Q2)	Contracts Management report	Target Achieved	N/A	N/A	Finance	Concracts Management Report
KPI 68		Assets Management	Perform 4 asset count per year to update the Asset Register	5,1,1,8	Number of Asset verifications on movable assets performed	Number	04 quarterly Assets verifications on movable assets performed by 30 June 2024	None	R 600 000,00	R 0,00	Institutional	Quarterly Assets Reconciliation with count sheets	Assets verifications and reconciliations were not performed in Quarter 2	Target not Achieved	Verifications were not performed due to capacity constraints	municipality must have their own system in order to do verification on assets quarterly	Finance	Complete, Accurate and fully supported Fixed Asset Register
KPA 6 : CROSS CUTTING INTERVENTIONS (SPATIAL DEVELOPMENT, ENVIRONMENT PLANNING & DISASTER MANAGEMENT)																		
KPI 69	To ensure efficient and sound Strategic and Spatial municipal planning	Facilitate the formulation of the Credible IDP	Adopt IDP process plan	6,1,1,1	Date the IDP process plan be adopted	Date	IDP process plan be adopted by 30 Sep 2023	None	R 0,00	R 0,00	Institutional	Approved IDP process plan	IDP Process plan was approved in Q1 on the 31 August 2023	Target Achieved	N/A	N/A	Infrastructure Planning	None (refer to Q1 file)
KPI 70			Formulate and adopt a credible IDP		Date the 2024/2025 credible IDP be adopted	Date	Adopted 2024/2025 credible IDP by 31 May 2024	None	R 0,00	R 0,00	Institutional	N/A	Not planned for Q2	Target Achieved	N/A	N/A	Infrastructure Planning	None
KPI 71		Road Awareness campaign	Conduct Road awareness campaign		Number of Road awareness campaigns to be conducted	Number	2 Road awareness campaign conducted by 30 June 2024	None	R 40 000,00	R 40 000,00	Institutional	1 Road awareness campaign conducted by 31 Dec 2023	Road awareness campaign were conducted on the 13th December 2023	Target Achieved	N/A	N/A	Corporate and Community Services	Road awareness Report

