



Annual Report 2013/2014

***"Together we move uMhlathuze
forward"***



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MAYOR'S FOREWORD

INTRODUCTION

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

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

Legal Framework

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

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

Service delivery

Water, electricity and sanitation

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

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

Housing projects

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

Roads

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

Education and training

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

Economic transformation

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

Clean governance

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

Conclusion

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

May God bless Africa

MUNICIPAL MANAGER'S FOREWORD

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

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

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

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

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

CHAPTER 2

INTEGRATED DEVELOPMENT PLAN

A. BACKGROUND

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

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

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

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

B. LEGISLATIVE PROCESS AND COMPLIANCE

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

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

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

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

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

C. STRATEGIC PLAN – STRATEGIC FRAMEWORK

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

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

2013/2014 IDP Strategies

Development Strategy 1: GOOD GOVERNANCE

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

OBJECTIVES:

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

Development Strategy 2: INFRASTRUCTURE & SERVICE DELIVERY

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

OBJECTIVES:

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

Development Strategy 3: SOCIAL AND ECONOMIC DEVELOPMENT

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

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

OBJECTIVES:

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

Development Strategy 4: INSTITUTIONAL DEVELOPMENT

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

OBJECTIVES:

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

Development Strategy 5: SOUND FINANCIAL MANAGEMENT

Goal/s:

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

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

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

1. Legislative requirements

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

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

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

"Annual performance reports

46. (1) A municipality must prepare for each financial year a performance report reflecting -
- (a) the performance of the municipality and of each external service provider during that financial year;
 - (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
 - (c) measures taken to improve performance.
- (2) **An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act.”**

2. Introduction

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

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

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

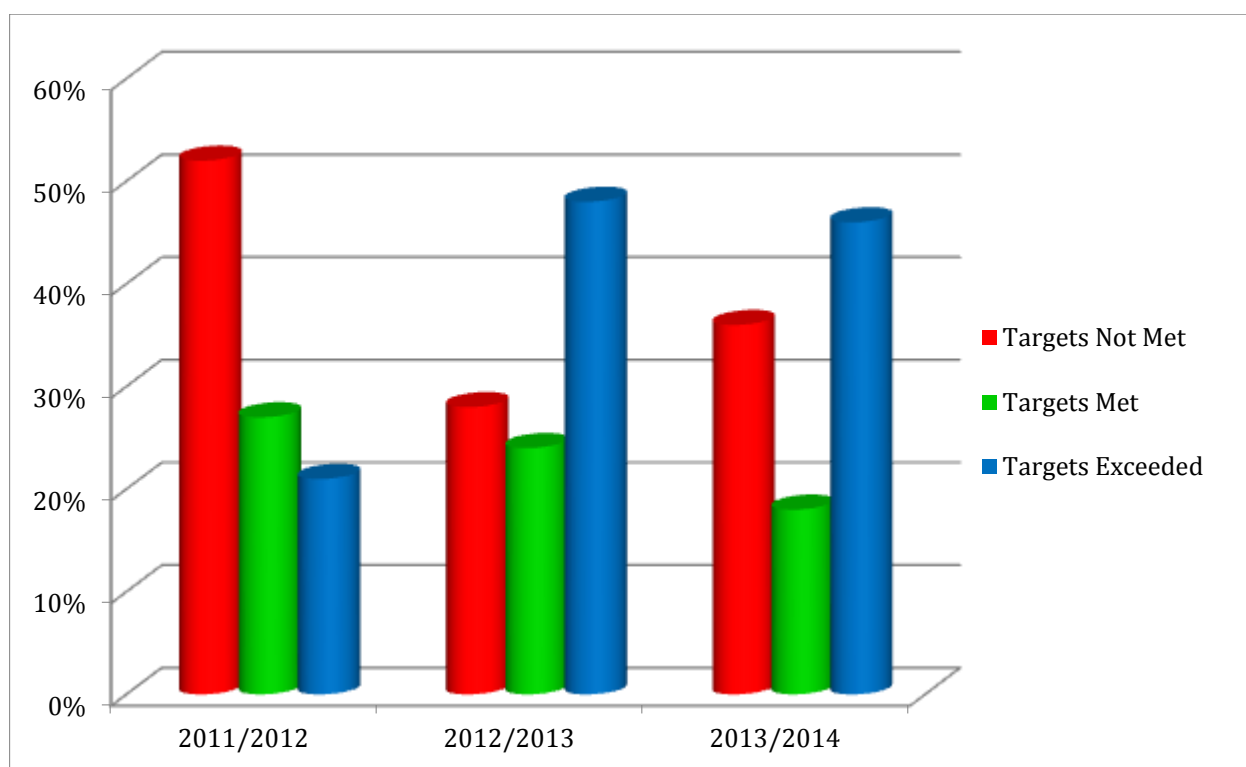
The Draft Annual Performance Report highlights from the key performance measures included in the Integrated Development Plan (IDP) for the 2013/2014 financial year. These priority measures constitute the Organisational Performance Scorecard for 2013/2014.

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

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

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

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

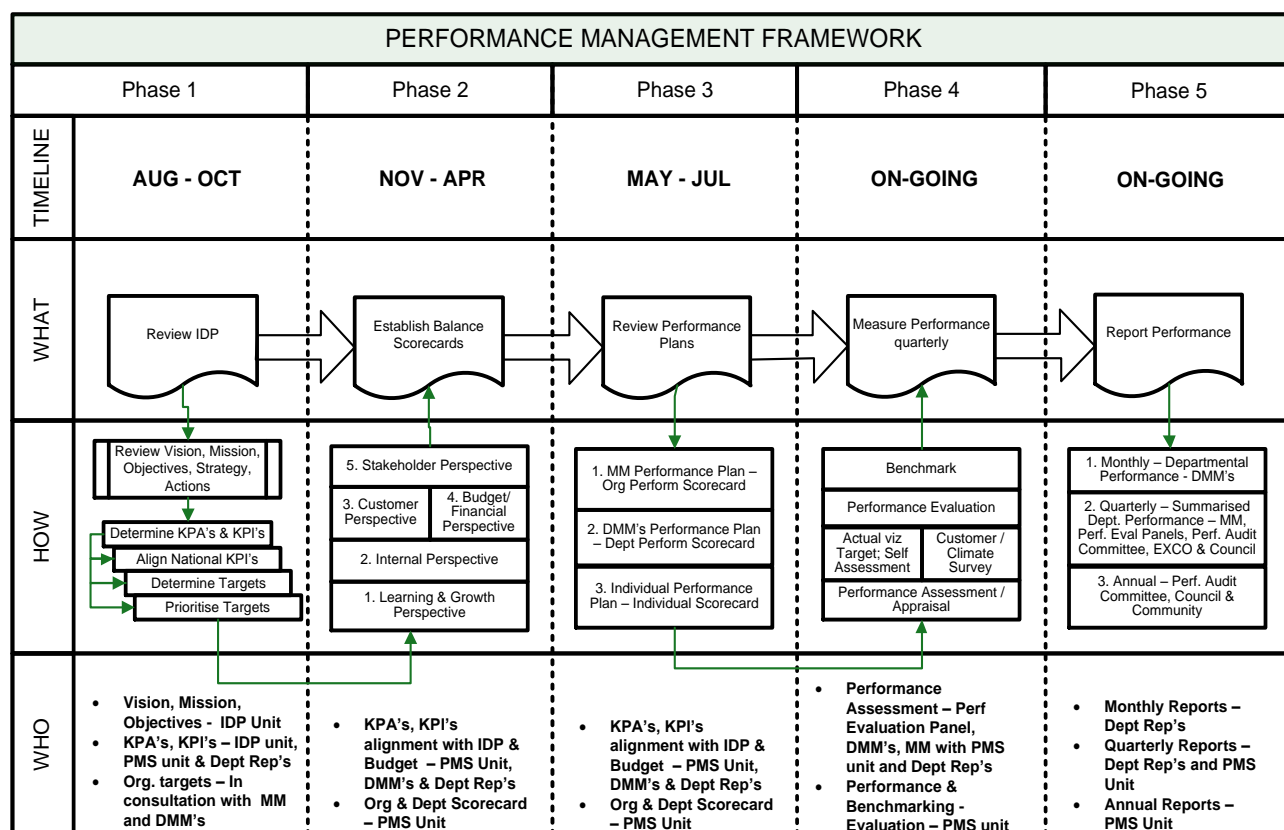


3. Organisational Performance Management Process

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

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

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



uMhlathuze Performance Management Framework diagram

4. Performance Audit Committee

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

Mr P C Ooshuizen – Chairperson (external member)

Dr E M S Ntombela (external member)

Ms J J Sithole (external member)

Cllr E F Mbatha (Mayor)

Cllr N V Gumbi (Deputy Mayor)

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

Mr P C Ooshuizen – Chairperson (external member)

Dr E M S Ntombela (external member)

Mr B S Ndaba (external member)

Cllr E F Mbatha (Mayor)

Cllr N V Gumbi (Deputy Mayor)

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

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

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

5. Performance Evaluation Panels

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

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

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

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

- (iii) Member of the Mayoral or Executive Committee or in respect of a plenary type Municipality, another member of Council;
- (iv) Mayor and/or Municipal Manager from another Municipality; and
- (v) Member of a Ward Committee as nominated by the Executive Mayor or Mayor.”

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

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

- (i) Municipal Manager;
- (ii) Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a Performance Audit Committee;
- (iii) Member of the Mayoral or Executive Committee or in respect of a plenary type Municipality, another member of Council; and
- (iv) Municipal Manager from another Municipality.”

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

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

6. Auditing of Performance Information

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

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

| Project | Focus Area |
|--|--|
| Review of Performance Information - Quarter 1 | <ul style="list-style-type: none">• Consistency in reporting;• Measurability and reliability;• Performance reports reviews;• Performance score verification (Municipal Manager and Deputy Municipal Managers);• Compliance with relevant laws and regulations. |
| Review of Performance Information - Quarter 2 | <ul style="list-style-type: none">• Consistency in reporting;• Measurability and reliability;• Performance reports reviews;• Compliance with relevant laws and regulations |
| Review of Performance Information - Quarter 3 | <ul style="list-style-type: none">• Consistency in reporting;• Measurability and reliability;• Performance reports reviews;• Compliance with relevant laws and regulations |
| Review of Performance Information - Quarter 4 (Annual Report) | <ul style="list-style-type: none">• Consistency in reporting;• Measurability and reliability;• Performance reports reviews;• Compliance with relevant laws and regulations |

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

7. Customer Satisfaction

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

8. Annual Organisational Performance Information

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

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

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

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

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

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

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

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

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

1. Good Governance, Community Participation and Ward Committee Systems

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

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

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

2. Basic Service Delivery and Infrastructure Development

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

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

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

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

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

3. Local Economic Development

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

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

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

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

4. Municipal Transformation and Institutional Development

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

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

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

5. Financial Viability and Financial Management

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

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

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

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

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

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

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

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

1 ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014

(Master table on DMS 861039)

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

| UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014 | | | | | | | | | | | | |
|---|------------------------------------|---|---|---|--|------------------------------------|--|-----------|----------------|-------------|--|------------------|
| IDP Ref | Outcome 9 | National KPA | Strategic Objective | Measurable Objective/Output | Performance Measure / Unit of Measure | Actual (Baseline for 2013/2014) | SENSUS 2011 and/or 2012 ACTUAL NEW BASELINE (for 2013/2014 where applicable) | 2013/2014 | | | Corrective action for Annual Targets not-achieved / remarks | Target 2014/2015 |
| | | | | | | | | Annual | | | | |
| | | | | | | | | Target | Amended Target | Actual ↓ | | |
| 2.2 | Improving access to basic services | Basic Service Delivery and Infrastructure Development | Provision of Electricity infrastructure | Households with access to electricity (uMhlathuze municipal supply) | Number of Households | 31667 | 31667 | 32367 | 32226 | 31915 | Targets on additional households served with basic electricity not achieved since the provision of electricity services is dependent on user applications. | 33415 |
| 2.2 | | | | Households without Electricity services - uMhlathuze supply (BACKLOG) | Number of Households | 1918 | 1918 | 1594 | 1594 | 1666 | | 643 |
| 2.2 | | | | Households without Electricity services - ESKOM supply (BACKLOG) | Number of Households (Backlog at Jun 2013 = 8986) IDP Pg 92 | 8986 | 8986 | 4958 | 4958 | 994 | Eskom has not provided remarks on the non-achievement of the target set by them | 994 |
| 2.2 | | | | New Electrical Connections (Domestic) | Number of new connections | 247 | 247 | 700 | 559 | 258 | Target on additional households served with basic electricity was not achieved since the provision of electricity services is dependent on user applications. The initial number of 121 reported in Q1 has been validated and amended to 120, therefore the total number for the year amended from 259 to 258. | 1500 |
| 2.4.1 | | | Provision of Solid Waste infrastructure | % Households with access to waste disposal services | % Households (82972 revised in Jan 2013 to 86609) | 68.7% | 69.08% | 71.39% | 71.39% | 71.44% | The annual target was achieved, although a delay was experienced in the provision of additional skips to serve the rural communities. The target for 2014/2015 financial year will be achieved since the contractor for delivering of additional skips has been appointed and delivering of skips in process. | 74.90% |
| 2.4.1 | | | | Households with access to waste disposal services | Number of Households (82972 revised in Jan 2013 to 86609) | 59494 | 59826 | 61826 | 61826 | 61872 | | 64872 |
| 2.4.1 | | | | Weekly 240 litre bins | | 46326 | 46326 | 46326 | 46326 | 46326 | | 46326 |
| 2.4.1 | | | | Communal Skips | | 12882 | 13500 | 15500 | 15500 | 15546 | | 18546 |
| 2.4.1 | | | | Households without Solid Waste Removal services (BACKLOG) | Number of Households (82972 revised in Jan 2013 to 86609) | 27401 | 26783 | 24783 | 24783 | 24737 | | 21737 |
| 2.4.1 | | | | New households with access to weekly waste disposal services | Number of new households | 600 | N/A | 2000 | 2000 | 2046 | | 3000 |
| 2.1 | | | Free Basic Services | Households with access to free basic water | Number of Households | 73613 | 82842 | 83342 | 83342 | 82842 | To date the Municipality is in the process of metering of households. | 82842 |
| 2.1 | | | | Households with access to free basic sanitation | Number of Households | 21061 | 23754 | 28754 | 28754 | 23754 | See sanitation connection comments. | 30764 |
| 2.2 | | | | Households with access to free electricity | Number of Households (Municipal supply) | 573 | N/A | N/A | N/A | 536 | Figure is based on the number of indigent applications received. | N/A |
| 2.2 | | | | | Number of Households (Eskom supply) | 1472 | N/A | N/A | N/A | 1269 | Figure provided by Eskom | N/A |
| 2.4.1 | | | | Households with access to free Waste removal | Number of Households | 12882 | 13500 | 15500 | 15500 | 15546 | Target achieved and based on the delivering of free communal skips | 18546 |
| 2.3 | | | Provision and Improvement to Public transport facilities and infrastructure | Kilometres of tarred roads established | Number of km | 0 | 600 | 0 | 0 | 0 | No target was set for new tarred roads to be established | 0 |
| 2.3 | | | | Kilometres of tarred roads rehabilitated (New KPI added March 2014) | Number of km | 0 | 0 | N/A | 5 | 4.81 | Target not met due to high construction costs, therefore the km's rehabilitated was based on available funds provided for on the capital budget. However target was achieved within 96% | 0 |
| 2.3 | | | | Kilometres of rural gravel roads established | Number of km | 50 | 137.9 | 36 | 36 | 35.40 | Actual of 11.7km reported for Q1 amended to validated 14.7 and actual of 4.5 reported in Q2 amended to 1.8. Therefore annual achievement amended from 35.1 to 35.4km | 56 |
| 2.3 | | | | Kilometres of rural gravel roads maintained (grading) | Number of km | 609 | 120 | 600 | 600 | 289 | Target not met due to continuous breakdown of plant (Graders) | 480 |
| 2.3 | | | | Kilometres of urban gravel roads maintained (graveling) | Number of km | new | 20 | 40 | 15 | 16 | Target achieved | 40 |
| 2.3 | | | | Kilometres of tarred roads maintained | Number of km | 600 | 600 | 600 | 600 | 1 013 | Target exceeded by far. Numbers reported for Q1 amended from 447 to 242 and Q2 from 425 to 423 as validated by Ext Audit. Therefore the annual number amended from 1220 to 1013km. | 600 |

| UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014 | | | | | | | | | | | | |
|---|--|--|---|---|--|------------------------------------|--|----------------------------------|---------------------------------|---|--|---------------------|
| IDP Ref | Outcome 9 | National KPA | Strategic Objective | Measurable Objective/Output | Performance Measure / Unit of Measure | Actual (Baseline for 2013/2014) | SENSUS 2011 and/or 2012 ACTUAL NEW BASELINE (for 2013/2014 where applicable) | 2013/2014 | | | Corrective action for Annual Targets not-achieved / remarks | Target 2014/2015 |
| | | | | | | | | Annual | | | | |
| | | | | | | | | Target | Amended Target | Actual ↓ | | |
| 2.3 | Improving access to basic services | Basic Service Delivery and Infrastructure Development | Stormwater systems and management | Kilometres of Stormwater open drains maintained | Number of Km's | new | 92 | 92 | 92 | 283 | Target achieved and exceeded as result of SMME projects implemented | 92 |
| 2.3 | | | | Kilometres of Stormwater pipelines maintained | Number of Km's | new | 300 | 300 | 161 | 3.07 | There was less number of blocked pipelines. | 300 |
| 2.3 | | | | Number of kerb inlets maintained | Number of kerbs | new | 3076 | 3076 | 3076 | 7 732 | Target achieved | 3076 |
| 2.5.5 | | | Provision of community and sports facilities and services, arts and culture | New facilities provided | Number of facilities | 0 | 0 | 4 | 4 | 3 | Target not achieved and was based on funding by external stakeholders | 0 |
| 2.5.5 | | | | Upgraded facilities provided | Number of facilities | 4 | 4 | 2 | 2 | 4 | Target achieved | 10 |
| 3.2.4 | Implementation of Community Works Programme Actions supportive of the human settlement outcome | Local Economic Development | Human Settlements | Number of Hostel units refurbished | Number of units | 36 | NA | 90 | 90 | 90 | Target achieved | 90 |
| 3.2.4 | | | | Number of new low-cost Houses build (Dumisane Makhaye Village and Rural housing projects) | Number of units | 2200 | 1448 | 1050 | 1050 | 1655 | Target achieved and exceeded | 1020 |
| 3.1.1 | | | Development of Prioritised Groups | Capacity Building Initiatives undertaken | Number of Initiatives | 2 | 2 | 1 | 1 | 6 | Target achieved and exceeded | 3 |
| 3.1 | | | Promotion of Local Economy | Jobs created through the municipality's LED initiatives and Capital Projects (EPWP) | Number of jobs (cumulative) | 1201 | 922 N/A | 669 | 669 | 506 | The figure reflected is the final head counts as at 30 June 2014. EPWP is project based hence the target can not be accurate set at the commencement of the financial year because some projects are six months projects. | 580 |
| 4.1 | Deepen democracy through a refined Ward Committee model | Municipal Transformation and Institutional Development | Human Resources Management | Number of black staff employed in management (level 15 >) | Number of black staff | 87 | N/A | 103 | 103 | 98 | The achievement of appointments in relation to envisaged targets remains a challenge, since targets and achievements will always be affected by personnel movement dependant on vacancies i.e. resignations, retirements, etc. Adherence to the implementation of the EE plan with the is strictly applied at all times. | 98 + 16 =114 |
| 4.1 | | | | Number of Women employed in the Top Four Management positions(Level 19>) | Number of women | new | N/A | 4 | 4 | 3 | | 3 + 6 =9 |
| 4.1 | | | | Women employed by the municipality | Number of women (additional per quarter) | 703 | N/A | 723 | 723 | 736 | | 736 + 20 =756 |
| 4.1 | | | | Number of Youth Employed in the Management positions(level 15>) | Number of youth (additional per quarter) | new | N/A | 4 | 8 | 7 | | 7 + 6 =13 |
| 4.1 | | | | Youth employed by the municipality | Number of youth (additional per quarter) | 655 | N/A | 679 | 695 | 579 | | 579 + 27 =606 |
| 4.1 | | | | People with Disability employed by the municipality | Number of staff (additional per quarter) | 10 | N/A | 12 | 12 | 13 | | 13 + 2 = 15 |
| 4.1 | | | | Number of EAP programmes implemented | Number of programmes | new | N/A | 4 | 4 | 12 | Target achieved and reliant on employees applying for assistance | 4 |
| 4.1 | | | Development and appropriate training and assistance to employees | Workplace Skills training programs conducted | Number of trainings | new | N/A | 22 | 22 | 55 | The target exceeded as result of superior planning on skills development based on the budgeted amount. | 32 |
| 4.1 | | | | Budget Spent on Workplace Skills Plan (cumulative) | Percentage Spent on budgeted amount | 698622.25/ 897500 =78% | N/A | 100% | 100% | 80.44% | Target not achieved as result of delay in training service providers registration on the vendor data base. No similar delays are envisaged in the future. | 100% |
| 4.1 | | | % Operating Budget spent on implementing Workplace Skills Plan | Skills levy / Salaries budget x 100 = percentage (Target 1.00% p.a.) | 3686647 / 448465000 = 0.82% | N/A | 3704400/ 505363800 = 0.73% | 3704400/ 505363800 = 0.73% | 1071088/ 124005950 =0.86% | Target achieved since a conservative approach was taken based on the baseline | 0.74% | |

| UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014 | | | | | | | | | | | | |
|---|---|--|--|--|---------------------------------------|------------------------------------|---|-----------|----------------|---|--|---------------------|
| IDP Ref | Outcome 9 | National KPA | Strategic Objective | Measurable Objective/Output | Performance Measure / Unit of Measure | Actual (Baseline for 2013/2014) | SENSUS 2011 and/or 2012 ACTUAL NEW BASELINE (for 2013/2014 where applicable) | 2013/2014 | | | Corrective action for Annual Targets not-achieved / remarks | Target 2014/2015 |
| | | | | | | | | Annual | | | | |
| | | | | | | | | Target | Amended Target | Actual ↓ | | |
| 4.4.2.1 | Deepen democracy through a refined Ward Committee model | Municipal Transformation and Institutional Development | Clean and secure working environment | Occupational health and safety initiatives implemented | Number of Initiatives | new | N/A | 4 | 4 | 11 | Target achieved and exceeded | 200 |
| 4.1.3 | Improved relationship between management and Labour | | Labour Relations disciplinary cases | Percentage Reduction in outstanding disciplinary cases | 95% | N/A | 95% | 95% | 47% | Target not achieved. The Labour Relations Section is continually attending to all disciplinary cases. Closing/Finalisation of cases is dependent on a number of factors.e.g. Postponement of cases by organised Labour. | TBR | |
| 4.1.3 | | | Facilitation and preparation of Labour Forum meetings | Number of meetings | 11 | N/A | 11 | 11 | 9 | Target not achieved | TBR | |
| 4.1.3 | | | Joint team building exercise with organised labour | Number of team building exercises | new | N/A | 4 | 4 | 0 | Target not achieved | TBR | |
| 1.1.3.3 | Batho Pele Principles | | Community Surveys conducted | Number of surveys | 1 | N/A | 0 | 0 | 1 | The 2013 Customer Satisfaction survey report rolled over from previous financial year and served in November. Provision of funds was made for conduct a 2014/2015 Customer Satisfaction Survey by April/May 2015. | 1 | |
| 1.1.3.2 | Performance Management Systems | | S57 Performance Agreements | Number of agreements | 6 | N/A | 6 | 6 | 6 | Target Achieved within legislated timeframe. | 7 | |
| 1.1.3 | Municipal Turnaround Strategy | | Implementation of the National Municipal Turnaround Strategy | % Implemented | 100% | N/A | 100% | 100% | 100% | No action required, however a new MTAS has been approved in June 2014 for implementation in 2014/2015 | TBR | |

| UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014 | | | | | | | | | | | | |
|---|--|--|-------------------------|---|---|---|--|--|---|--|--|---|
| IDP Ref | Outcome 9 | National KPA | Strategic Objective | Measurable Objective/Output | Performance Measure / Unit of Measure | Actual (Baseline for 2013/2014) | SENSUS 2011 and/or 2012 ACTUAL NEW BASELINE (for 2013/2014 where applicable) | 2013/2014 | | | Corrective action for Annual Targets not-achieved / remarks | Target 2014/2015 |
| | | | | | | | | Annual | | | | |
| | | | | | | | | Target | Amended Target | Actual ↓ | | |
| 5.2 | Differentiated approach to Municipal financing, planning and support | Financial Viability and Financial Management | Revenue Enhancement | Cash collected from customers | R value of revenue collected | 1 656 139 524 | N/A | 1 669 068 380 | 1 832 663 400 | 1 934 006 000 | Target Achieved at 106% since a conservative approach was taken during the budgeting stage. | 1 998 220 000 |
| 5.2 | | | | Amount invoiced/billed to customers | R value of invoices raised | 1 683 349 716 | N/A | 1 703 131 000 | 1 870 064 400 | 1 893 743 256 | Target achieved at 101% since a conservative approach was taken during the budgeting stage. | 2 039 000 000 |
| 5.1.2 | | | Financial management | Debt service payments | R value (Cumulative) | 176 643 000 | N/A | 184 629 000 | 182 130 000 | 176 657 000 | The difference in the actual and amended is due to the R100M for 13/14 only drawn on 30/06/14, hence no interest & redemption was paid. | 200 552 |
| 5.2 | | | | Total revenue received from grants and subsidies | R value Cumulative | 321 429 027 | N/A | 313 332 400 | 479 646 300 | 341 648 780 | R 109 Million was rolled over from 2012/2013 financial year. The grant was already received in 2012/2013, however the amount was included in the 2013/2014 annual target due to the amount included in the Adjustments Budget for 2013/2014 and not included in the actual received in the financial year. | 379 964 700 |
| | | | | 5.1.2 | Total of grants and subsidies spent | Total grants and subsidies spent / Total grants and subsidies received x 100 = Percentage spent | 79% | N/A | 100% | 100% | 112% | Target achieved. An application for roll-over of grants from the 2012/2013 financial year was approved by National Treasury, thus additional grant revenue and expenditure. |
| 5.1.1.2 | Differentiated approach to Municipal financing, planning and support | Financial Viability and Financial Management | Debt Control | Debt coverage ratio (cumulative) | (Total operating revenue received - operating grants) / debts service payments (interest & redemption due for the year) (x 100) | 1904060-195157000 177237 = 9.64 | N/A | 9.63 | 2 178 853 - 236 594/ 73 038 + 109 092 = 10.66 | 2 208 021 - 220 035/ 176 657 = 11.25 | Target achieved, since a conservative approach was taken during the budgeting stage | 2370559 - 260509/ 77614+122538 =10.52 |
| 5.2.1.2 | | | | Outstanding service debtors to revenue | Outstanding service debtors / revenue actually received for services | 154843895/ 1647668296 = 0.094 | N/A | 159,761,024/ 1,669,068,380 = 10% | 180,000,000/ 1,870,064,400 = 9.82% | 168,140,726/ 2,079,257,475 = 8.09% | Target achieved, since a conservative approach was taken during the budgeting stage | 188901518 1998220000 = 9% |
| 5.1.2.1 | | | | Cost coverage ratio (cumulative) | (Available cash at particular time + Investments) / Monthly fixed operating expenditure (x 1 000) | 280396000/ 150278000 = 1.87 | N/A | 2.13 | 372 838/ 158 104 = 2.36 | 399 897/ 162 774 = 2.46 | Target achieved, since a conservative approach was taken during the budgeting stage | 307693/ 169349 = 1.82 |
| 5.1.1.2 | | | Budgeting and reporting | Total operating budget (revenue) | R value YTD | 2 040 074 844 | N/A | 2 091 453 700 | 2 421 504 700 | 2 494 312 189 | Target achieved and exceeded Audited together with the Annual Financial Statements and Audited values for 2013/2014. | 2 490 014 600 |
| 5.1.2.2 | | | | Total Salaries and Wages budget (including benefits) | R value YTD | 437 125 880 | N/A | 508 764 400 | 499 490 000 | 480 990 214 | Target achieved and savings realized Audited together with the Annual Financial Statements and Audited values for 2013/2014. | 583 140 900 |
| 5.1.2 | | | Expenditure control | Percentage Capital Budget spent on Capital project i.e. IDP | Capital Budget amount spent on Capital Projects / Total Capital Budget x 100 = Percentage spent YTD | 115 037 000/ 233 547 000 = 49.26% | N/A | 338,713,300 =100% | 467,889,900 = 100% | 254 717 000/ 467 889 900 = 54.44% | Audited together with the Annual Financial Statements and Audited values for 2013/2014. Departments to ensure that orders are placed in time and projects completed as intended to ensure 100% spent at year end in the 2014/2015 financial year | 100% |
| 5.1.2 | | | | Total Operating expenditure | R value YTD | 2 092 074 844 | N/A | 1 989 414 100 | 2 173 798 700 | 2 296 406 657 | Audited together with the Annual Financial Statements and Audited values for 2013/2014. | 2 363 247 300 |

LEGENT: KEY FOR THE MEASURABLE OBJECTIVES:

Priority

KZN CoGTA Excellence awards

Additional /Departmental

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

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

DEPARTMENT OF CORPORATE SERVICES

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

DIVERSE ADMINISTRATION SECTION

The Section consists of four (4) Components:

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

HALLS & THUSONG SERVICE CENTRES

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

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

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

STAFF ACQUISITION

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

PRINTING & STATIONARY

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

PROJECTS

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

Most of our projects include the revamping of the existing structures in ensuring the accessibility targeting rural communities.

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

EXPENDITURE

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

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

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

FACILITIES MANAGEMENT

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

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

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

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

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

Secretariat

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

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

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

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

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

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

Printing and Distribution Functions

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

Support Services

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

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

TRAINING AND DEVELOPMENT

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

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

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

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

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

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

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

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



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

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

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



Above: Councillors attending a Management Development Programme

IN-SERVICE TRAINING / INTERNSHIPS

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

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

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



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



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

GRADUATE DEVELOPMENT PROGRAMMES

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

HUMAN RESOURCE ADMINISTRATION

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

RECRUITMENT, SELECTION AND PLACEMENT

Appointments (Period 1 JULY 2013 – 30 JUNE 2014)

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

Breakdown per Race and Gender

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

Breakdown per Occupational Level

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

Promotions (Period 1 JULY 2013 – 30 JUNE 2014)

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

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

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

Terminations (Period 1 JULY 2013 – 30 JUNE 2014)

During the 2012/2013 period, there were 96 terminations of which 76 were African, 4 were Indian, 2 were Coloured, 13 were White and 1 was a Foreign National.

Tabled below is a breakdown of terminations in Council per occupational level during 2012/2013 period:

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

Termination Breakdown

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

ORGANISATIONAL DEVELOPMENT AND CHANGE MANAGEMENT

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

1. Organisational Development

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

2. Change Management

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

3. Other functions include:

- Productivity and continuous improvement
 - ✓ Efficiency studies;
 - ✓ Utilisation studies;
 - ✓ Feasibility studies.
- Business process re-engineering
 - ✓ Cause and effect studies;
 - ✓ Process analysis;
 - ✓ Process improvement and workflow analysis.
- Job evaluation facilitation.

ORGANISATIONAL DEVELOPMENT

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

CHANGE MANAGEMENT

The following two strategies were completed by the Section:

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

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

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

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

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

OCCUPATIONAL HEALTH AND SAFETY

Vision

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

Mission

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

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

Strategic Priorities / Aims

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

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

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

TOTAL NUMBER OF SESSIONS FOR 2013 /2014 149

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

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

TOTAL NUMBER OF SESSIONS FOR 2013 /2014 4

OHS Compliance Inspections during the 2013/2014 year

TOTAL NUMBER OF OHS COMPLIANCE INSPECTIONS INCLUDING CONTRACTORS = 12

SHE COMMITTEE STRUCTURE

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

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

EMPLOYEE ASSISTANCE PROGRAMME (EAP)

EAP SUPERVISORY AND MANAGERS TRAINING

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

CANCER AWARENESS CAMPAIGN FOR WOMEN

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

SPIRITUAL UPLIFTING PROGRAMME (PRAYER DAY)

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

EMPLOYEE WELLNESS DAY/S

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

TB AND CONDOM WEEK CAMPAIGNS

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

CONSUMER EDUCATION

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

Challenges facing the EAP Section

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

Proposed and Implemented Solutions

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

LABOUR RELATIONS

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

Disciplinary Procedures

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

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

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

DEPARTMENT OF COMMUNITY SERVICES

PUBLIC HEALTH AND SAFETY

SECURITY (TRAFFIC AND SECURITY)

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

The Security Section embarked on a tender process to provide Councils "Cash in Transit" Services as the previous contract was due to expire. This process went well and the new service provider commenced work on 1 April 2014.

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

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

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

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

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



Security Staff involved with Beach Protection over the festive season

AIR QUALITY MANAGEMENT



BACKGROUND

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

1. OBJECTIVES

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

2. THE MUNICIPALITY MANDATE ON AIR QUALITY MANAGEMENT

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

3. THE 2013/14 MILESTONES

4.1 Inspections

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

4.2 Complaints

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

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

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

There were eight (8) Section 30 received

4.4 Scheduled Trade Permits

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

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

4.4.1 Notices

There was one Non-compliance notice issued.

4.5 Projects

4.5.1 Air Quality Management Bylaws

The Air Quality Management Bylaws are on draft

4.5.2 Ambient Monitoring Stations

The tender to install three Ambient Monitoring Stations was awarded.

4.5.3 Air Quality Management Strategy

The AQM Strategy is on draft

WASTE MANAGEMENT ANNUAL REPORT

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

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

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

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

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

The following are the core functions of the section,

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

WEEKLY WASTE COLLECTION

| QUARTER | NO OF TRIPS | TONAGE OF WASTE DISPOSED OF |
|-------------------------|--------------|--------------------------------|
| 1 ST Quarter | 1738 | 8730 |
| 2 ND Quarter | 1641 | 8555 |
| 3 RD Quarter | 1738 | 8221 |
| 4 TH Quarter | 1707 | 7973 |
| TOTAL | 6 818 | 33479 |

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

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

STREET CLEANING

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

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

RECYCLING PROGRAMME

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

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

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

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

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

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

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

ILLEGAL DUMPING

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

COMMUNITY OUTREACH PROGRAMMES

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

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

GREENEST MUNICIPALITY COMPETITION

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

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

uMhlathuze FIRE, RESCUE AND DISASTER MANAGEMENT SERVICES

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

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

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

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

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

FIRES AND RESCUES OF INTEREST

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

ACHIEVEMENTS INCLUDE:

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

REMARKS PERTAINING TRAINING DIVISION

- Twenty (20) EPWP employees were appointed at the Fire and Rescue Services in January 2014. All twenty (20) employees successfully completed a Basic Fire Fighting Course and received certification.
- The Fire Fighter I and HAZMAT Awareness Course for the EPWP employees commenced on the 10th of February 2014 with a total of twenty (20) students. Nineteen (19) students were evaluated by an external moderator on the 13th of June 2014 and were found competent on both Fire Fighter I and HAZMAT Awareness.
- The external Fire Fighter I and HAZMAT Awareness Course commenced on the 7th of April 2014 with a total of twenty (20) students. The facilitation part of the course has been completed and twenty (20) external students will be evaluated by an external moderator on the 4th of July 2014.
- Five (5) Basic Fire Fighting Courses with a total of 73 trainees were conducted during the year and all trainees were found to be competent.
- Two (2) Industrial Fire Fighting Courses with a total of 12 trainees were conducted during the year and all trainees were found to be competent.

DISASTER MANAGEMENT

- The City of uMhlathuze Fire, Rescue and Disaster Management Services played a major role in the “MV Smart” shipping incident implementing access control, monitoring product leakage, search, identification and removal of beached containers. A total of twenty-four (24) meetings were attended with regards to the MV Smart.
- Assistance in the form of food parcels, blankets and shelter was given to fifty-nine (59) families within the City of uMhlathuze area of jurisdiction whose residences were destroyed by fire and / or natural disasters.
- Standby duties were carried out at various mass public gatherings/venues throughout the City of uMhlathuze during the year and as a result of good pre-planning, no incidents were reported, e.g. ANC Rally in eSikhaleni and the Nazareth / Shembe Temple Service at Mpuza Hill in Mandlazini.

- The Disaster Management plan for the City of uMhlathuze was kept updated throughout the year and was tested on various occasions by means of evacuation drills and other emergency exercises which took place at industry, commerce, medical institutions and schools. A total of twenty-four (24) on-site emergency exercises were conducted.
- The New Year's Eve festivities that took place in Small Craft Harbour were successfully concluded due to effective pre-planning and the strategic deployment of vehicles and manpower.
- Various emergency plans were received and scrutinized from major industry, commerce, medical institutions and schools and were placed on file.
- During the year a total of **1 620** scholars visited the fire station on educational information excursions and thus forming part of the Fire and Rescue Services Fire Awareness Campaigns.

ENVIRONMENTAL HEALTH SERVICES

"Promoting a healthy environment"

MAIN RESPONSIBILITIES

The World Health Organization describes Environmental Health as:

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

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

- (a) Water quality monitoring;
- (b) Food control;
- (c) Waste management;
- (d) Health surveillance of premises;
- (e) Surveillance and prevention of communicable diseases;
- (f) Vector control;
- (g) Environmental pollution control;
- (h) Disposal of the dead; and
- (I) chemical safety,

GENERAL OVERVIEW & MAIN ACHIEVEMENTS

Health Education and Health Awareness Programs

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

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

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

The health education and awareness covered the following topics:

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

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

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

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

Indigent and Pauper Burials

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

STATISTICS

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

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

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

CLINICS

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

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

| | |
|-----------------------------|---------------|
| GRAND TOTAL FOR YEAR | 288216 |
|-----------------------------|---------------|

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

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

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

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

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

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

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

ENVIRONMENTAL AND RECREATIONAL SERVICES

SPORT AND RECREATION

Milestones and achievements during the year under review include the following

SALGA KZN Games

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

Senior Citizens Golden Games

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

Beach Games

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

Disability Sport

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

Thanda Royal Zulu versus Orlando Pirates match

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

KZN Inter-departmental Games.

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

Education and Training

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

AMENITIES (SUB-SECTION OF SPORT AND RECREATION)

POOLS

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

EVENTS

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

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

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

BEACHES

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

EVENTS

During this year

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

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

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

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

The main beach, Alkantstrand is well guarded and a safe beach throughout the year. There are 4 security guards on patrol during the open time and several SAPS on regular patrol day and night.

Section tourism has taken the initiative to develop the New arch beach this is work in progress.

Budget did allow for the renovation of the restaurant building which will be converted into offices. Several new rescue equipment was purchased.

Council is grateful to DEDTS for their grant of R400 000, 00 for the upgrade of the beach. A Learning Centre is developed and a portable lifeguard office is erected in New arch beach. Council is also grateful to Ezemvelo Wildlife for their continuous support on the up keep of all beach in the City of uMhlathuze. For the 2013/14 season Ezemvelo Wildlife have placed 18 EPWP Staff to keep our coast line clean. These staff report daily for duty.

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

Empangeni Museum

June – July 2014: Mondi Eisteddfod High School Art

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

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

February 2014 – May 2014: Empangeni Preparatory School Centenary Celebration

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

December 2013 – February 2014: Local Artist Display

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

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

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

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

In total 26 students works were on display.

August 2013 – September 2014: Northern KZN Craft Work

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

LIBRARIES

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

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

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

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

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

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

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

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

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

ENVIRONMENTAL SERVICES

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

1 Grass cutting

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

2 Tree maintenance and bush clearing.

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

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

3 Tree planting

Trees Planted during the 1st Quarter:

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

Trees Planted during the 2nd quarter:

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

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

Trees Planted during the 3rd quarter:

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

Trees Planted during the 4th quarter:

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

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

4 Technical maintenance

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

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

Cemeteries

Number of Burials conducted in the Cemeteries

- eSikahleni 330
- Richards Bay 317
- eNseleni 38
- Empangeni 1
- **The total number of burials amount to 686**

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

Capital projects 2013/2014

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

Development in Cemeteries

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

DEPARTMENT OF CITY DEVELOPMENT

DEVELOPMENT ADMINISTRATION

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

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

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

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

THE NEW UMHLATHUZE LAND USE SCHEME

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

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

- a) Replace the existing Richards Bay, Empangeni and Dumisane Makhaye Village town planning schemes; and
- b) Implement a scheme for those areas which were previously not covered by a town planning scheme, excluding areas which are subject to the Subdivision of Agricultural Land Act (Act 70 of 1970).

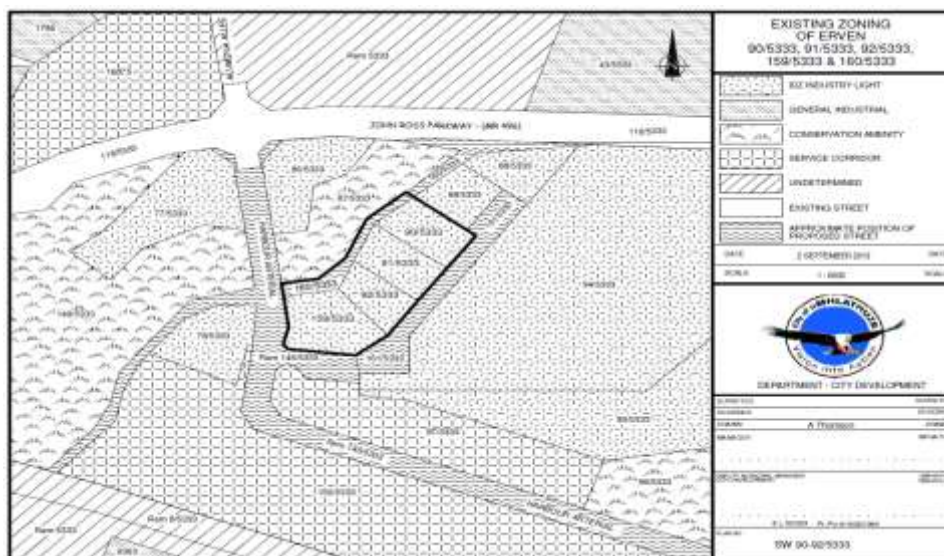
An extensive public participation process was followed and Council subsequently adopted the new uMhlathuze Scheme, which became effective on 7 January 2014.

REZONING AND ALIENATION OF THE RICHARDS BAY TRUCK STOP

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

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

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



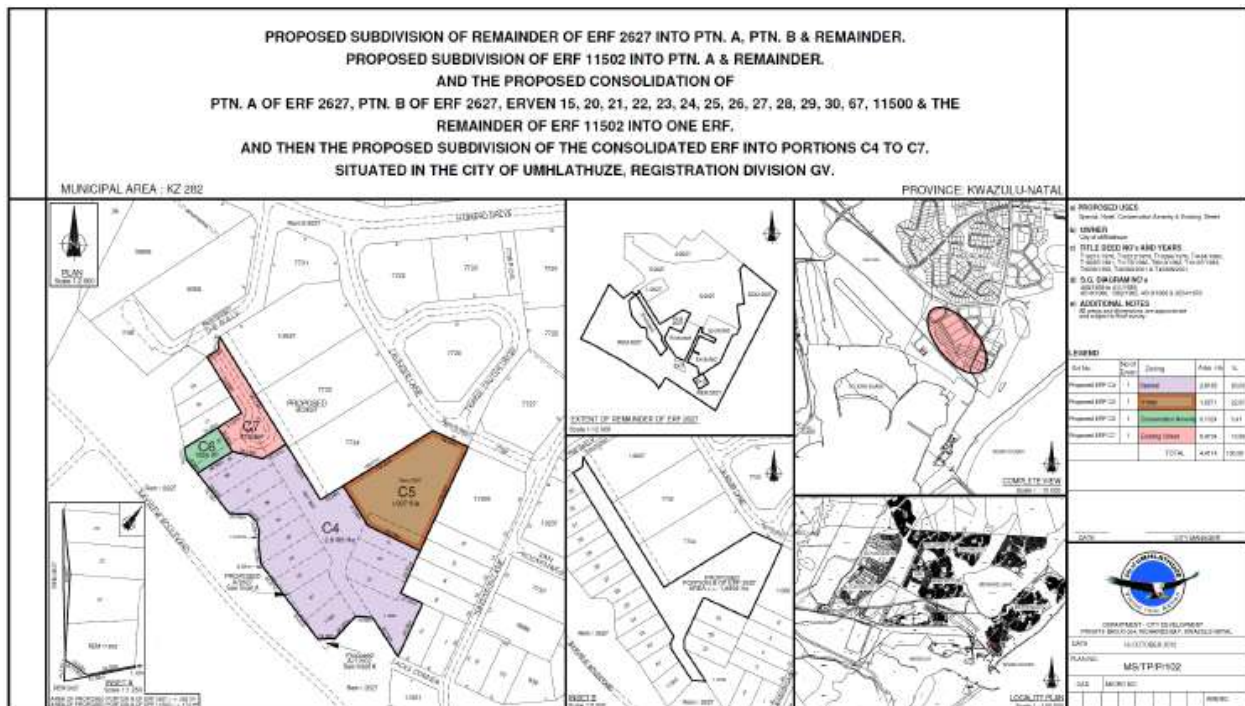
The property was appropriately zoned by means of Council Resolution 9035 of 26/11/2013.

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

THE RIDGE

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

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



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

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

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

TOWNSHIP ESTABLISHMENT – MANDLAZINI VILLAGE

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

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

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

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

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

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

TOWNSHIP ESTABLISHMENT – MZINGAZI VILLAGE

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

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

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

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

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

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

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

SUMMARY OF PLANS USED

Truck Stop – DMS 899271

The Ridge – DMS 861451

Mandlazini Village – DMS 858994

Mzingazi Village – DMS 909919 and 909915

Lighthouse – DMS 946813

Breamhill Interchange – DMS 945763

LAND USE MANAGEMENT

DEVELOPMENT CONTROL

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

LAND USE CONTRAVENTIONS

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

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

BUILDING PLANS

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

LAND USE MANAGEMENT SCHEME

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

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

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

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

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

OUTDOOR ADVERTISING

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

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

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

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

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

PROPERTY ADMINISTRATION

GENERAL OVERVIEW

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

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

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

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

These three properties with the total extent of 17 137m² were advertised and closed on 25 April 2014 at an upset price of R 6 500 000.00.

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

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

ALIENATION OF PORTION 2 OF ERF 11376

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

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

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

PROPOSED ESTABLISHMENT: SHOPPING CENTRE: NSELENI

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

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

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

ALIENATION OF VACANT LAND IN BRACKENHAM

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

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

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

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

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

INCOME RECEIVED BETWEEN JULY 2013 AND JUNE 2014

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

PROPERTY LEASING

LEASES ADMINISTERED BY THE SECTION

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

Total Leases **602**

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

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

LONG TERM LEASING OF A TRUCK STOP FACILITY

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

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

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

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

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

PROPERTY VALUATION

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

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

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

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

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

BUSINESS SUPPORT, MARKETS AND TOURISM

AGRICULTURAL SUPPORT

HOSTING OF THE ANNUAL AGRICULTURAL MARKET DAY

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

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



MENTORSHIP PROGRAMME TARGETING SMALL MEDIUM MICRO ENTERPRISE

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

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

The objectives of the Mentorship Programme are:

1. Capacity Building initiative.
2. Capacitating the SMME's on preparing and completion of tender documents.
3. Enabling SMME's to implement pricing and costing principles, determining income and expenditure of a new venture and identify resources to obtain start-up capital

The selected mentees are as follows:

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

INFORMAL TRADING

MENTORSHIP PROGRAMME TARGETING INFORMAL TRADERS

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

Programme Methodology

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

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

Programme objectives:

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

The Mentorship Programme covered the following topics:

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

The Following Informal Traders are participating on the programme:

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



Construction of Informal Trading Stalls

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

The objectives of the project are:

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

The Project is divided into 3 phases:

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

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

BEFORE CONSTRUCTION



AFTER CONSTRUCTION



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



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

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

TOURISM

UMHLATHUZE BEACH FESTIVAL

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



FORMATION OF THE UMHLATHUZE COMMUNITY TOURISM ORGANISATION

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

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

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

Chairperson: Prof. Thandi Nzama

Vice Chair: Ms Thembi Maseko

Treasurer: Mr Mandla Magagula

Secretary: Ms Lyn Govender – subsequently replaced by Ms Vanessa LeRoux

DEVELOPMENT AND ENVIRONMENTAL, SPATIAL

WETLAND MANAGEMENT PLAN INITIATED BY THE CITY OF uMhlathuze

Phase 1: Preparation of a Strategic Policy Framework

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

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

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



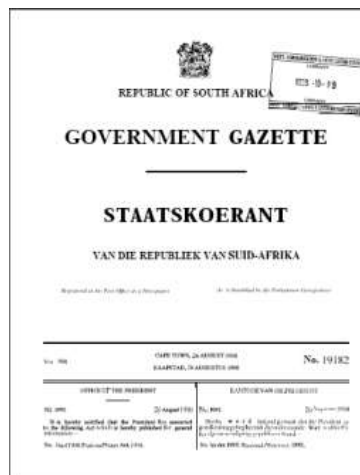
Figure 1: The City of uMhlathuze is a strategic location for national, regional development imperatives – there is pressure to 'unlock' development space to facilitate economic growth.

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



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

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



Approach

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

Phase 1: Strategic Assessment and Policy Framework

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

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

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

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

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

ENVIRONMENTAL IMPACT ASSESSMENTS

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

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

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

HUMAN SETTLEMENTS

ESIKHALENI HOSTELS REFURBISHMENT

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

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

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

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

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

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



The municipality has appointed a Contractor for the refurbishment of Bhambatha Hostel (H396), this appointment is for refurbishment of two blocks (36 units), and the remaining three blocks will be refurbished on completion of the two blocks.

The Department of Human Settlements has advanced R20 million towards this project, and the anticipated completion date is June 2015.

URBAN HOUSING PROJECTS

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

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

RURAL HOUSING

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

NEW HUMAN SETTLEMENTS BUILDING/OFFICES

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

ACHIEVEMENTS

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

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

DMS981153

DEPARTMENT OF INFRASTRUCTURE AND TECHNICAL SERVICES

ENGINEERING SERVICES

Sections Functioning under Engineering Services:

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

1. Project Management Services

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

Selected Major Projects under PMU

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

EPWP Infrastructure last Quarterly report per municipal project with demographics

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

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

2. Fleet Section

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

Service mission

The mission of the section is:

1. to set out and implement standards to regulate physical management, recording and internal controls to ensure that vehicles, plant and equipment are safeguarded against inappropriate loss or utilisation, thereby maximising useful economic life.
2. to provide a framework within which expenditure on vehicle, plant and equipment can be incurred including scrapping of such vehicles, plant and equipment.
3. to ensure that vehicles, plant and equipment are acquired, operated, maintained, repaired and disposed of within the applicable regulatory framework, taking into consideration Budgetary constraints.

Vehicle/ Plant and Equipment Statistics:

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

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

Achievements

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

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

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

Several essential pieces of Equipment that greatly enhances safety and efficiency have also been procured.

The main items procured, were heavy-duty jacks, gearbox jack, Engine hoist and Paraffin trays.

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

Fleet Challenges:

Failure of Graders: The maintenance of Rural Roads was severely hampered, due to the fact that three of the 4 Graders in use, developed serious mechanical defects, and plant had to be hired in.

Repairs were hampered due to the lack of accredited agents in the uMhlathuze area.

After a request to the Importers of the Plant, a local agent was appointed and repairs carried out. The Plant has been operating successfully, with only minor breakdowns.

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

Staff Challenges: The Mechanical Workshop has 8 Artisans that are responsible to carry out preventative maintenance and repairs on over 500 vehicles and Plant.

The above creates a situation where preventative maintenance is neglected, increasing the risk for breakdowns to occur. The Department is busy with the analysis for the ease of presenting a business case for a way forward.

Vehicle shortage: The procurement of new vehicles for the Fleet has not kept track with the increasing service delivery demands.

The need for the permanent use of vehicles by newly appointed staff has depleted the vehicle pool severely, and the pool needs to be supplemented as a matter of urgency.

3. Building & Structures Section

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

Achievements

Structural Engineer to be appointed at first quarter of 2014-2015 budget to conduct annual inspection and give report on conditions/structural integrity and remaining life of all municipality buildings pending refurbishment and renovations.

Planned maintenance programs as scheduled and daily complains operation are monitored

Staff Categories:

3.1 Carpentry and Glazing Maintenance

3.2 Bricklaying & Plaster/Paving/Tiling Maintenance

3.3 Painting and Decoration Maintenance

3.4 lighting services maintenance

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

4. Infrastructure Asset Management

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

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

Asset Management Challenges:

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

WATER & SANITATION

KEY FACTS OF WATER AND SANITATION BUSINESS

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

Water Services Act 107 of 1997

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

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

WATER SERVICES BYLAWS

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

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

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

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

1. WATER DEMAND MANAGEMENT PLANNING AND STRATEGY

1.1. Water Backlog

Table 1: Water services backlog as at 30 June 2014

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

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

1.2. Sanitation Backlog

Table 2: Sanitation backlog as at 30 June 2014

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

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

1.3. Water Losses

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

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

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

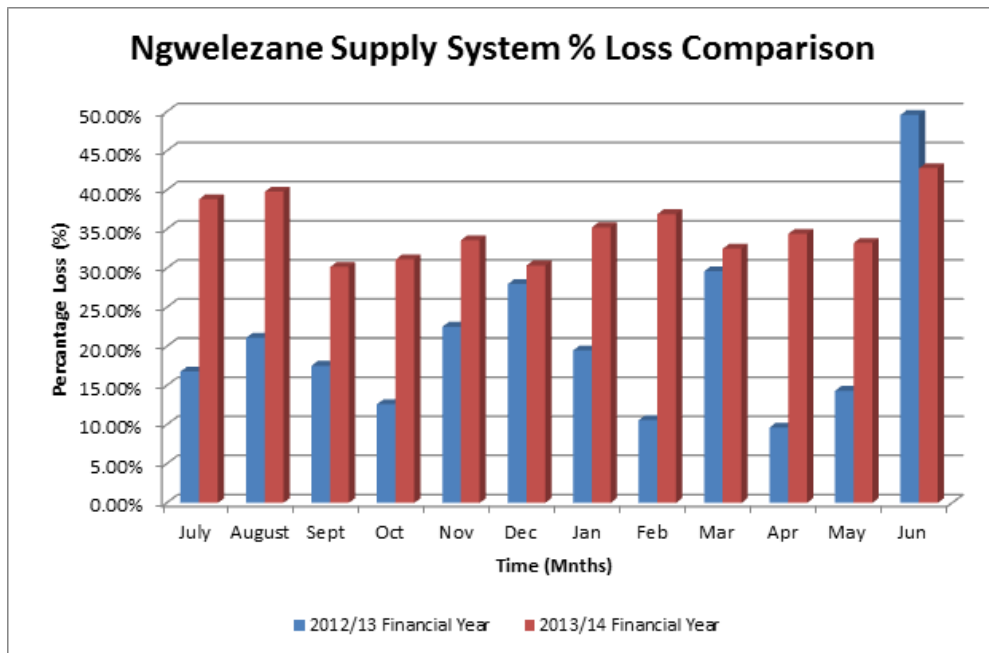


Fig 1: Ngwelezane Water Losses

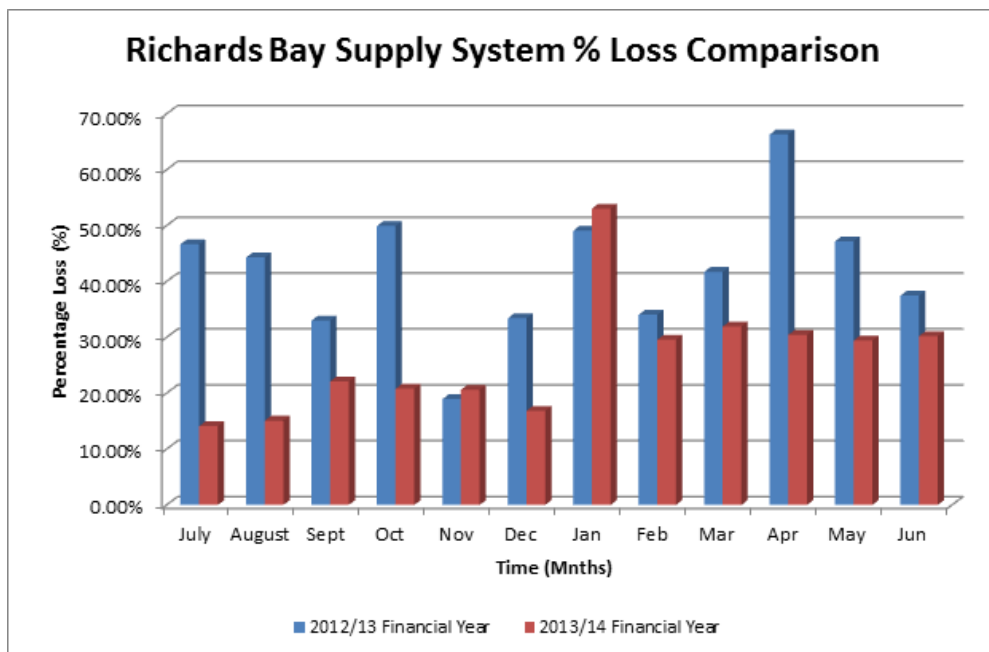


Fig 2: Richardsbay Water Losses

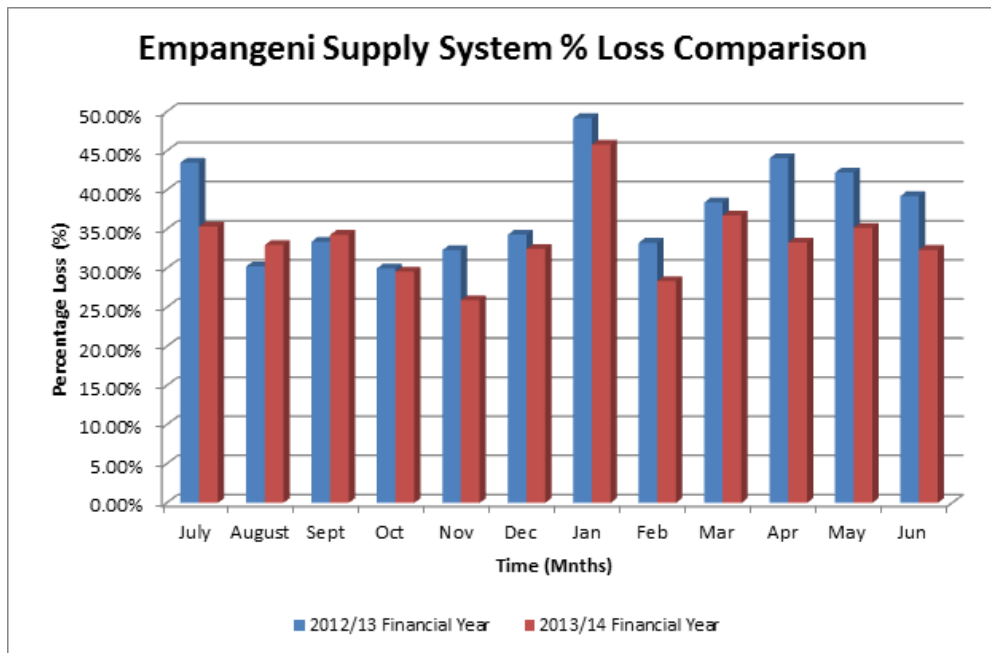


Fig 3: Empangeni Water Losses

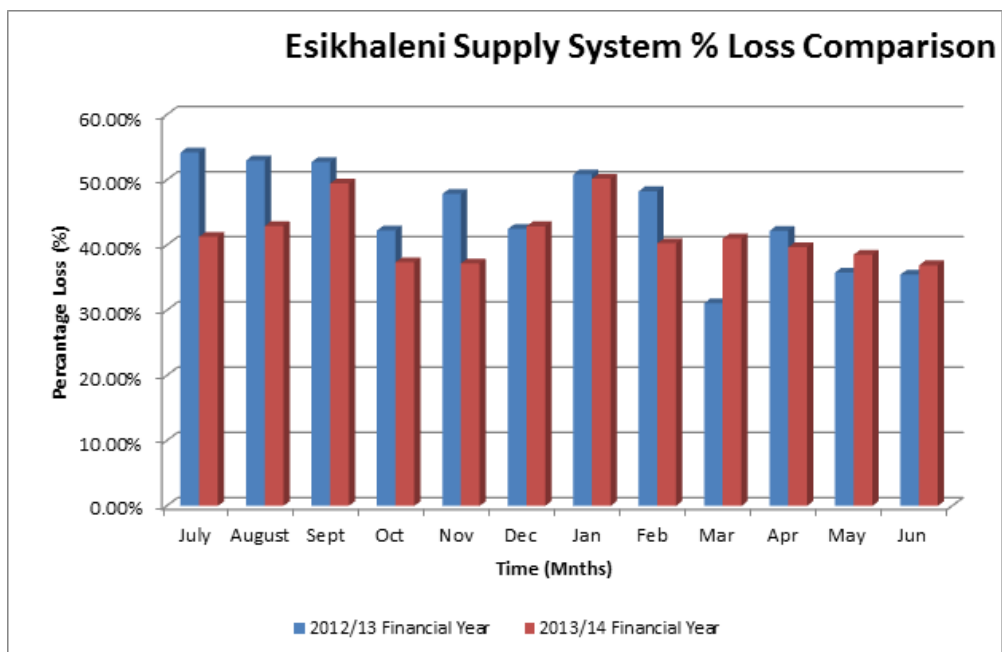


Fig 4: Esikhaleni Water Losses

1.4. Bulk and Reticulation Network Planning

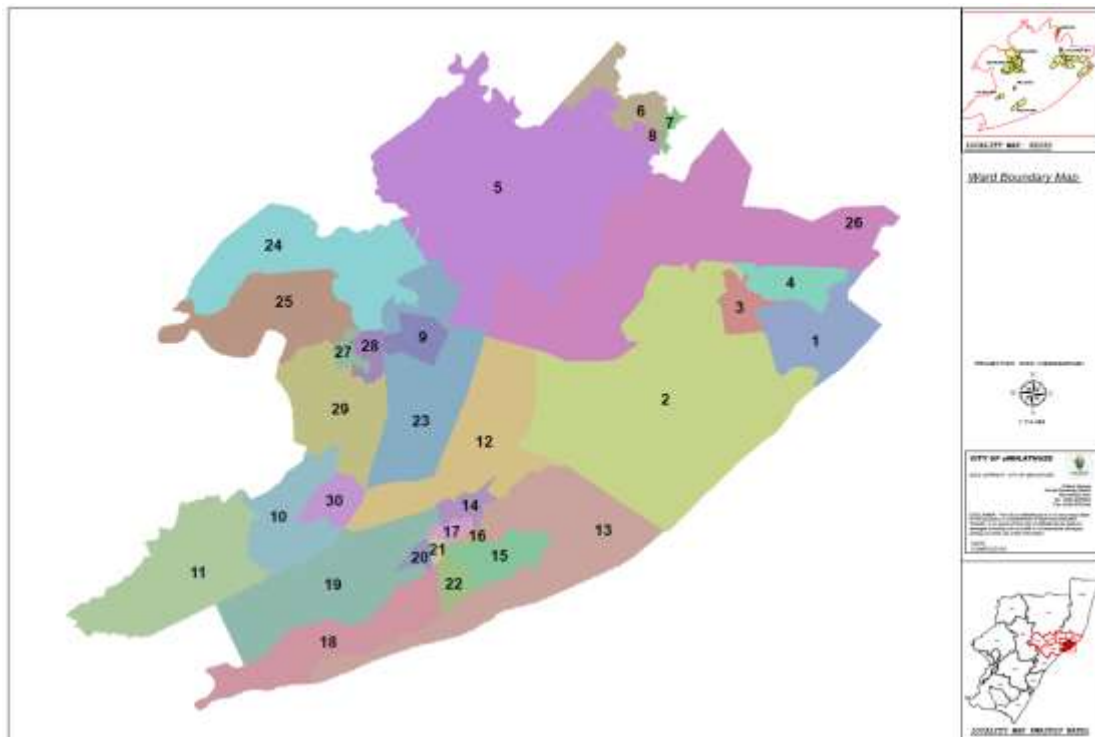


Fig 5: All 30 different wards serviced by Water and Sanitation Services

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

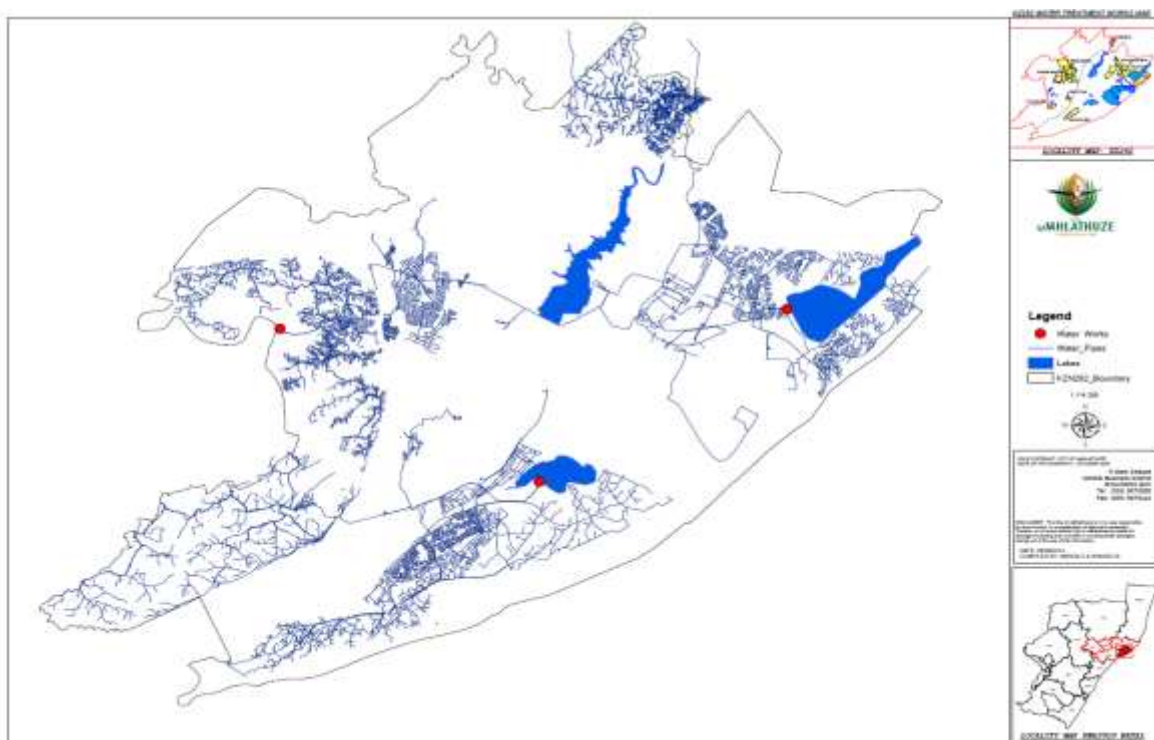


Fig 6: Potable Water Infrastructure Network

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

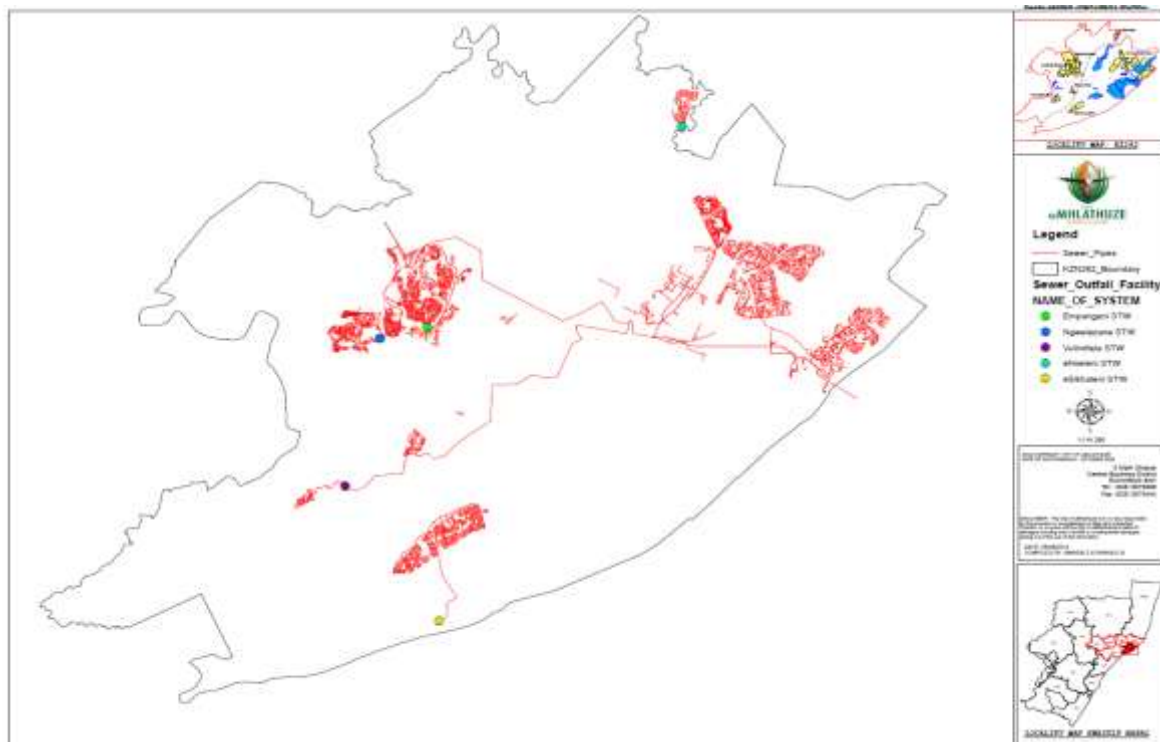


Fig 7: Waterborne Infrastructure Network

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

2. BULK WATER AND WASTEWATER OPERATIONS

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

2.1. Lake Levels

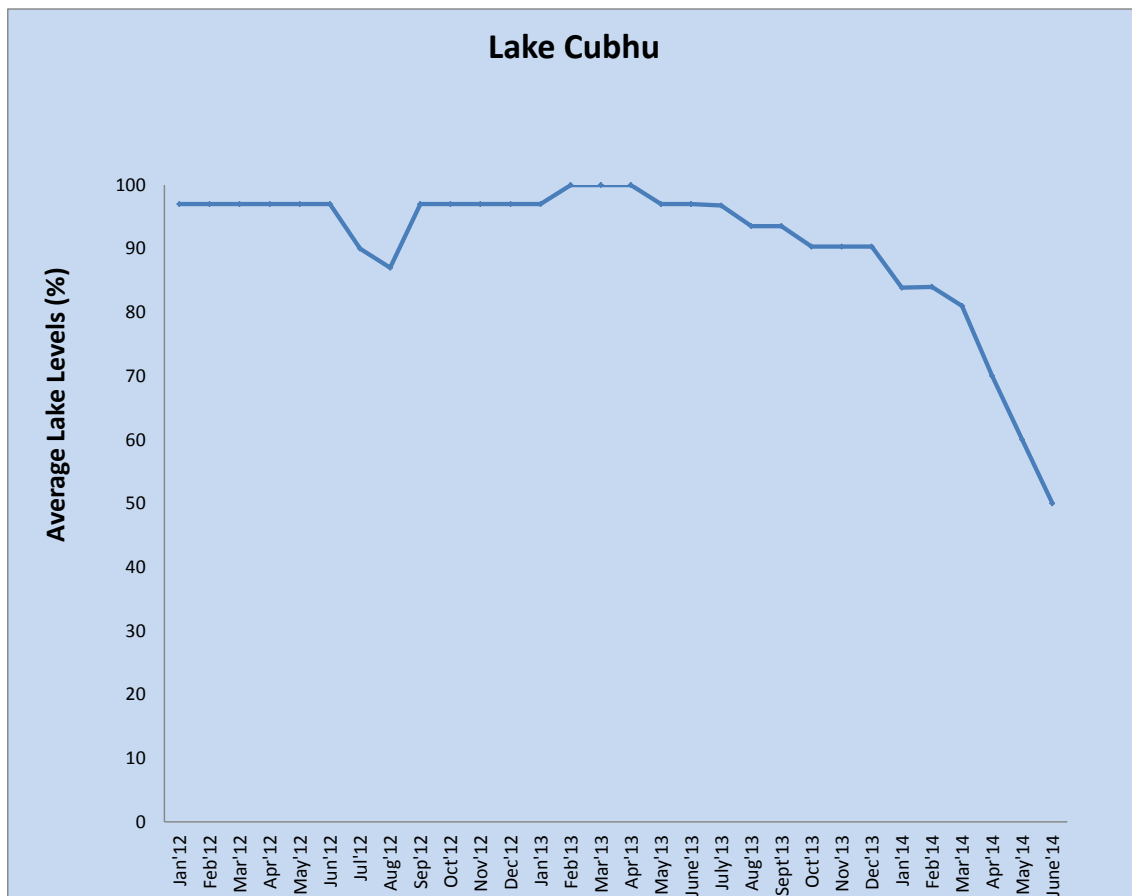


Fig 8: Lake Cubhu levels as at 30 June 2014

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

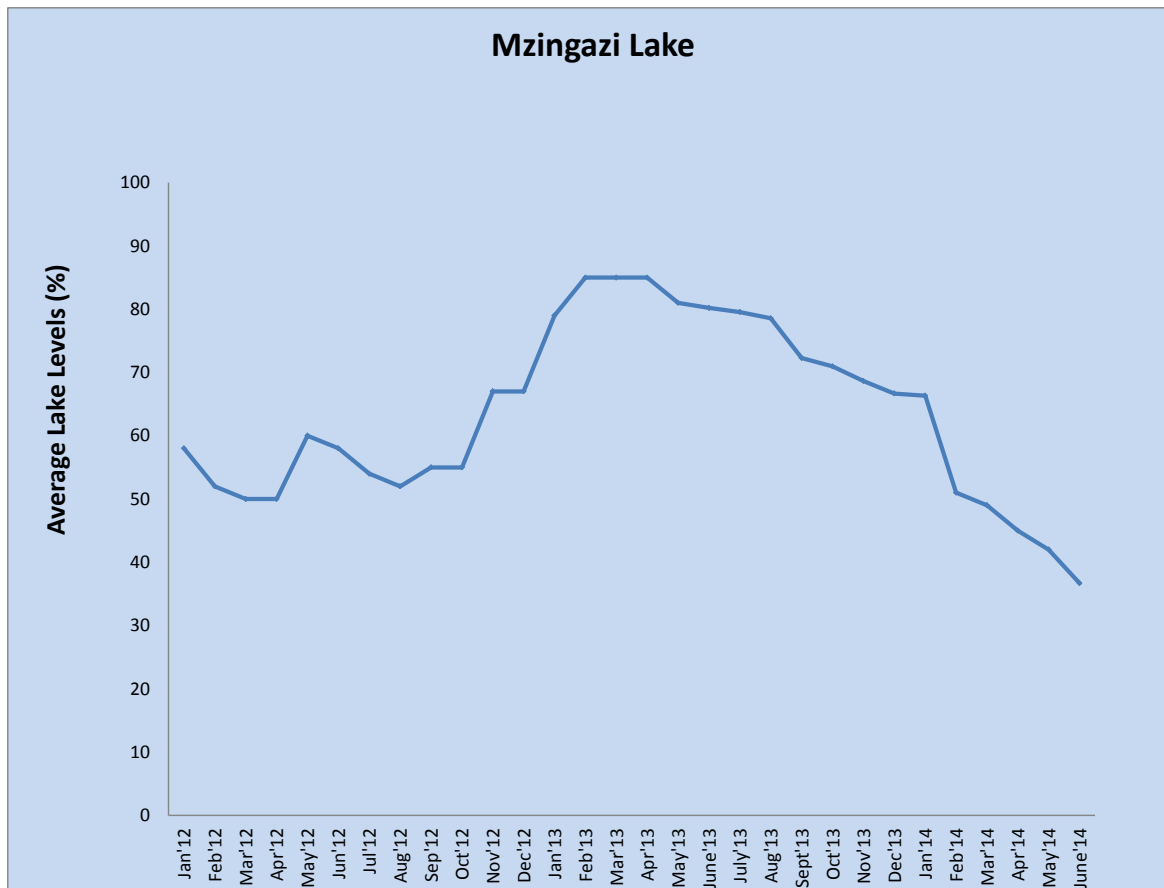


Fig 9: Mzingazi Lake levels as at 30 June 2014

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

2.2. Plant production

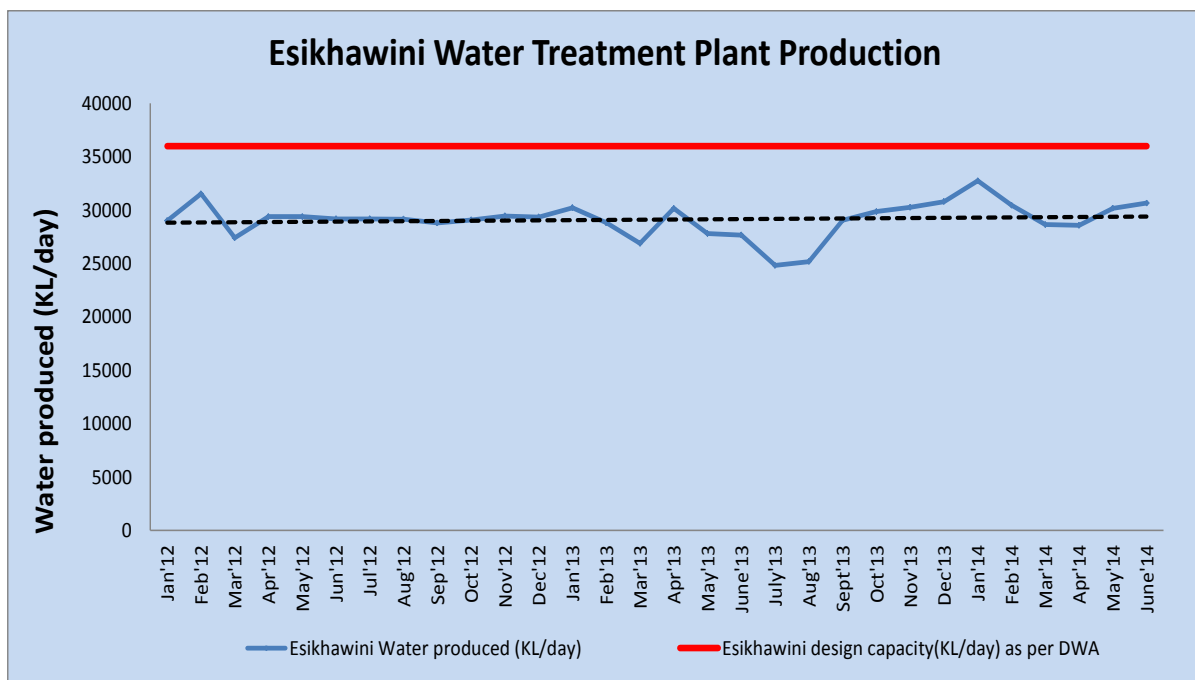


Fig 10: eSikhaleni Water Treatment Plant production as at 30 June 2014

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

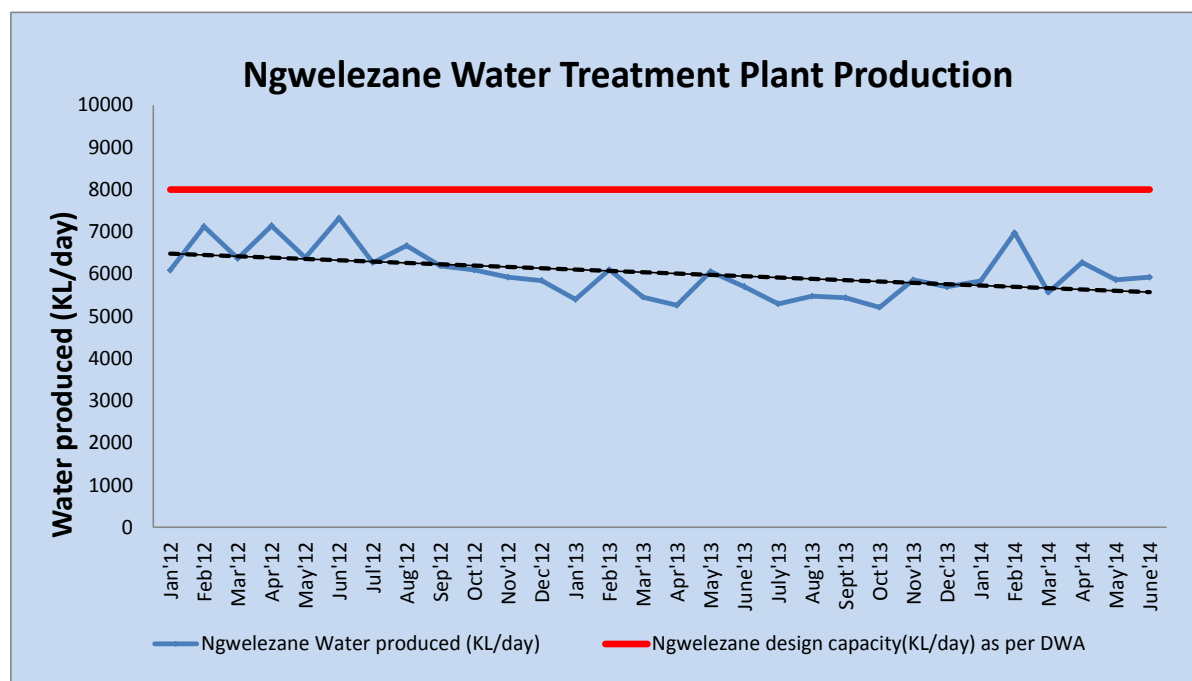


Fig 11: Ngwelezane Water Treatment Plant production as at 30 June 2014

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

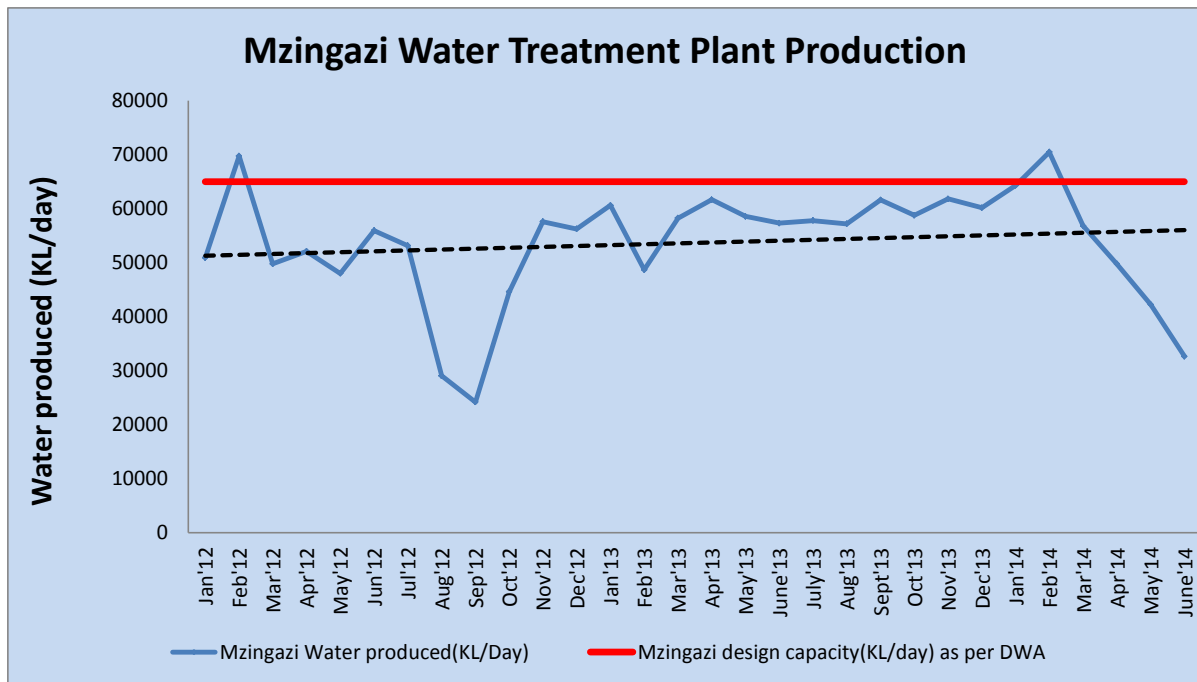


Fig 12: Mzingazi Water Treatment Plant production as at 30 June 2014

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

3. INFRASTRUCTURE MAINTENANCE (URBAN AND RURAL)

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

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

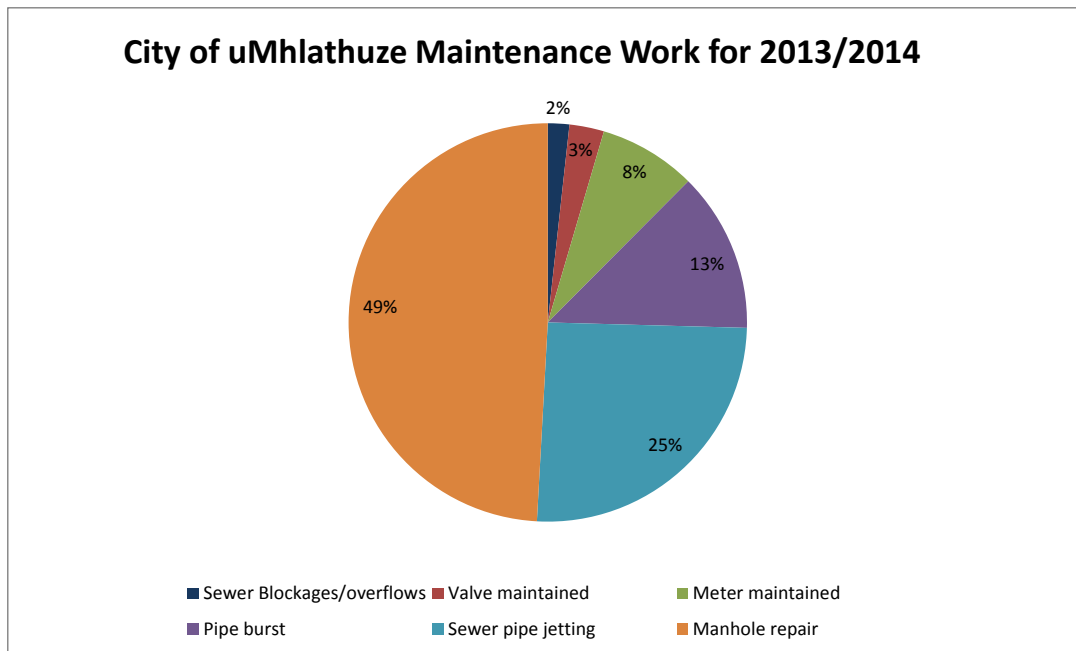


Fig 13: Pipeline Infrastructure Maintenance for 2013/2014 financial year

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

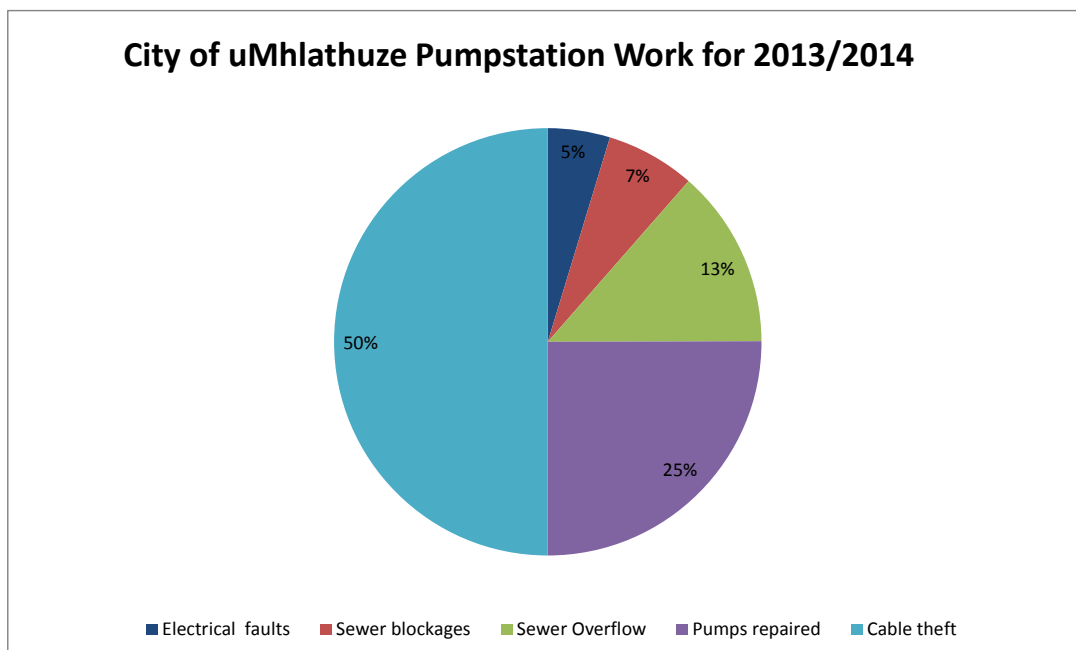


Fig 14: Pumpstations Maintenance for 2013/2014 financial year

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

Table 4: Annual Works Orders generated for 2013/2014

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

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

4. SCIENTIFIC SERVICES

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

4.1. Laboratory Sampling and Testing

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

Table 4: Total samples of surface and ground water monitoring

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

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

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

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

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

4.2. Compliance Activity of the Water Quality Section

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

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

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

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

4.3. Blue & Green Drop Incentive Based Programmes

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

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

Table 8: Blue Drop Criteria

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

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

Table 9: Comparative Table – Blue Drop Status



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

Table 10: Blue Drop CRR Scores 2013

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

Table 11: Green Drop Criteria

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

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

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

Table 12: Comparative Table – Green Drop Status




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

Table 13: Green Drop CRR Scores 2013

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

5. CUSTOMER SERVICES

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

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

Table 14: Top 15 bulk water users

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

Table 15: Top 15 commercial water users

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

Table 16: Top 15 government entities water users

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

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

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

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

WATER AND SANITATION ACHIEVEMENT FOR 2013/2014

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

TRANSPORT, ROADS, STORMWATER AND COASTAL MANAGEMENT SERVICES

This section is responsible for:

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

1. TRANSPORTATION PLANNING (TP):

Achievements for the period under consideration:

SIGNALISED INTERSECTIONS:

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

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

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

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

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

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

TRANSPORTATION, ROADS AND STORMWATER RELATED CONTRACTS / QUOTATIONS:

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

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

Table 1.1

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

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

Table 1.2

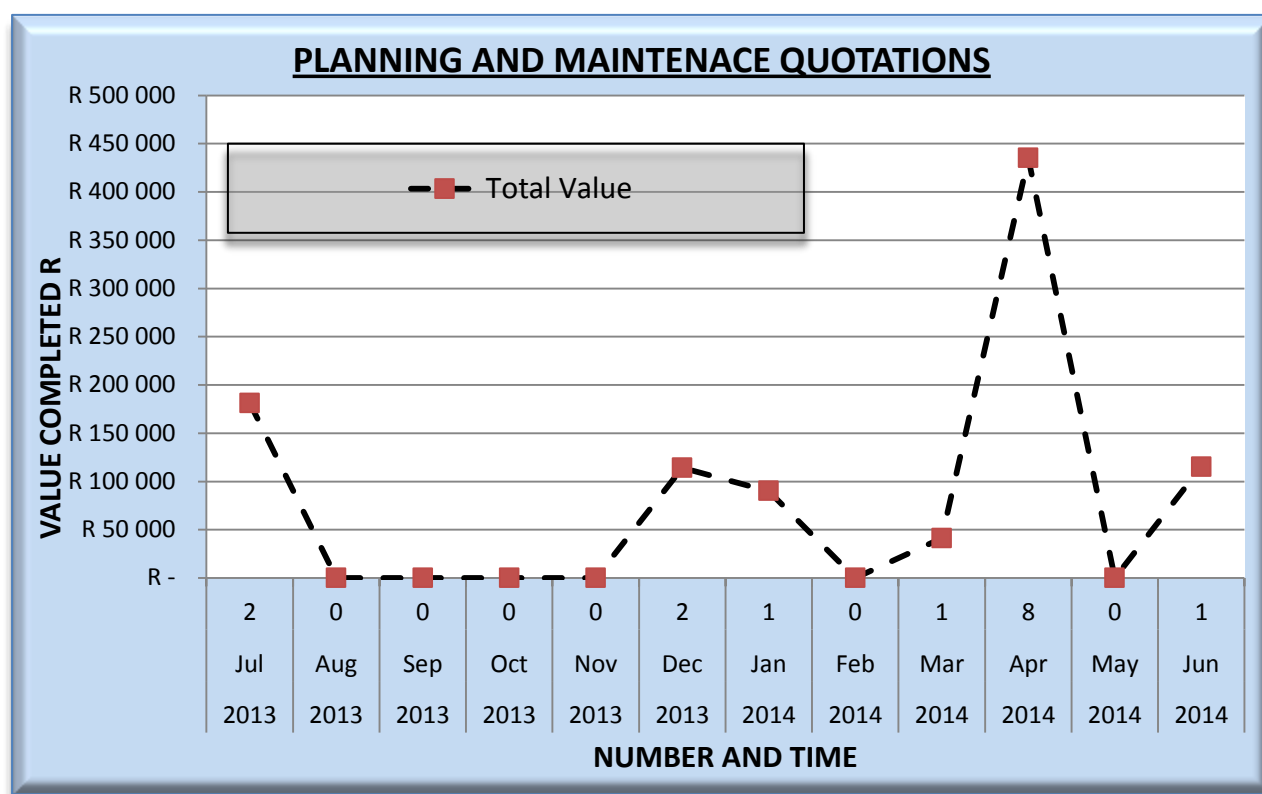
| No | Project Description | Area | Budget |
|-----------|--|---------------------|---------------|
| 1 | Private development – John Ross Interchange Park – Council took over new roads layout of 1.5km and associated stormwater systems. | N2 interchange area | R 2 619 300 |

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

Table 1.3

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

Fig 1.1



TRANSPORTATION PLANNING:

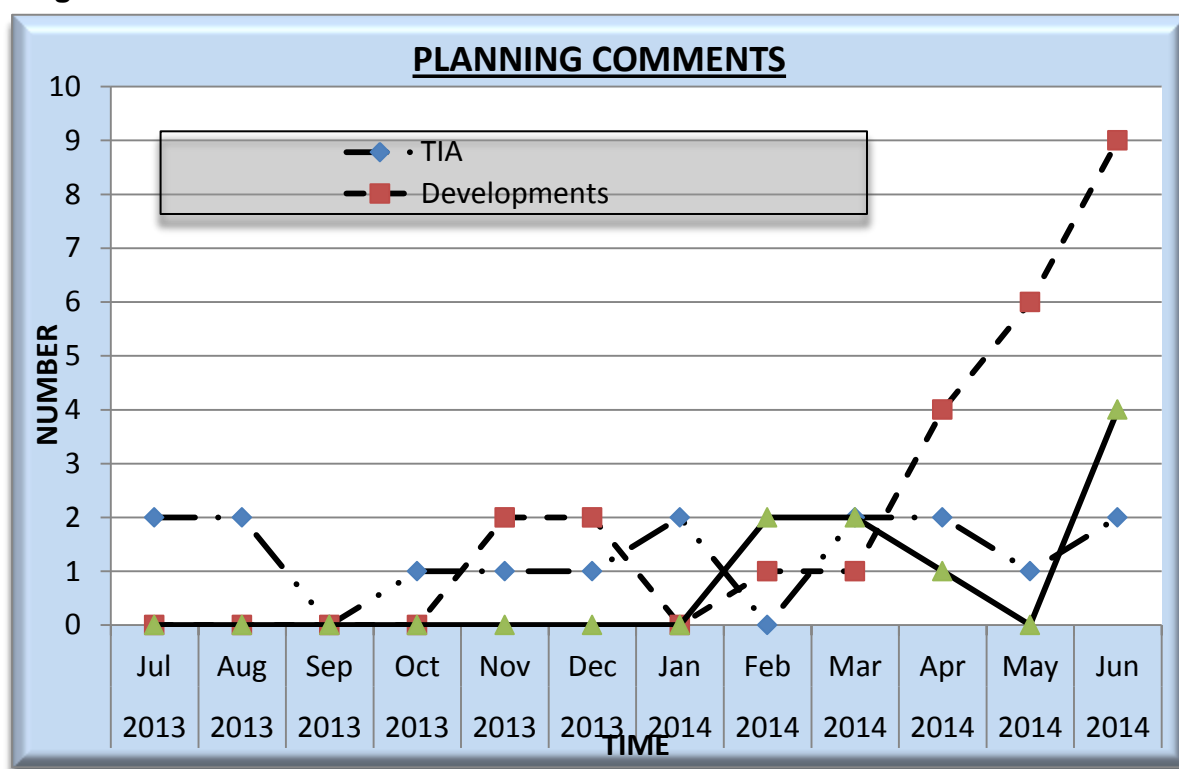
During this financial year this section assessed traffic Impact assessments, provides transportation related comments on new and private developments and calculated roads contributions. The Table 1.4 and Fig 1.2 below indicate a summary of the work done.

Table 1.4

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

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

Fig 1.2



2. URBAN ROADS and RAIL

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

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

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

Road Maintenance and Rehabilitation

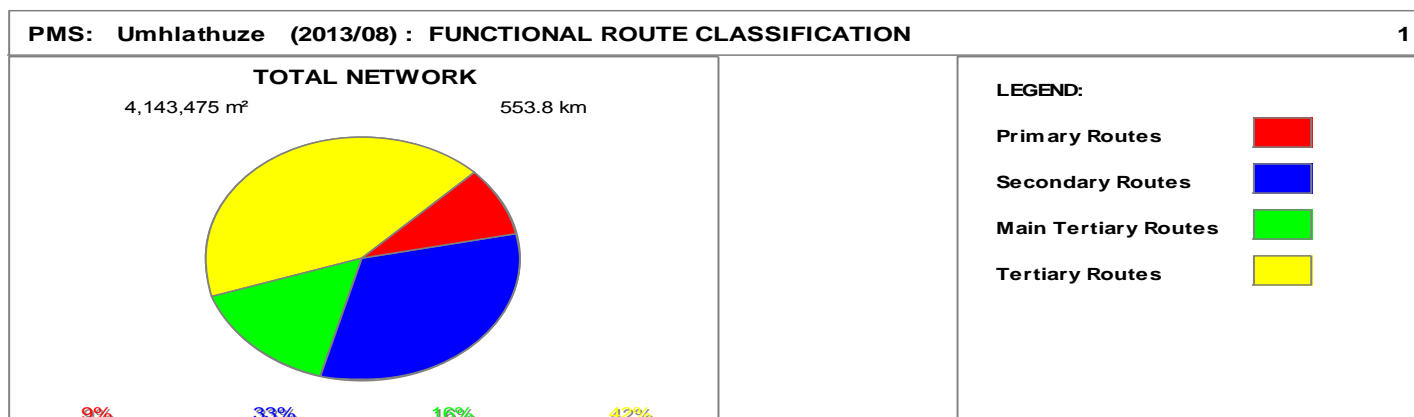
In order for proper planned and prioritized road maintenance and rehabilitation to take place a Pavement Management System (PMS) needs to be in place.

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

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

Fig 2.1

URBAN ROADS

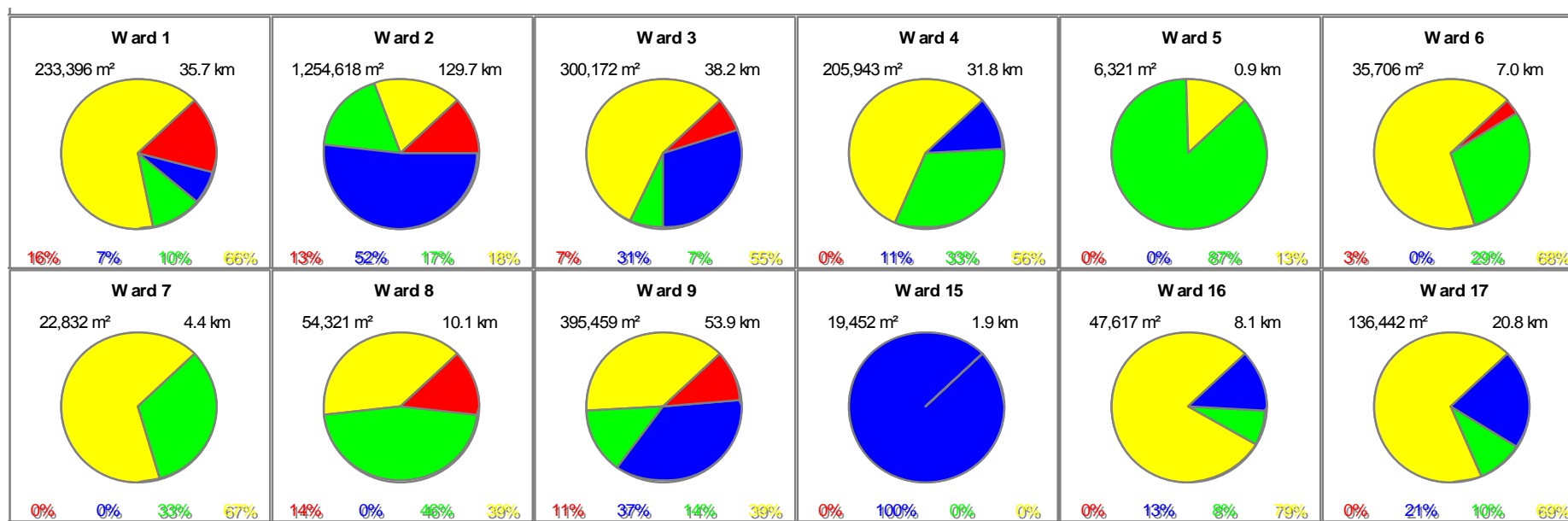


Primary Route e.g. John Ross Parkway

Secondary Route e.g. East central Arterial

Main Tertiary Route e.g. Via Verbena

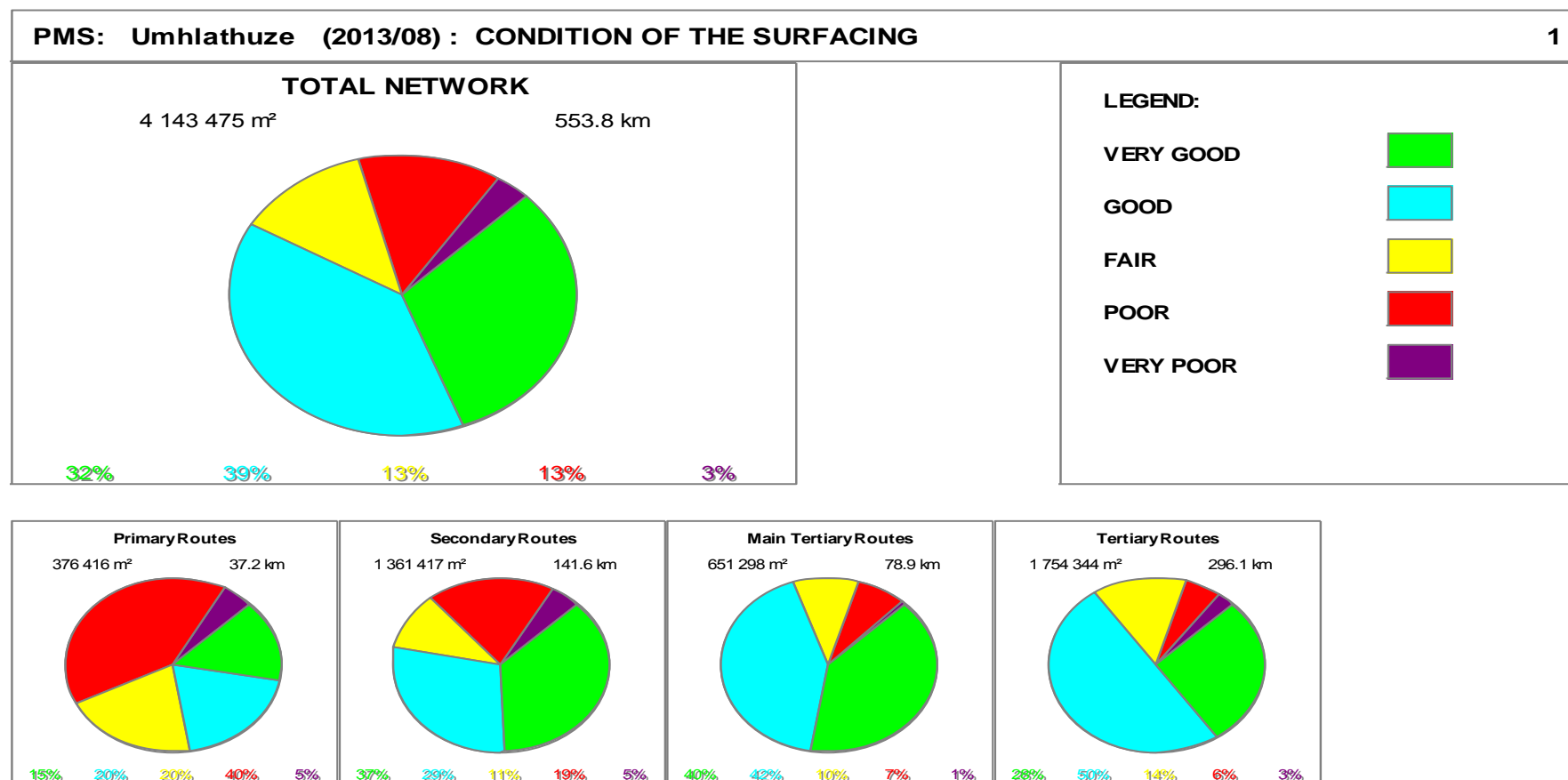
Tertiary Route e.g. Keiser Kroon



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

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

Fig 2.2



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

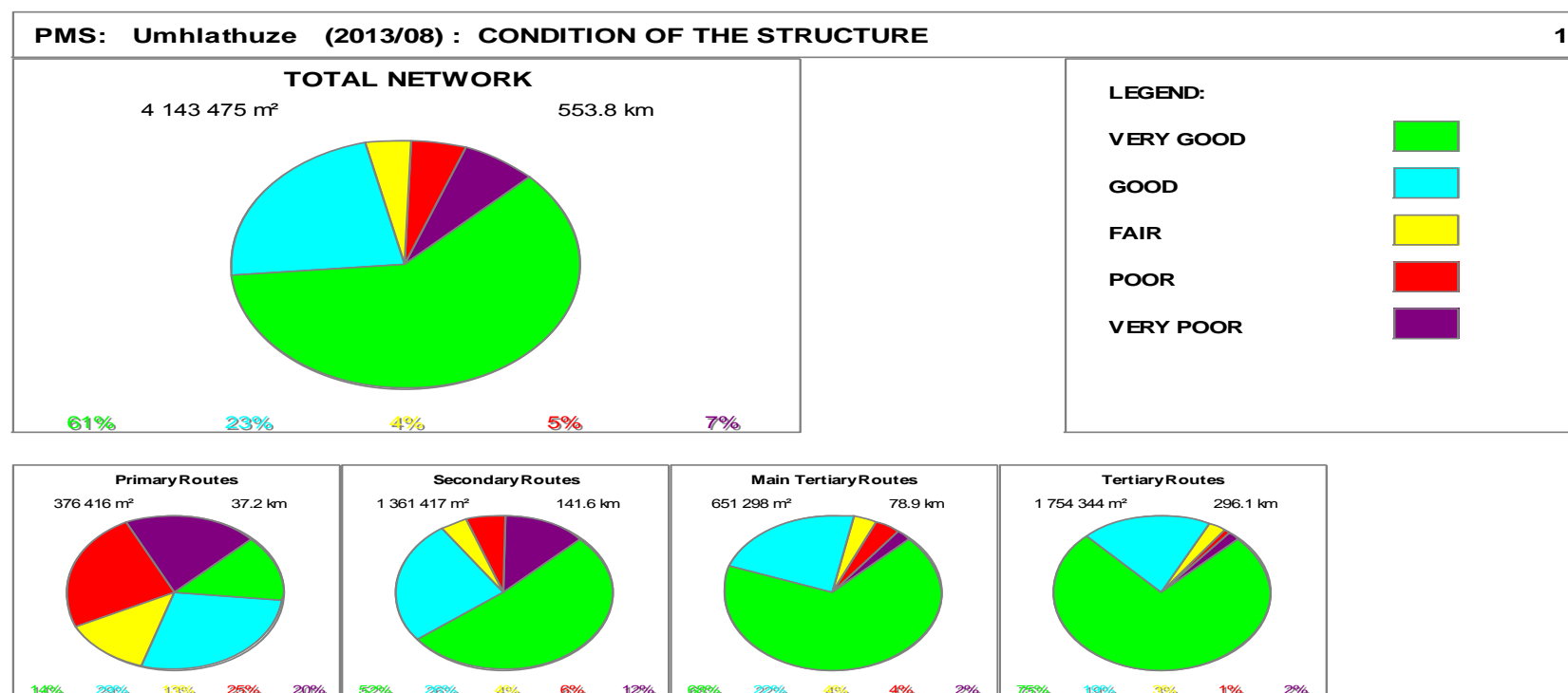
Note that the roads falling in the poor and very poor categories comprise 10% of our total roads, where the recommended maximum according to National Standards is 5%.

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

Backlog: R340 million (Re-construction and Rehabilitation)

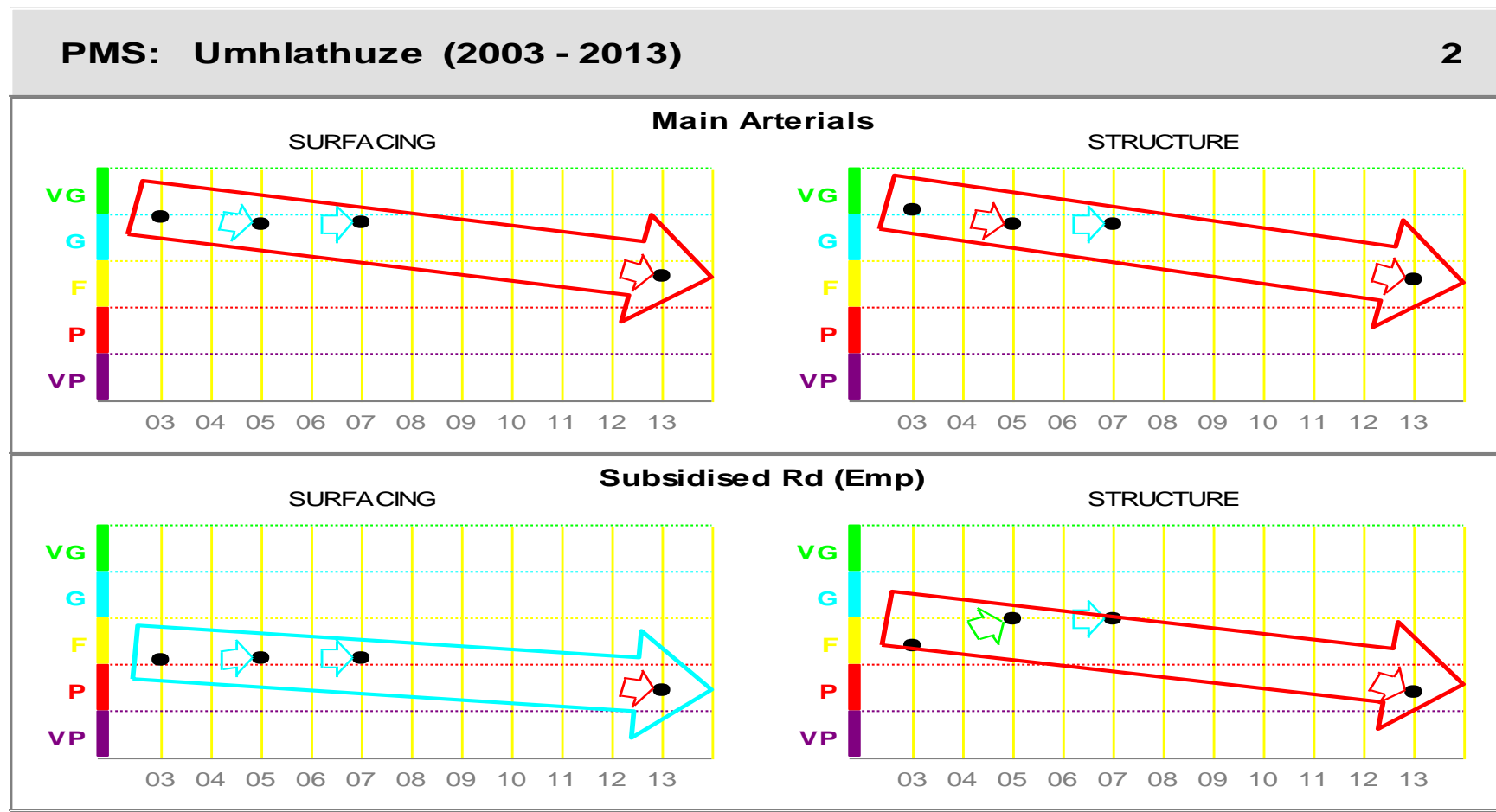
Future requirements: R46 million per year (Reseal and Surfacing)

Fig 2.3



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

Fig 2.4



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

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

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

Rail Sidings

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

3. STORMWATER SYSTEMS AND COASTAL PLANNING SECTION

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

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

Table 3. 1

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

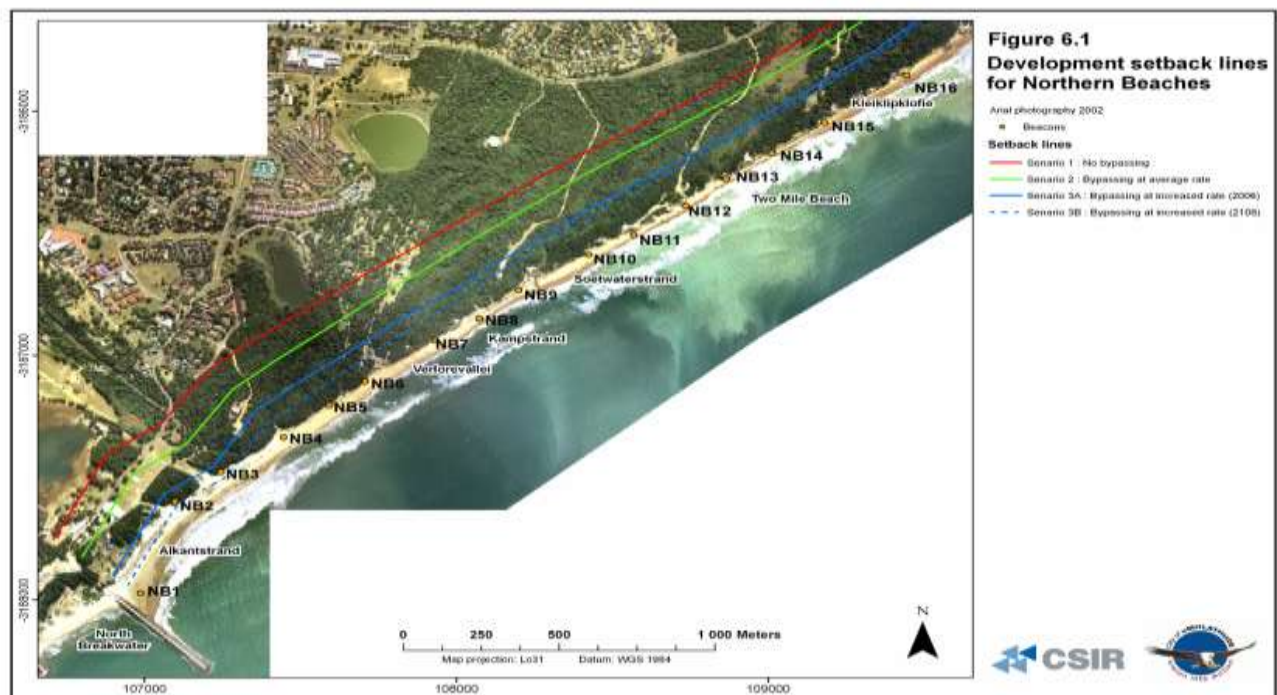
The total scope of the area of coastal protection for the City of UMhlatuze is as follows, as can be depicted within the below photograph following along the 'red-line'.

Fig 3.1



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

Fig 3.2



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

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

Table 3.2

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

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

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

Contractor: Bhadaza Construction

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

Table 3.3

P= Planned
A= Actual
D= No of Days

Storm water Management Bylaws

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

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

4. RURAL ROADS

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

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

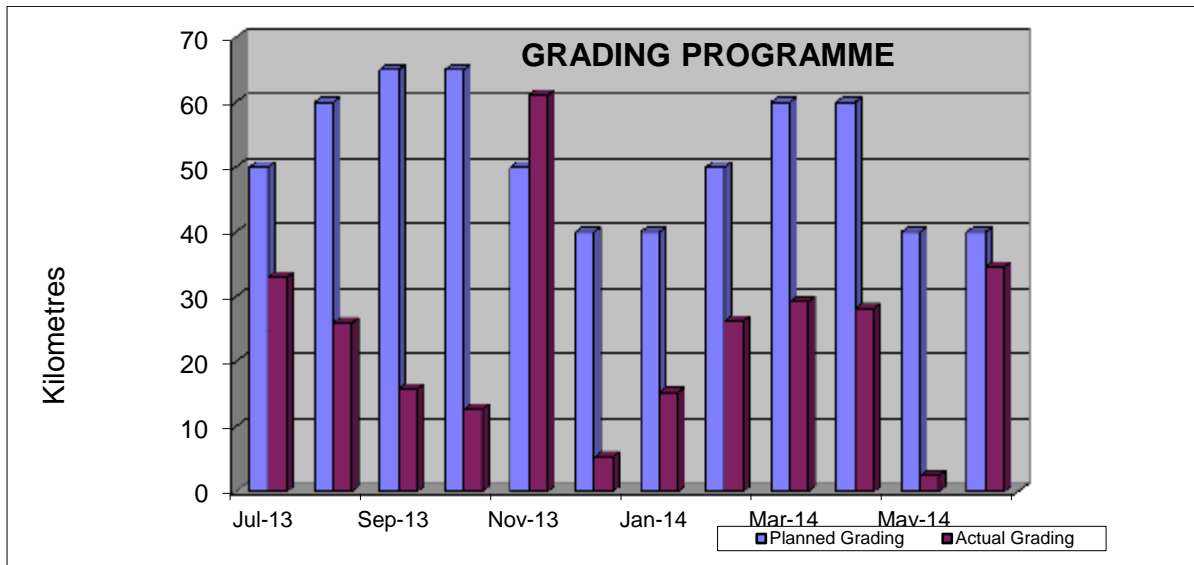
Table 4.1

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

GRADING PROGRAMME AND OTHER INFORMATION

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

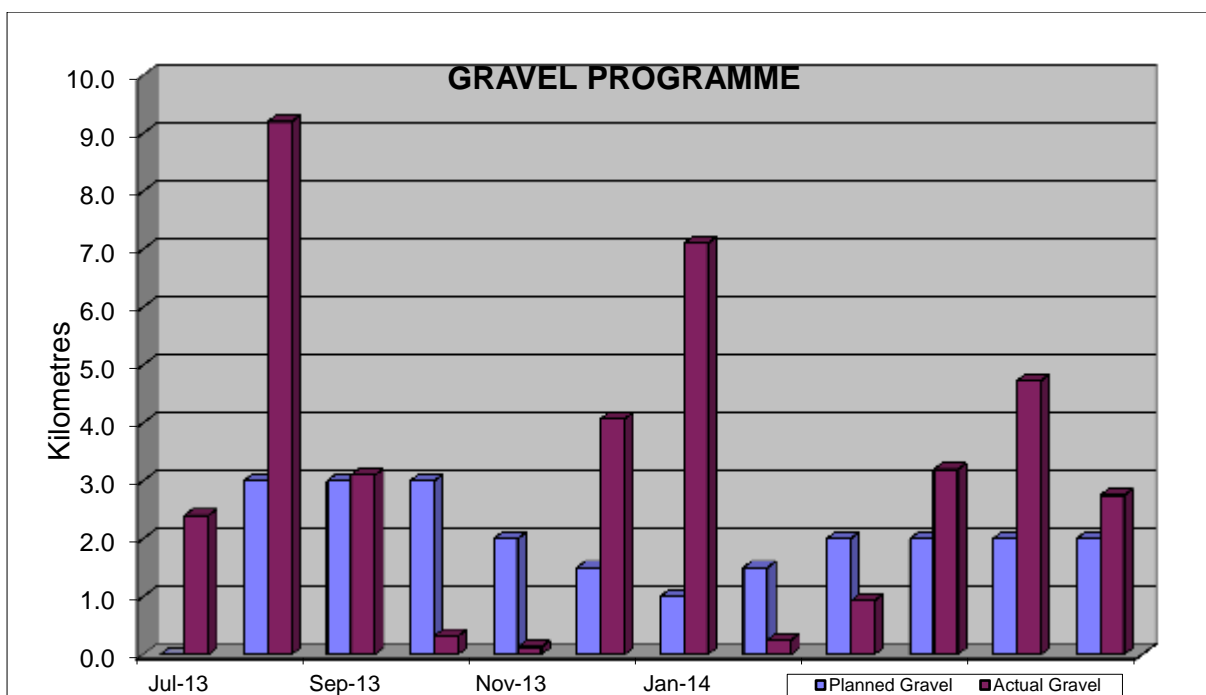
Fig 4.1



GRAVELLING PROGRAMME AND OTHER INFORMATION

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

Fig 4.2



TOTAL WORK CARRIED OUT / EXECUTED SINCE OPERATION

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

Table 4.2

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

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

DMS 978726

ELECTRICITY SUPPLY SERVICES

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

About 3000 customers are categorised as large power user (LPU) and supplied at 400 V and while about 32000 are residential or small power users at 230V.

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

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

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

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

1. Customer Services, Marketing and Retail

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

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

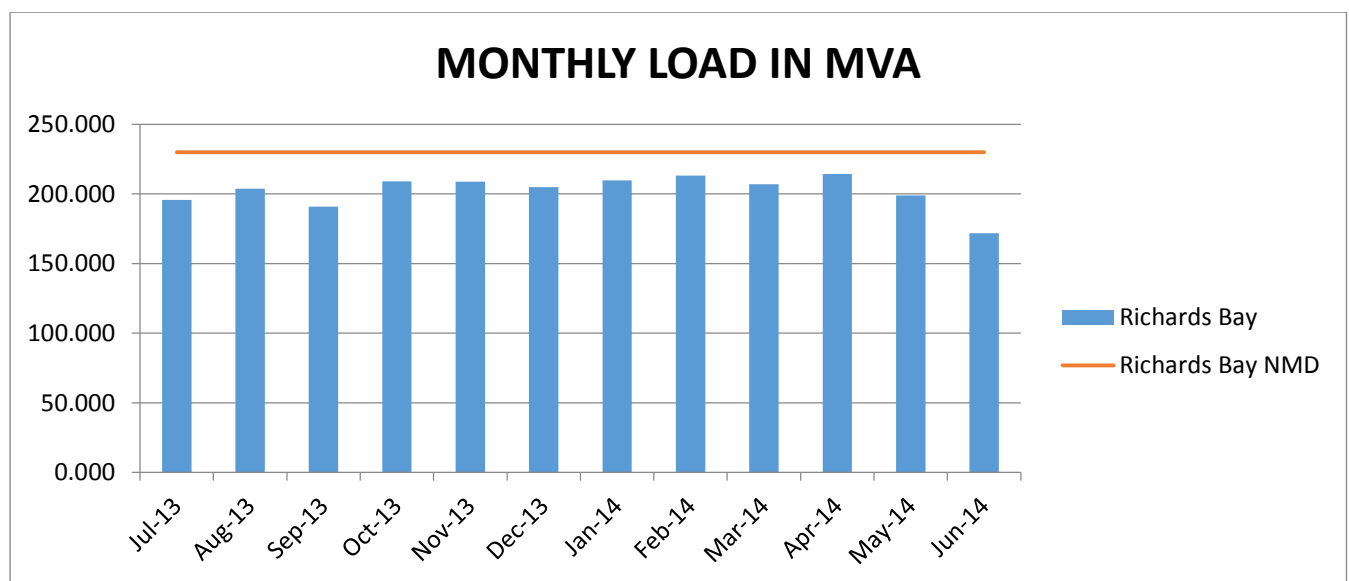


Fig. 1

The remaining Points of Distribution supplied by Eskom are as follow with the following Notified Demands

Esikhaleni: 16 MVA
 Empangeni Main: 20 MVA
 Empangeni Logan: 20 MVA
 Ngwelezane: 7 MVA
 eNseleni: 2.5 MVA
 Ngoye: 0.7 MVA

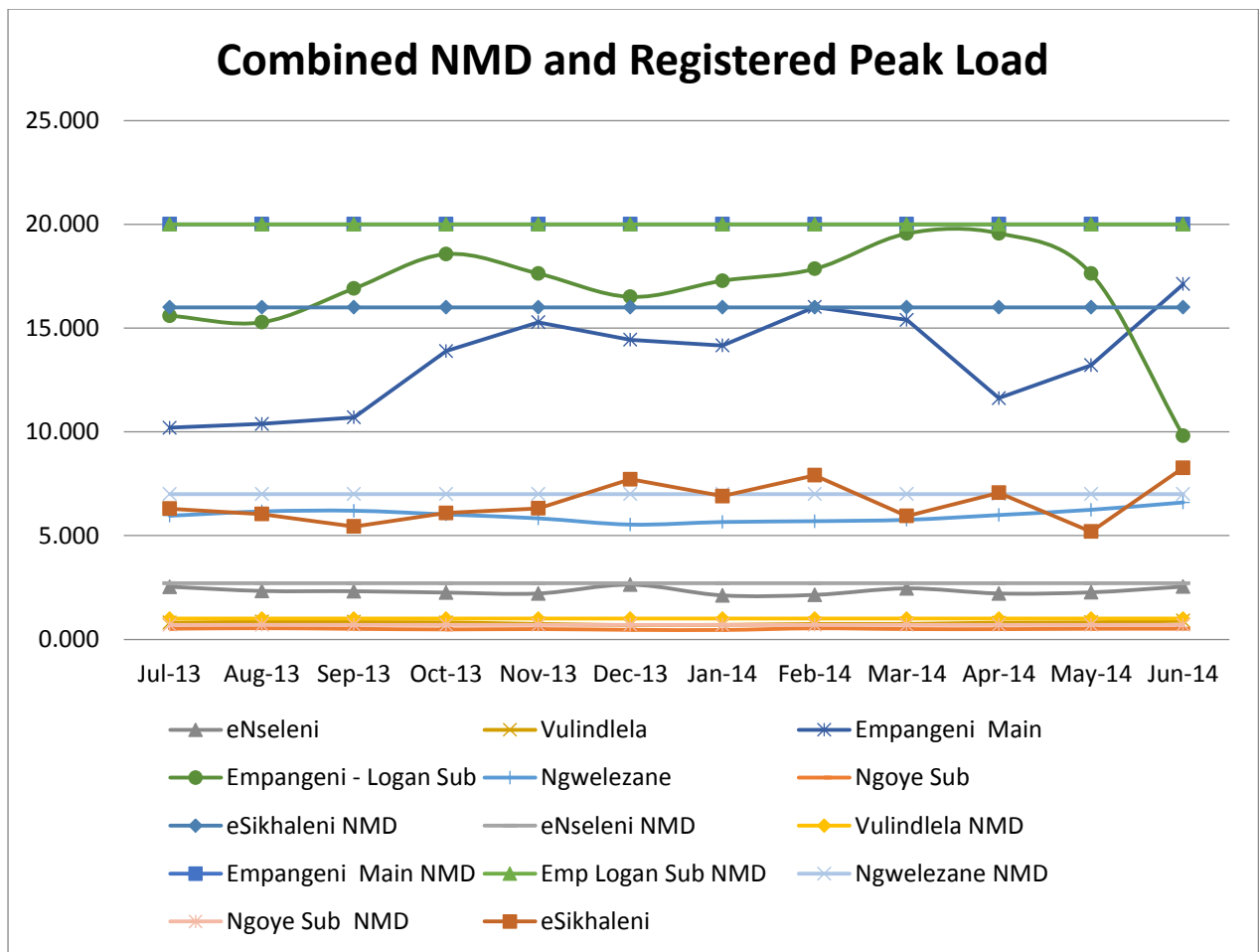


Fig. 2.1

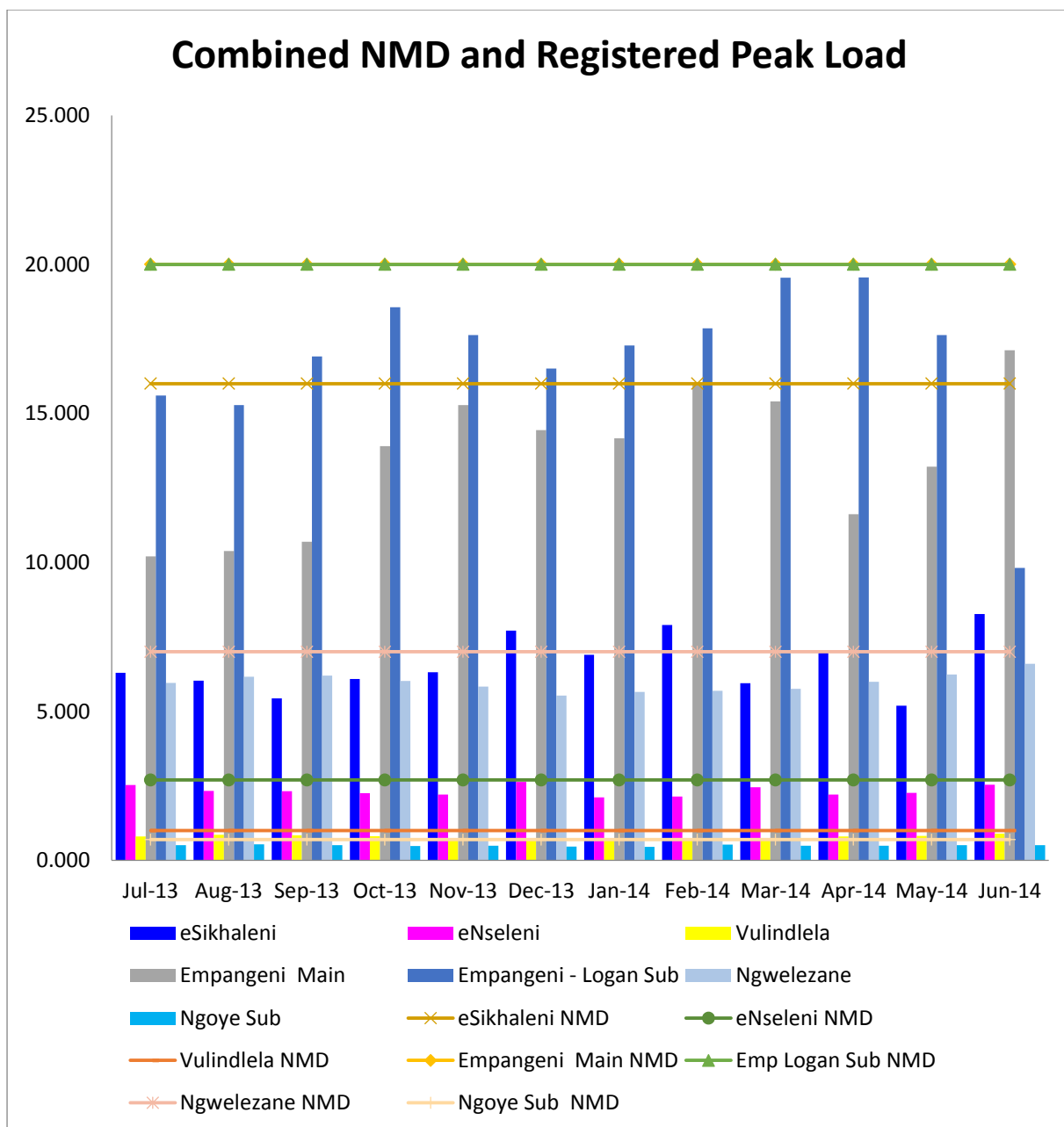


Fig 2.2

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

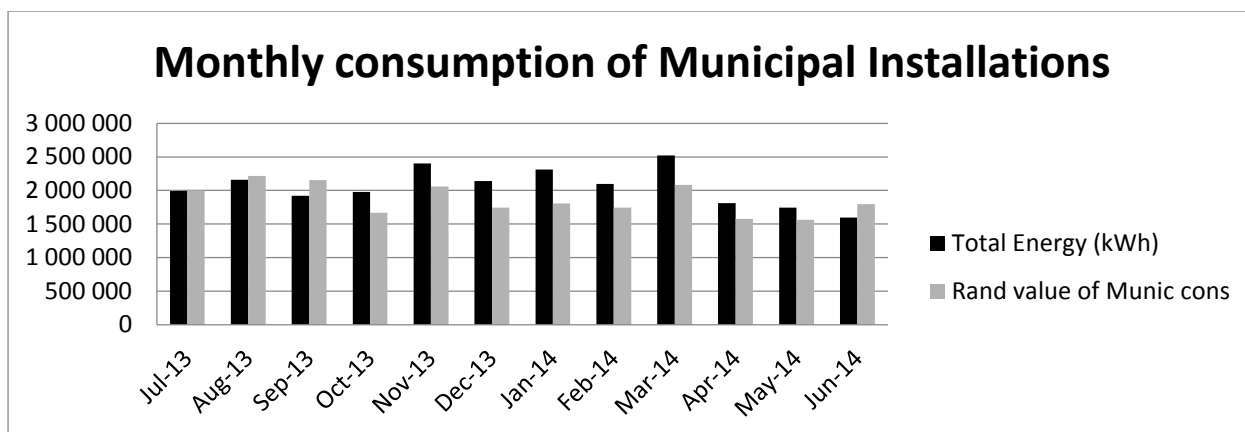


Fig 3

The Municipality's Top Energy Consumers

Energy losses:

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

The process entailed the following:

- Audit of all miniature substations,
- Audit of all Ring main units,
- Audit of all Pole Mounted transformers,
- Identifying and replacement of redundant / old metering equipment i.e CYLP meters and Indigo+ meters,
- Installation of bulk meter in miniature substations.

The installation of bulk meters in substation/mini-substations and pole mounted transformers which started in July 2013 order to attempt reconciling the electricity consumed by the Business and Commercial Customers has already yielded results.

Meter replacements only started in July 2013 after the required installation audits were complete.

To date a total of 334 meters were installed or replaced.

Below the distribution of the meter installations:

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

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

Identification of CYLP meters was done using a method of identifying installations with a multiplication factor. Although not 100% accurate, a total of 122 installations were identified. The feedback from subsequent meter audits will be used to locate further possible CYLP meters and hopefully Indigo+ meters.

During the project a number of 5Amp kWh were also replaced. These meters were installed at installations where the capacity is such that current transformers are installed with a kWh (energy only) meter because the customer is not charged for maximum demand. It has been the norm to bill non-profit organisations the domestic tariffs and these meters therefore were commonly installed at schools, churches and crèches. As a result a total of 18 meters were replaced and mainly metered schools, 8 in Richards Bay; 3 in Empangeni; 2 in eSikhaleni and 5 in Vulindlela

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

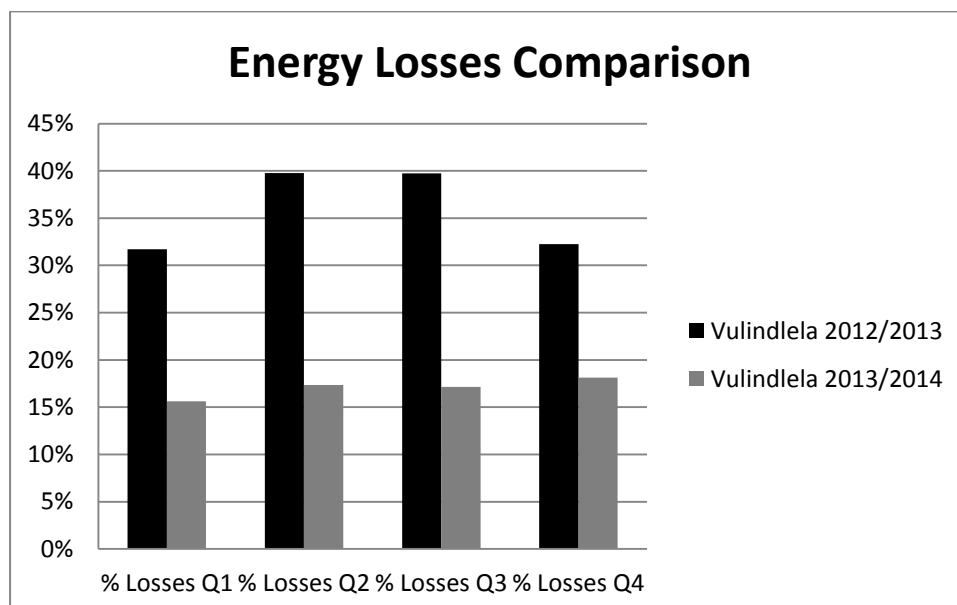


Fig 4

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

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

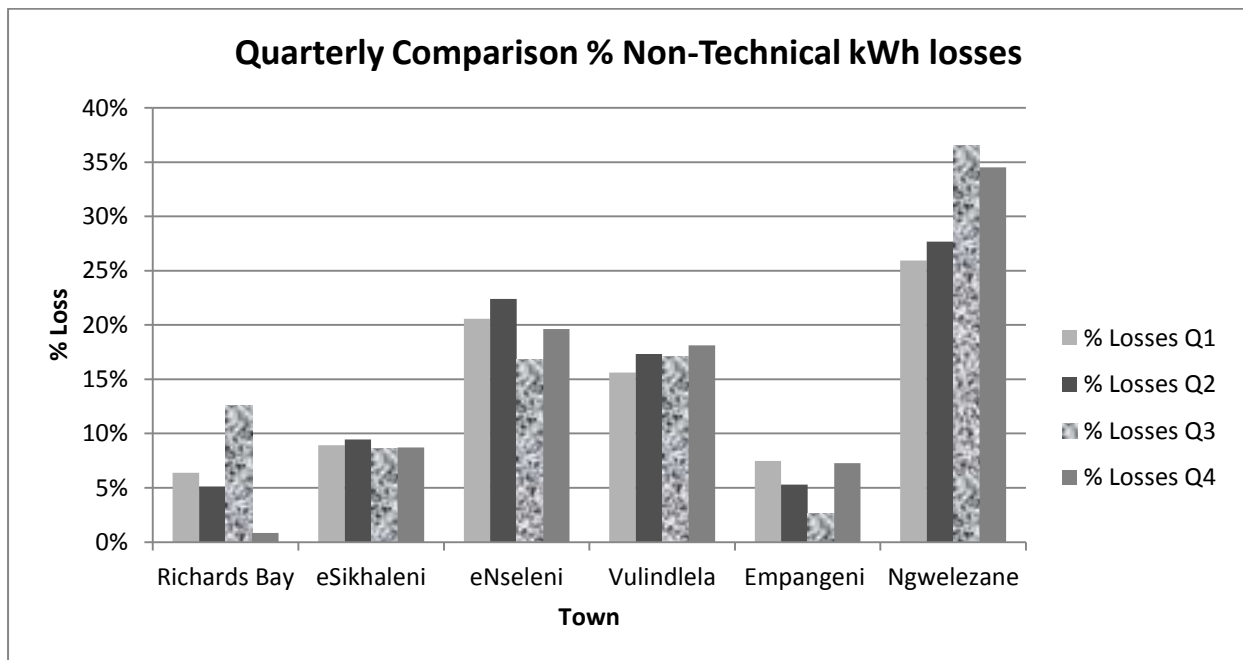


Fig 5

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

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

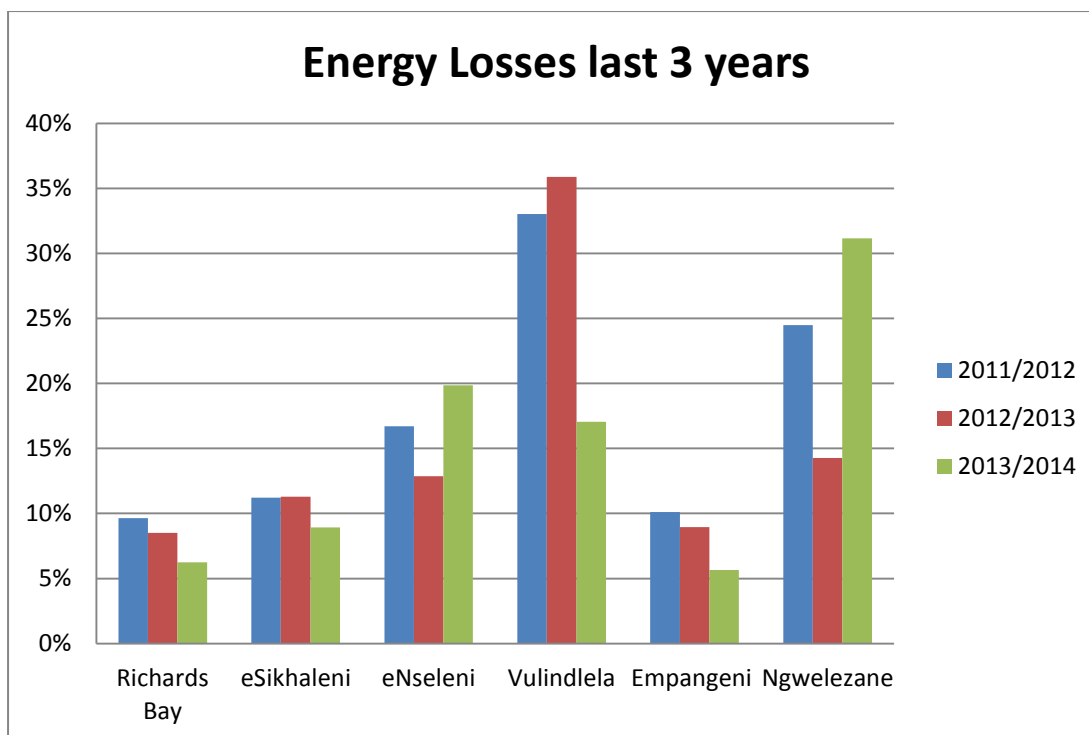


Fig 6

Revenue Protection

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

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

Total Household Connections Connected As Per Eskom

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

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

| | | | | |
|----------------|-----------|----------------------|------------------|-----|
| Mkhoma/Ovondlo | 2012/2013 | KZN282 uMhlathuze | Eskom Infills | 235 |
| Amanzamnyama | 2012/2013 | KZN282 uMhlathuze | Eskom Infills | 236 |
| Sibhakuza | 2012/2013 | KZN282 uMhlathuze | Eskom Infills | 382 |
| Mondi | 2012/2013 | KZN282 uMhlathuze | Eskom Infills | 259 |
| Mawulasha | 2012/2013 | KZN282 uMhlathuze | Eskom Infills | 58 |
| Lindizwe | 2012/2013 | KZN282 uMhlathuze | Eskom Infills | 276 |
| Lamula | 2012/2013 | KZN282 uMhlathuze | Eskom Infills | 60 |

1506

| | | | | |
|---------------------|-----------|----------------------|-----------|-------|
| Esikhawini - Island | 2013/2014 | KZN282 uMhlathuze | Household | 1116 |
| Ndabayakhe Island | 2013/2014 | KZN282 uMhlathuze | Household | 1 000 |

2116

| | | | | |
|----------------------|-----------|----------------------|-----------|-------------|
| Msasandla | 2013/2014 | KZN282 uMhlathuze | Household | 650 |
| Ntuze | 2013/2014 | KZN282 uMhlathuze | Household | 780 |
| Ndabayakhe | 2013/2014 | KZN282 uMhlathuze | Household | 600 |
| Mpembeni | 2013/2014 | KZN282 uMhlathuze | Household | 330 |
| | | | | 2614 |
| OVERALL TOTAL | | | | 6337 |
| OUTSTANDING | | | | 2648 |

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

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

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

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

Table 1. Outage duration summary

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

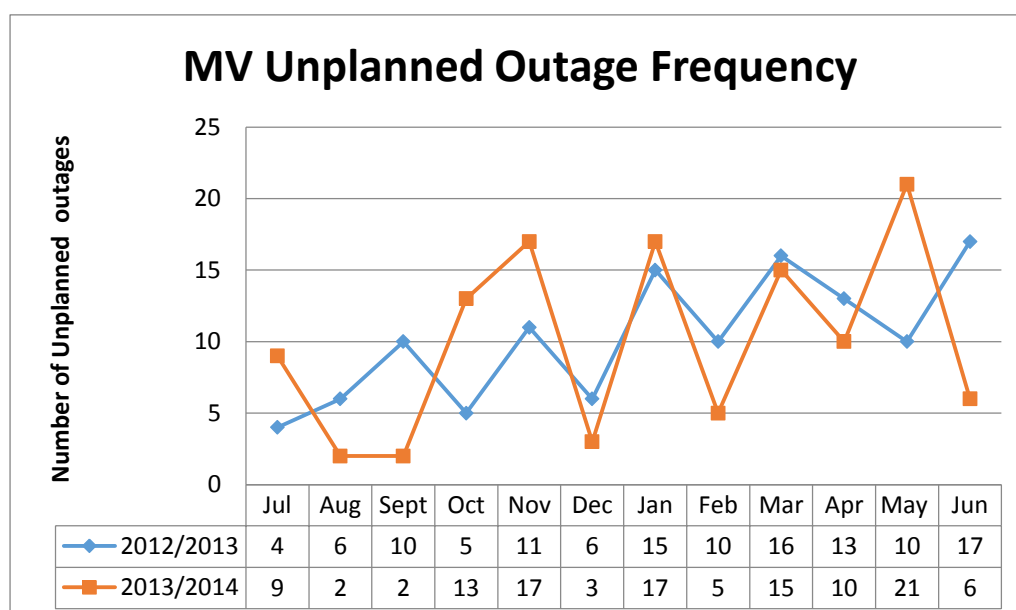


Figure 1. Outage frequency

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

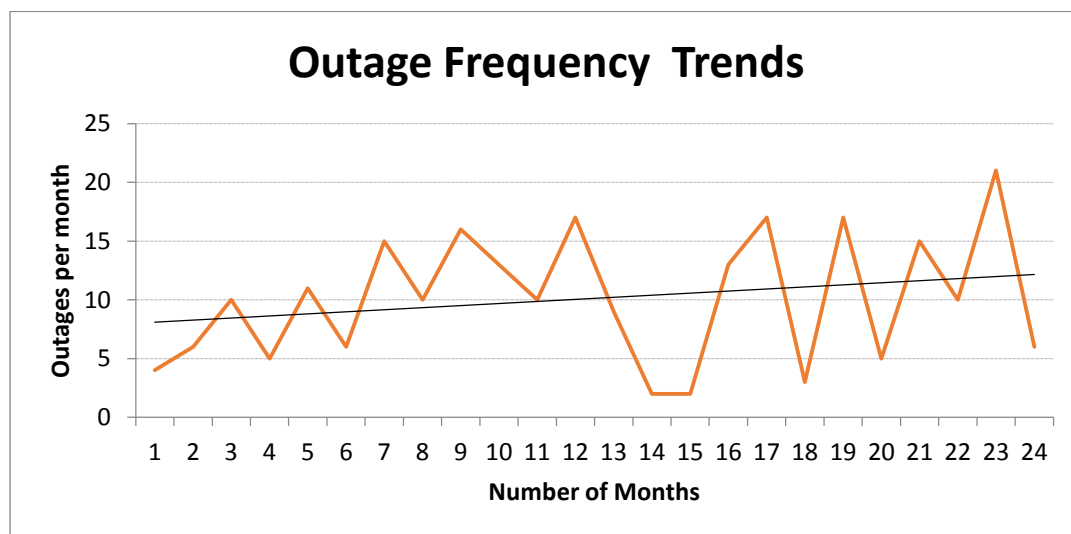


Figure 2. Outage frequency trends

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

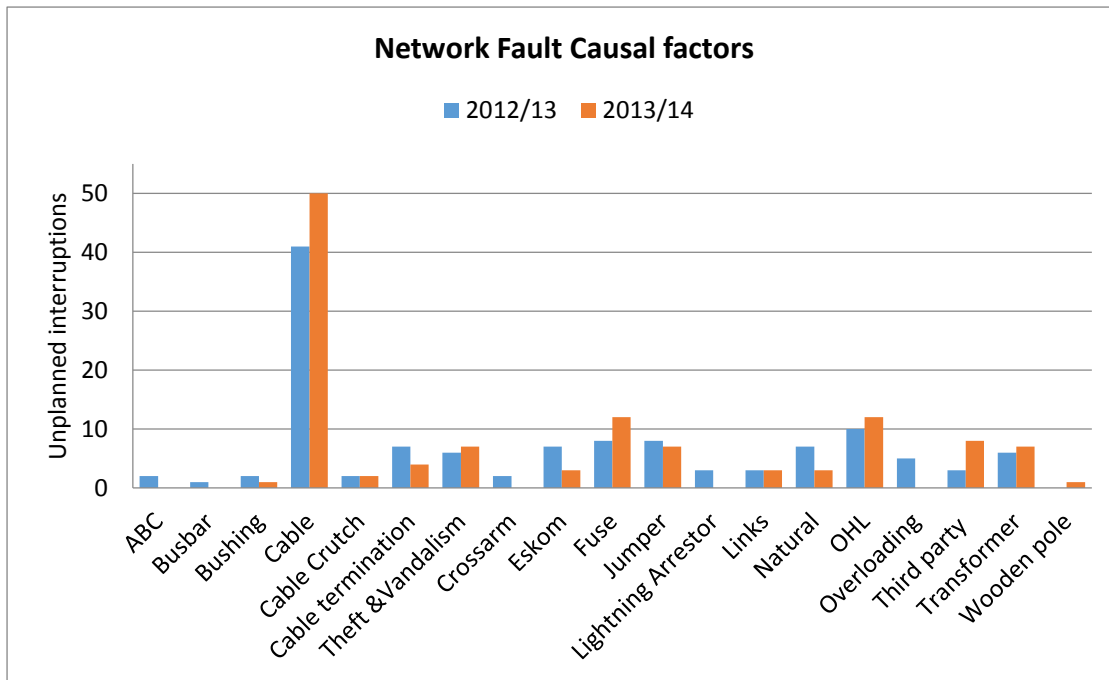


Figure 3 .Causal factors

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

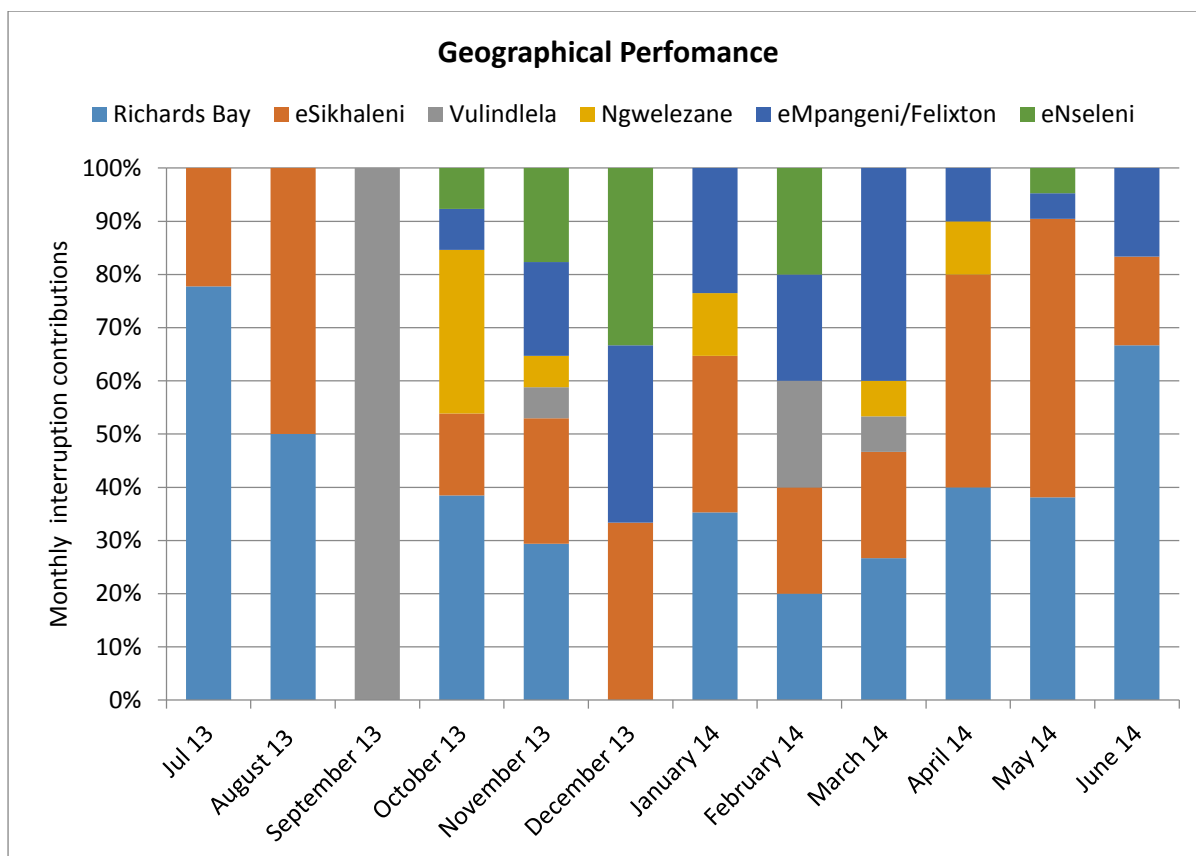


Figure 4. Geographical performance

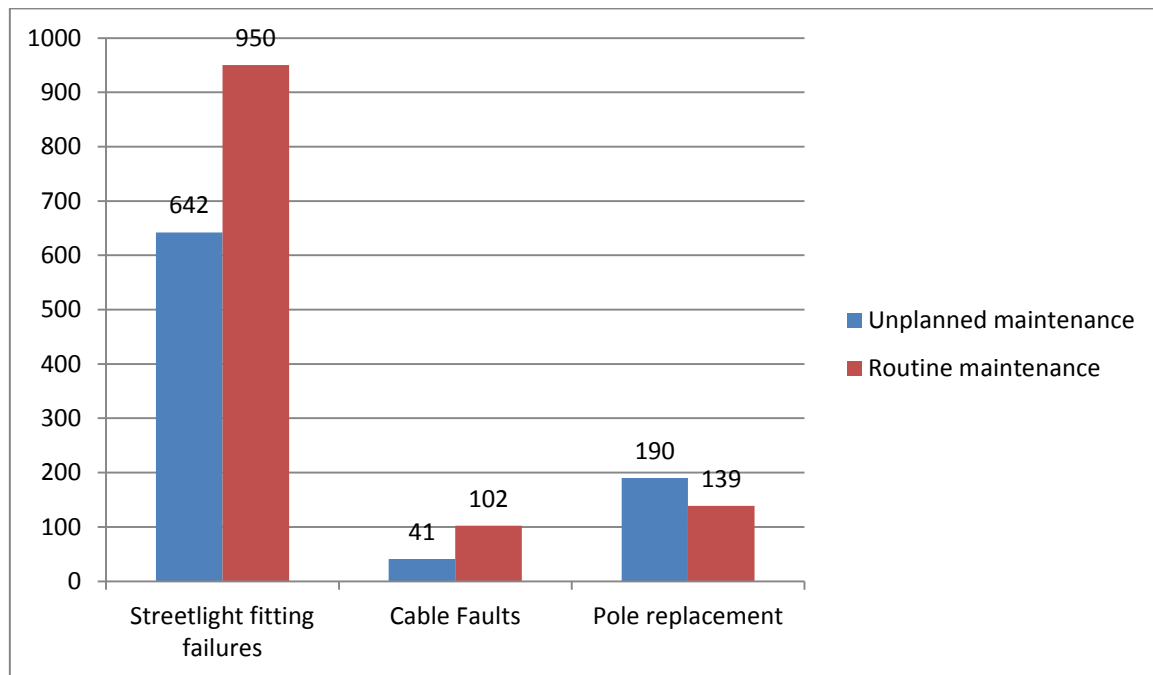
The significance of these causal factors varies across the geographic areas/towns. Figure 4 shows that the majority of faults occurred in the eSikhaleni and Richards bay areas. Although not presented in this discussion, most of the interruptions in these two areas are attributed to cable faults. In the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

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

3. Public Lighting

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

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



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

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

4. Electricity Planning and Strategy Section

Overview

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

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

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

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

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

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

Report on Capital Projects

There are various capital projects under different categories that were initiated during 2012/13 and 2013/14, some of the projects were realised during 2013/14 financial year and others will be realised during 2014/15 financial year due to nature of the project itself that caused duration to overlap to the following financial years.

All of the below mentioned projects deal not only with service delivery concerns but also with social upliftment as per EPWP programme.

1. Private Development projects

Completed projects under this project category are as follow:

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

2. Network Refurbishment projects

Projects that were completed during 2013/14 financial years are as follows:

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

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

3. Electrification

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

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

Energy Management

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

1. Renewable Energy

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

The City of uMhlathuze engaged all entities after following the SCM process, as supported and endorsed by the Kwa Zulu Natal Province. Bidders have met the minimum requirements.

The bidders now have twelve months to perform the necessary feasibility studies to ensure the successful evaluation of the final proposal to the Municipality. Feasibility studies will reveal the duration and phases of all projects. Different technologies and their planned generation capacities that were submitted by the bidders are as follows:

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

2. Energy Efficiency

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

2.1. Audits done and completed

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

2.2. Projects

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

5. Process Control & Telecommunications

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

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

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

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

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

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

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

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

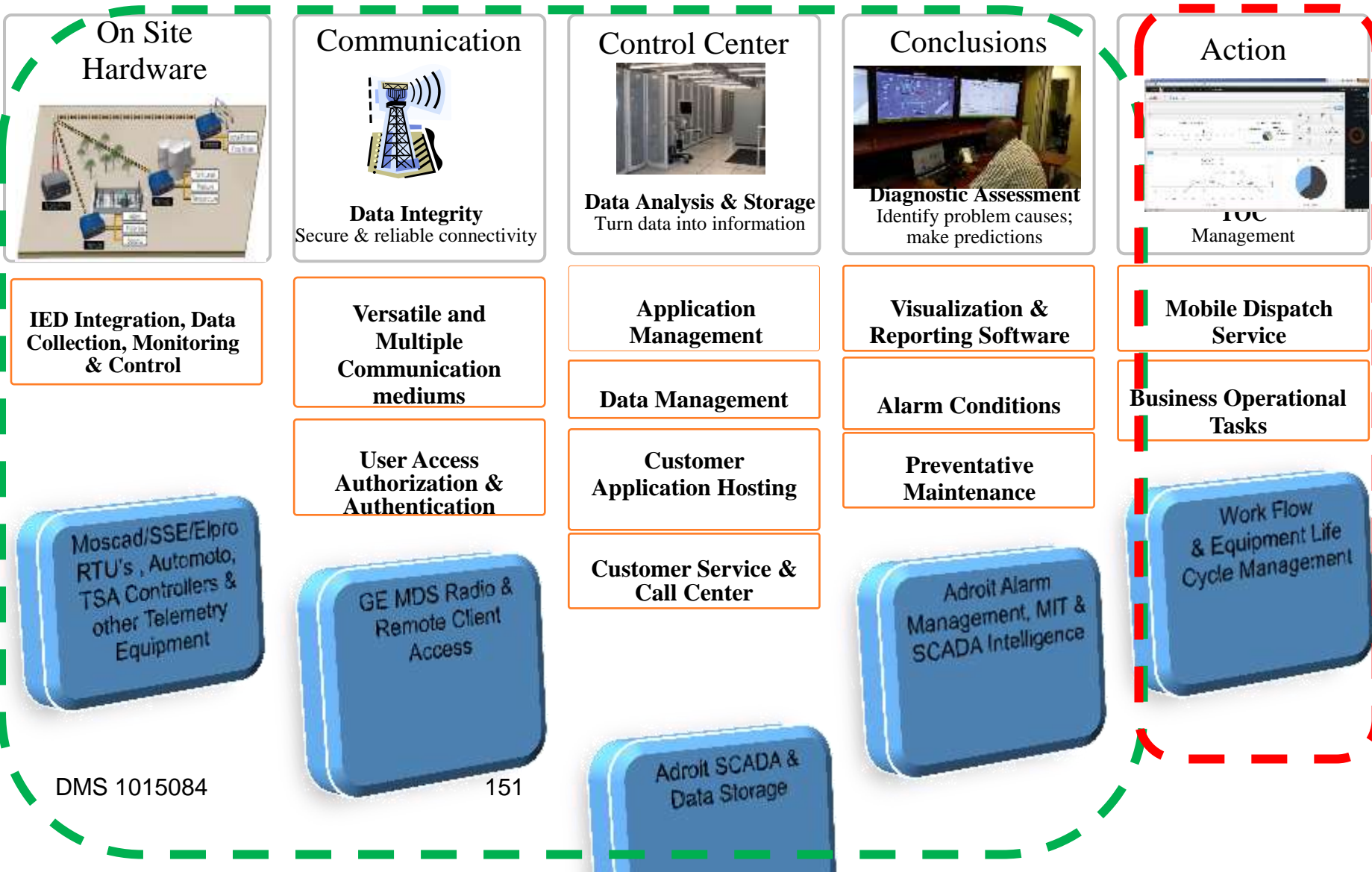
Adoption of the TOC originates from the below benefits:

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

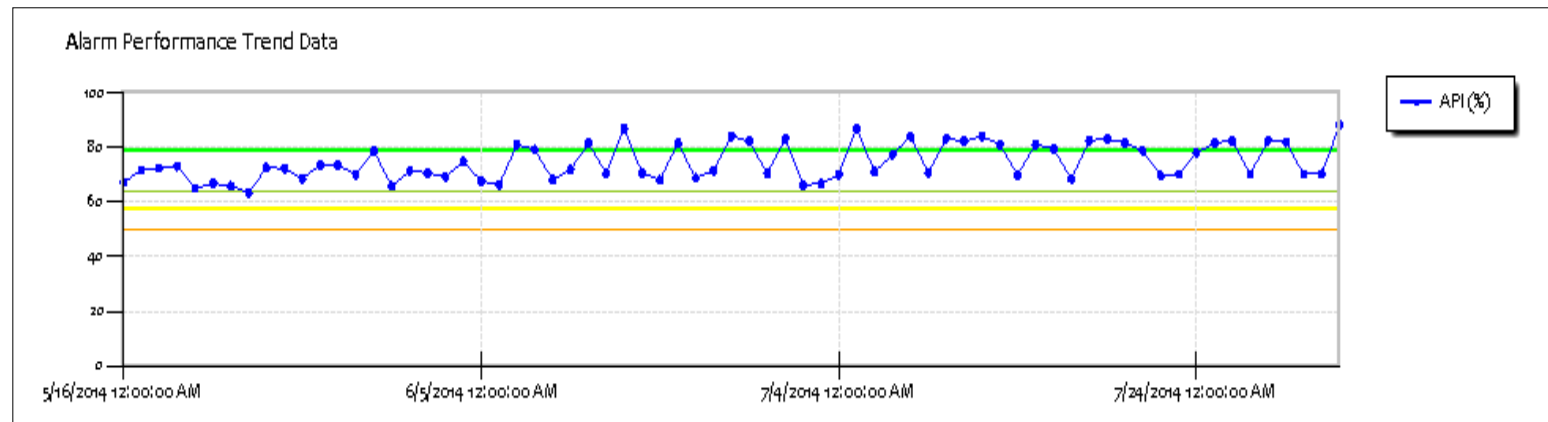
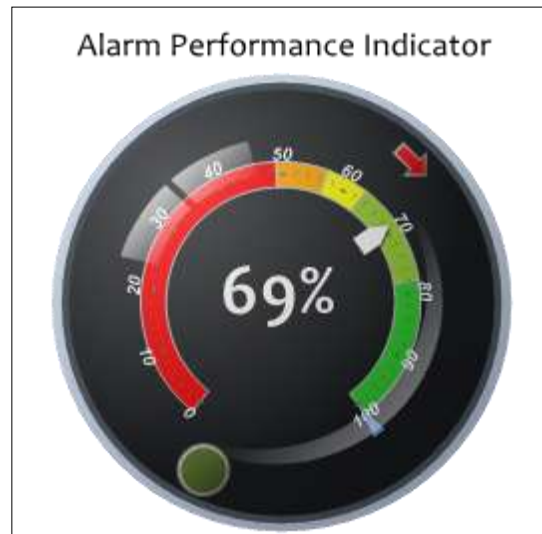
PROCESS CONTROL & TELECOMMUNICATION

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

TECHNICAL OPERATIONAL



Alarm System Performance for – uMLATHUZE MUNICIPALITY (Water)



ALARM SYSTEM PERFORMANCE DASHBOARD

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

Report Components and Measures

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

Alarm Performance Indicator

Indication on how your alarm system is performing relative to the universal alarm system performance levels identified by DC Campbell Brown.

This metric is a combination of the Average Alarm Rate and the Burst Rate KPI's.

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

Total Incidents

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

Average Standing Alarm

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

Stale Alarms

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

Alarm Performance Trend Chart

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

Status Indicators

A status indicator will indicate whether a KPI is:

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

ENERGY SAVINGS BENCHMARKING

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

CHAPTER 5

FINANCIAL PERFORMANCE 2013/2014

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

1. FINANCIAL OVERVIEW

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

2. DIVISIONS WITHIN THE DEPARTMENT

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

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

3. OVERVIEW OF THE MUNICIPALITY'S FINANCIAL RESULTS

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

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

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

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

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

4.1 Sound Financial Management

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

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

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

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

4.2 Contribution to our Developmental Obligations

4.2.1 Supply Chain Management Division

- Council approved the amended Supply Chain Management Policy on 27 August 2013. Of significance is Clause 34 which aims to promote local economic development and support Community based Vendors, it will further assist the Operation Sukuma Sakhe (OSS) which is the KwaZulu Natal Provincial Government to address the social ills and poverty alleviation.
- In order to assist in providing experiential learning the unit has accepted ten students to undertake their learner ship for 18 months from uMfolozi FET Collage through the MOU between the Municipality and uMfolozi FET College and SETA.

4.2.2 Income Division

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

4.2.3 Expenditure Division

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

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

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

Financial support, budget process management and budget reporting

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial accounting, reporting & asset management

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

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

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

Expenditure management

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

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

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

SUPPLY CHAIN MANAGEMENT

Statutory reporting & compliance

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

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

APPLICATION OF THE PREFERENTIAL PROCUREMENT REGULATIONS /POLICY

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

CONTROLLING EXPENDITURE

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

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

MATERIALS MANAGEMENT

Total discrepancies for 2013/2014 were as follows:

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

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

5. STATEMENT OF FINANCIAL PERFORMANCE

Summary

Revenue

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

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

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

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

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

Expenditure

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

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

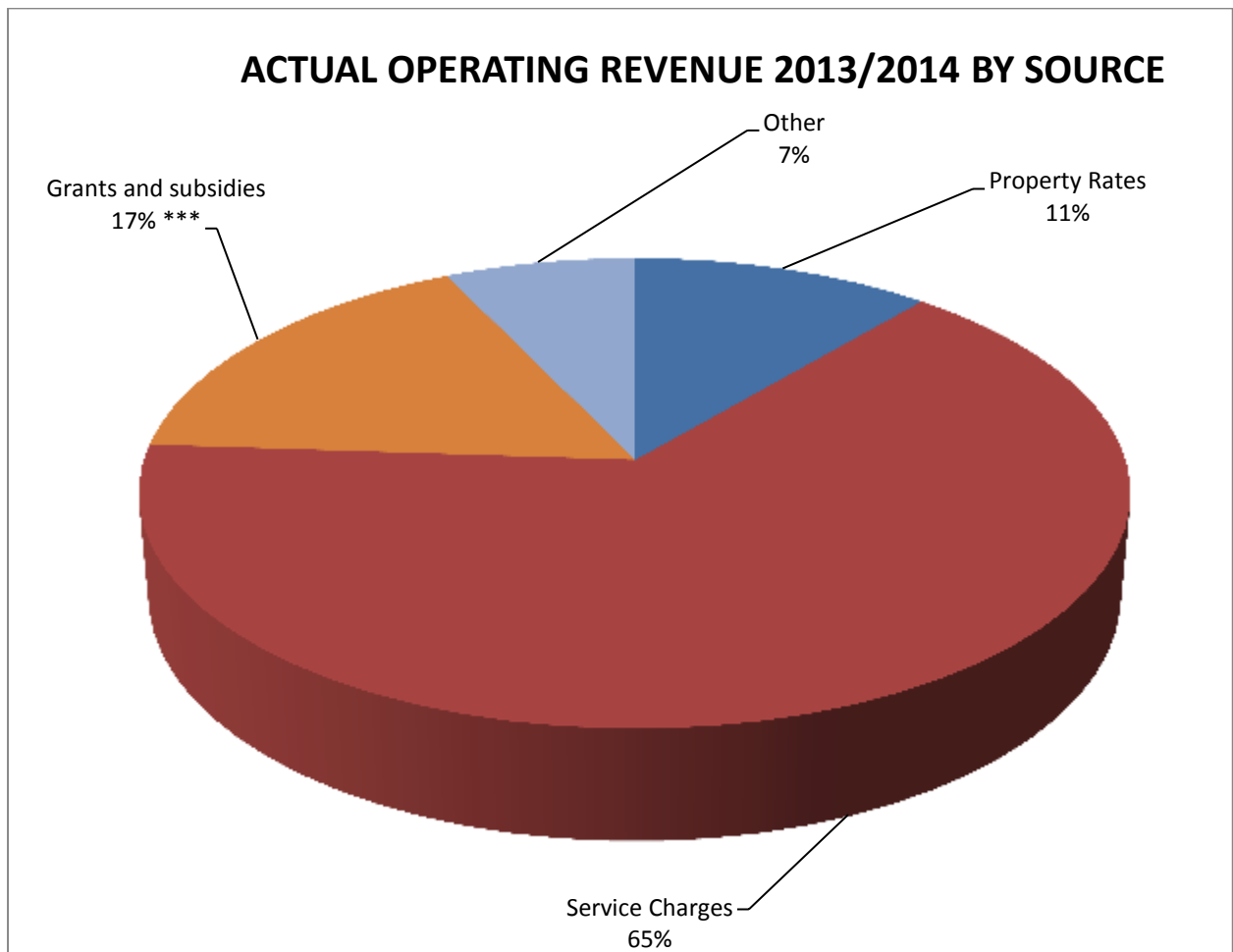
The overall summarized operating results for the Municipality in comparison to the approved budget are shown below. The statement of financial performance reflects a summary of income and expenditure.

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

OPERATING REVENUE

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

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

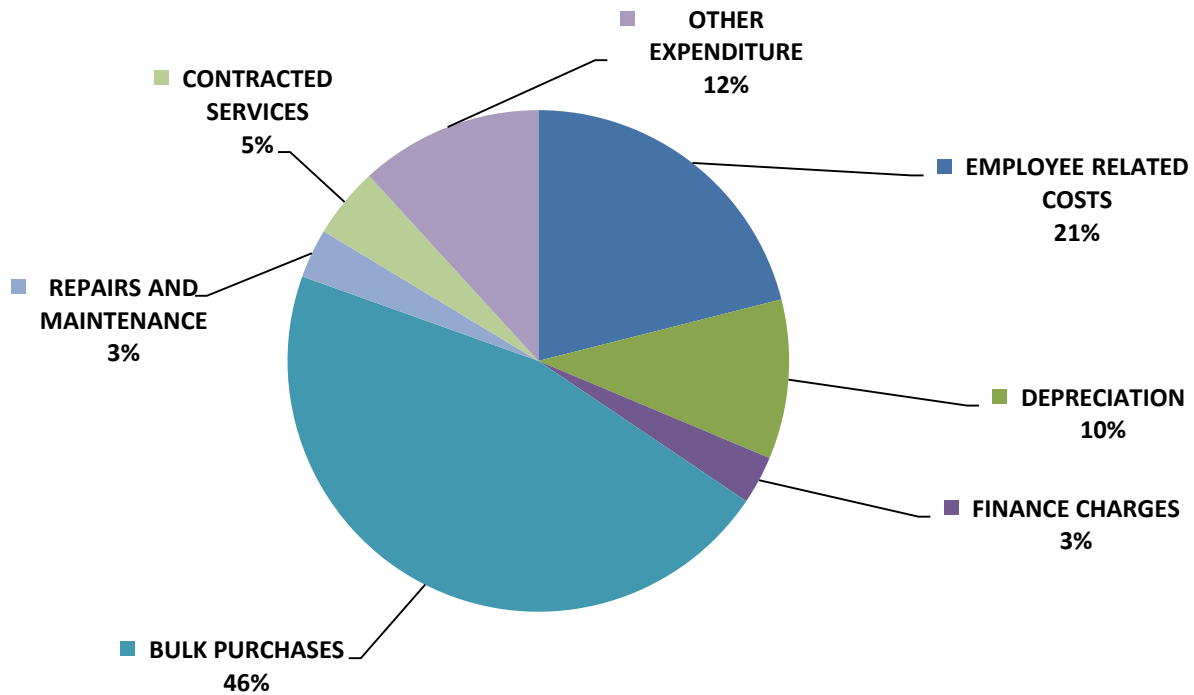


*** Included in the reported grants and subsidies are capital grants of R 109 220 813

OPERATING EXPENDITURE

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

ACTUAL EXPENDITURE BUDGET 2013/2014 BY CATEGORY



6. SPENDING AGAINST CAPITAL BUDGET

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

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

Capital expenditure per service

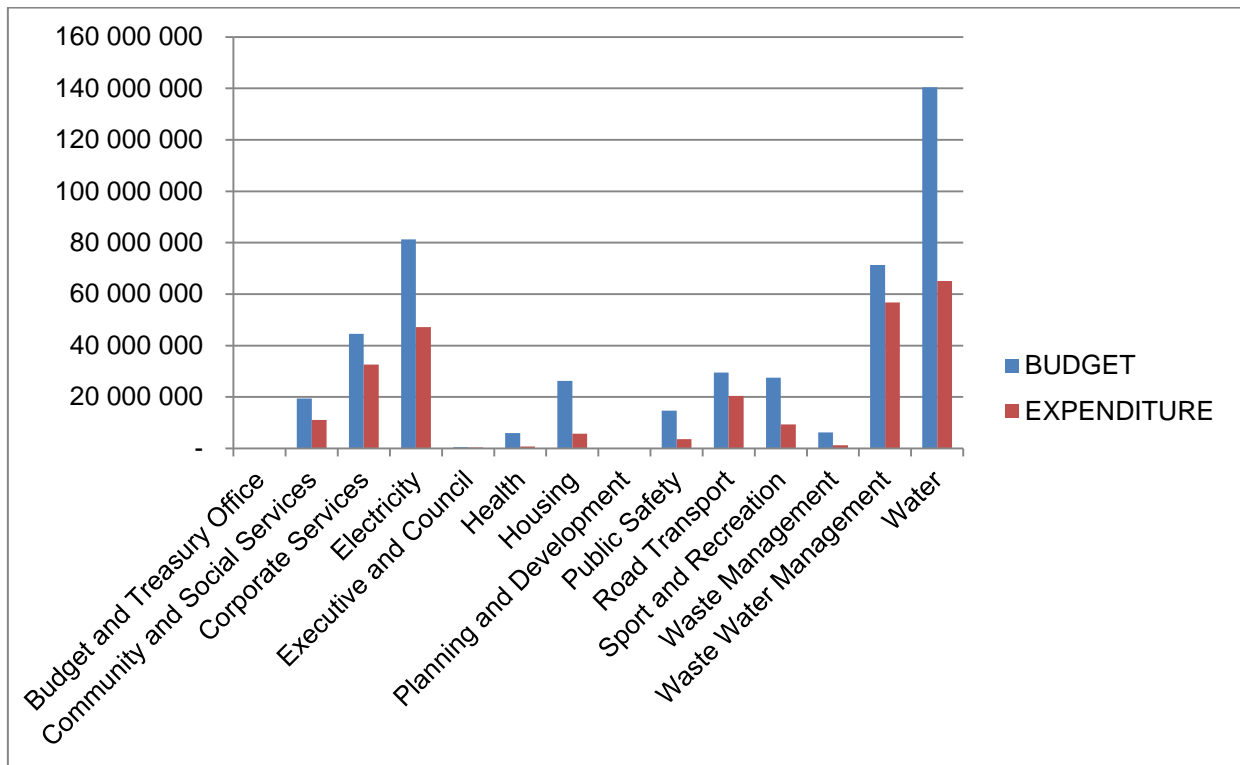
2014

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

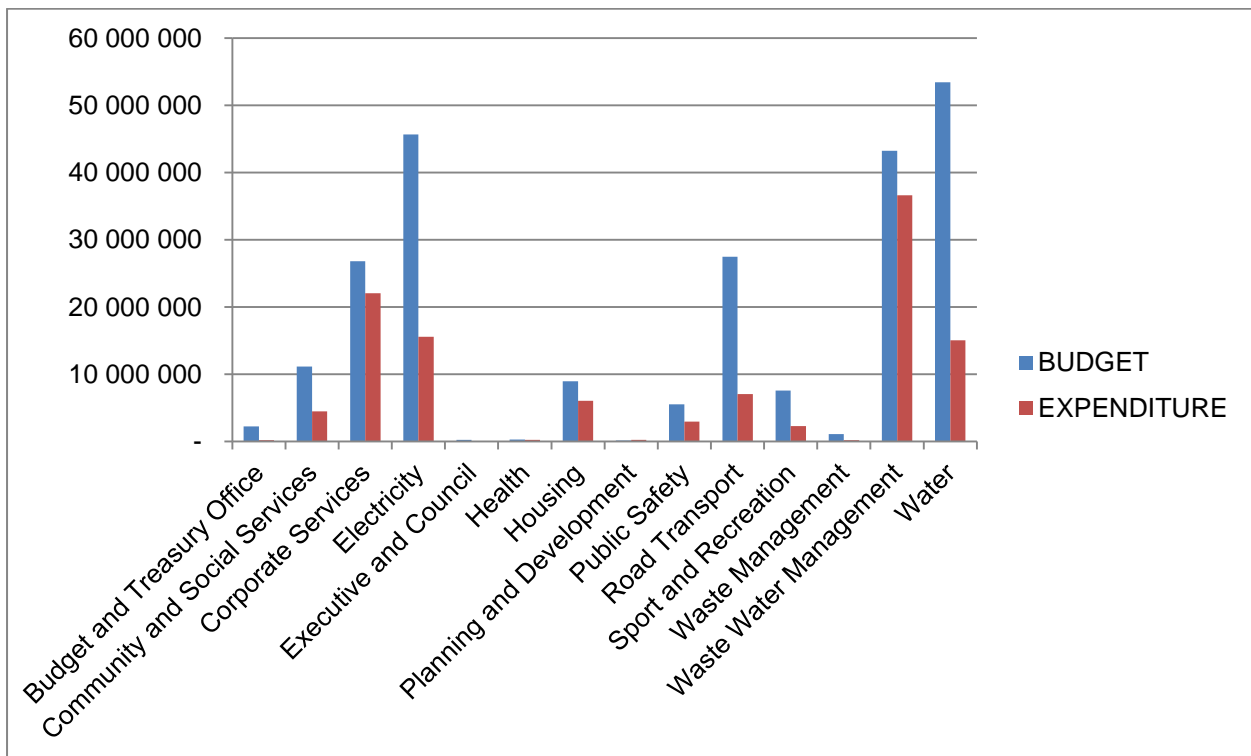
2013

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

Graph- Capital Expenditure versus Budget for 2013



Graph- Capital Expenditure versus Budget for 2012



7. CASH FLOW MANAGEMENT AND INVESTMENT

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

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

Cash flow from operating activities

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

Cash flow from investing activities

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

Cash flow from financing activities

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

8. OTHER FINANCIAL MATTERS

8.1 ANNUAL TARIFFS

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

DEBTOR ACCOUNTS

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

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

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

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

NON-COMPLIANCE WITH MFMA

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

UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

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

EXPRESSION OF APPRECIATION

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

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

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

APPENDICES

APPENDIX A: COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE



MAYOR
Mbatha, Elphas Felokwakhe
ANC (Exco)



DEPUTY MAYOR
Gumbi, Ntombizethu Vera
ANC (Exco)



SPEAKER
Mnqayi, Mvuseni Samuel
ANC



CHIEF WHIP
Lourens, Manie
ANC

Ward Councillors



Frederik Bosman
DA (Ward 1)



Alen Viljoen
DA (Ward 2)



David Merryweather
DA (Ward 3)



Nicholas Madondo
ANC (Ward 4)



Shadrack Zulu
IFP (Ward 5)



Dumisane Ndimande
ANC (Ward 6)



Willie Radebe
ANC (Ward 7)



Sakhile Xaba
ANC (Ward 8)



Erwin Palmer
ANC (Ward 9)



Emmanuel Dube
ANC (Ward 10)



Eric Mhlongo
ANC (Ward 11)



John Cele
ANC (Ward 12)



Cyprian Kweyama
Independent (Ward 13)



Mduduzi Khumalo
ANC (Ward 14)



Samuel Nsibande
Independent (Ward 15)



Nonhlanhla Cele
ANC (Ward 16)



Gugulethu Nkosi
ANC (Ward 17)



Sipho Mthujane
ANC (Ward 18)



Lindi Danisa
ANC (Ward 19)



Babhekile Mthembu
ANC (Ward 20)



Musawenkosi Mbokazi
ANC (Ward 21, Exco)



Mfundo Mthenjana
ANC (Ward 22)



André de Lange
DA (Ward 23)



Gertrude Mkize
ANC (Ward 24)



Bhekinkosi Mthiyane
ANC (Ward 25)



Ahamed Shaik Dawood
ANC (Ward 26)



Lindiwe Shangase
ANC (Ward 27)



Phikelakhe Ntanz
ANC (Ward 28)



Prince Mathenjwa
ANC (Ward 29)



David Xulu
ANC (Ward 30)

Proportional Representatives



Ntombizethu Vera Gumbi
ANC (Exco)



Elphas Mbatha
ANC



Alice Mthembu
ANC (Exco)



Sukanini Hlope
ANC



Mvusenl Mmqayi
ANC (Speaker)



Nontokozo Mbanjwa
ANC



Manie Lourens
ANC



Silondile Mkhize
ANC (Exco)



Purity Mbatha
ANC



Kevin Sukreben
ANC



JB Mkhabela
ANC



Meera Sookroo
ANC (Exco)



Dumisane Nxumalo
IFP (Exco)



AP Mngomezulu
IFP



Mbuyiseni Khoza
IFP



Nkosinathi Thusi
IFP



Madina Mkhize
IFP



Beena Simmadhri
IFP (Exco)



Mandla Makatini
IFP



Khetomusha Mthethwa
IFP



Louis Fourie
DA (Exco)



Khonzi Ndlovu
DA



Patience Kwela
NFP (Exco)



Thanduxolo Ngcobo
NFP



Njabulo Mlaba
NFP



Clement Mavimbela
NFP



LS Sabelo
NFP



Siphwe Khoza
NFP



Raphael Zikhali
ANC



CM Botha
IFP

| JULY 2013 | | | | | | | | | | | | | | | |
|------------------|-------|-----|------|-----|-----|------|------|-----|-----|------|----|------|-----|-------|---------|
| Councillor | | FS | CORP | LLF | ITS | COMS | EXCO | CD | ITS | COM | FS | CORP | CD | SEXCO | SUMC |
| Date | | 9 | 10 | | 11 | 11 | 16 | 17 | 25 | 25 | 23 | 24 | 31 | 31 | 31 |
| C M Botha | IFP | | | | | | | P | | | | | P | | A |
| J N Cele | ANC | | p | | | | | | | | | A | | | P |
| N R Cele | ANC | | p | | | | | | | | | P | | | A |
| L M Danisa | ANC | | p | | | | | | | | | P | | | A |
| A S Dawood | ANC | P | | | | | | | | | | | | | P |
| B J de Lange | DA | P | | | | | | | | | | A | | | P |
| E J B Dube | ANC | | | | | | OBS | P | | | | | P | | A |
| L C M Fourie | DA | OBS | | | P | P | | | | A | | | | A | A |
| N V Gumbi | ANC | | p | | | P | | | | OBS | | P | | P | P |
| S N Hlophe | ANC | | | | | | | P | | | | | P | | P |
| M Khoza | IFP | | | | OBS | | | | OBS | OBS | | | | | P |
| S P Khoza | NFP | | | | | | | A | | | | | P | | P |
| M R Khumalo | ANC | | | | P | OBS | | | | NA | | | | | A |
| P N Kwela | NFP | P | | | | A | A | | | | | | | P | P |
| C S Kweyama | INDEP | | | | | | | A | | | | OBS | P | | P |
| M Lourens | ANC | | A | | | | | | | | | P | | | P |
| N M Madondo | ANC | | | | A | | | | A | | | | | | P |
| M T Makatini | IFP | | | | P | | | | P | | | | | | P |
| P M Matherijwa | ANC | | | | P | | | | P | | | | | | P |
| C P Mavimbela | NFP | | | | | | | | | | | | | | P |
| N C Mbanjwa | ANC | P | | | | | | | | | | | | OBS | P |
| E F Mbatha | ANC | P | | | | | P | | | | | | | P | P |
| P T Mbatha | ANC | A | | | | | | | | | | | | | A |
| M M Mbokazi | ANC | | | | P | | P | | P | | | OBS | | P | P |
| D J Merryweather | DA | | p | | | OBS | OBS | OBS | | | | P | OBS | OBS | P |
| M E Mhlongo | ANC | | | | A | | | | P | | | | | OBS | P |
| J B Mkhabela | ANC | | | | A | | | | P | | | | | OBS | P |
| M R Mkhize | IFP | P | | | | | | | | | | | | | P |
| S G Mkhize | ANC | | | | A | | P | | P | OBS | | | | P | P |
| G M Mkize | ANC | | | | | P | | | | P | | | | OBS | P |
| N Mlaba | NFP | | | | | A | | | | P | | | | | A |
| A P Mngomezulu | IFP | P | | | | | | | | | | | | | P |
| M S Mngayi | ANC | OBS | A | | | | OBS | | OBS | OBS | | P | | OBS | P |
| A H Mthembu | ANC | | | | | P | P | | | P | | | | A | A |
| B C Mthembu | ANC | | | | | | | P | | | | | P | | P |
| M W Mthenjana | ANC | A | | | | | | | | | | | | | A |
| K N Mthethwa | IFP | | | | | P | | | | P | | | | | P |
| Councillor | | FS | CORP | LLF | ITS | COMS | EXCO | CD | ITS | COMS | FS | CORP | CD | EXCO | COUNCIL |
| Date | | 9 | | | 11 | 11 | 16 | | | | 23 | 24 | 31 | 31 | 31 |
| B T Mthiyane | ANC | | | | | | | A | | | | | P | | P |
| S S Mthiyane | ANC | | A | | | | | | | | | | | | P |
| D J Ndimande | ANC | | | | | P | | | | P | | | | | P |
| K E Ndlovu | DA | | | | | NA | OBS | OBS | OBS | P | | | OBS | OBS | P |
| T B Ngcobo | NFP | | | | NA | | | | NA | | | | | | NA |
| G A Nkosi | AND | | | | | P | | | | | | | | | A |
| S M Nsibande | INDEP | | | | | | | | | | | | | | P |
| P M Ntanzu | ANC | | | | | | | P | | | | | P | | A |
| D A Nxumalo | IFP | P | p | | | | P | | | OBS | | P | | P | P |
| E A Palmer | ANC | | | | | P | | | | P | | | | | P |
| W M Radebe | ANC | | | | | | | P | | | | | P | | P |
| L S Sabelo | NFP | | A | | | | | | | | | P | | | A |
| L B Shangase | ANC | P | | | | | | | | | | | | | P |
| S S Simmadhri | IFP | | p | | | | P | P | | | | P | A | A | A |
| M Sookroo | ANC | | | | | | P | P | | | | | P | P | P |
| K Sukreben | ANC | P | | | | | | | | | | | | | P |
| N T Thusi | IFP | | A | | | P | | | | P | | P | | | A |
| A Viljoen | DA | | | | | | | P | | | | | P | | P |
| D J Xulu | ANC | | | | P | | | | P | | | | | | P |
| S B Xaba | ANC | | | | A | | | | P | | | | | | P |
| R M Zikhali | ANC | | | | | P | | | | P | | | | | P |
| S H Zulu | IFP | | | | P | OBS | | | P | OBS | | | | | P |

| Councillor | | FS | BL | CS | LLF | BOT | COMS | EXCO | CD | ITS | SCOUN | SCOUN | FS | CS | COMS | EXCO | COUNCIL | CD | PP | ITS | PEF AUDIT |
|------------------|-------|-----|----|----|-----|-----|------|------|-----|-----|-------|-------|-----|----|------|------|---------|------|-----|-----|-----------|
| Date | | 6 | 6 | 7 | 7 | 8 | 8 | 13 | 14 | 15 | 16 | 20 | 20 | 21 | 22 | 27 | 27 | 28 | 28 | 29 | 29 |
| F G Bosman | DA | | | | | | | | | P | P | P | | | | | P | P | | P | |
| C M Botha | IFP | | | | | | | | NA | | P | P | | | | | P | | | | |
| J N Cele | ANC | | | | | | | | | | P | P | | | | | P | | NA | | |
| N R Cele | ANC | | | | | | | | | | A | A | | | | | A | | A | | |
| L M Danisa | ANC | | | | | | | | | | P | P | | | | | P | | | | |
| A S Dawood | ANC | P | | | | | | | | | P | P | NA | | | | P | | | | |
| B J de Lange | DA | P | | | | P | | | | | P | P | | | | | P | | | | |
| E J B Dube | ANC | | | | | | | OBS | P | | P | P | | | | OBS | P | | P | | |
| L C M Fourie | DA | | | | | | P | P | | OBS | A | A | | | | P | P | A | A | | |
| N V Gumbi | ANC | | | | | | | P | | | P | P | | | | P | P | | OBS | | P |
| S N Hlophe | ANC | | | | | P | | OBS | A | | P | P | | | | P | | | | | |
| M Khoza | IFP | | | | | | OBS | | | | P | A | | | | P | | OBS | | | |
| S P Khoza | NFP | | | | | | | | P | | P | P | | | | P | | P | | | |
| M R Khumalo | ANC | | | | | | P | | | | P | P | | | | OBS | P | | | | |
| P N Kwela | NFP | P | | | | | | P | P | | P | P | P | | | P | P | | | | |
| C S Kweyama | INDEP | | | | | | | | P | | P | P | | | | A | | | | | |
| M Lourens | ANC | OBS | | | | | | A | | | P | P | | | | OBS | P | | | | |
| N M Madondo | ANC | | | | | | | | | P | P | P | | | | A | A | | A | | |
| M T Makatini | IFP | | | | | | | | | A | A | P | | | | P | A | | A | | |
| P M Mathenjwa | ANC | | | | | | | | | P | P | P | | | | P | P | | P | | |
| C P Mavimbela | NFP | | | | | | | | | | NA | P | | | | P | | | | | |
| N C Mbanjwa | ANC | P | | | | | | OBS | | | P | P | NA | | | A | OBS | | | | |
| E F Mbatha | ANC | P | | | | | | P | | | P | P | A | | | P | P | | | | P |
| P T Mbatha | ANC | P | | | | | | | | | P | A | NA | | | A | | | | | |
| M M Mbokazi | ANC | | | | | | | P | | P | P | P | | | | P | P | | P | | |
| D J Merryweather | DA | | | | | | | OBS | OBS | | P | P | | | | OBS | P | | OBS | | |
| M E Mhlongo | ANC | | | | | | | OBS | | A | P | P | | | | A | A | | A | | |
| J B Mkhabela | ANC | | | | | | | | | P | P | P | | | | P | P | | P | | |
| M R Mkhize | IFP | P | | | | | | | | | P | P | A | | | OBS | A | | | | |
| S G Mkhize | ANC | | | | | | | A | | P | P | P | | | | P | A | P | | P | |
| G M Mkize | ANC | | | | | | | P | OBS | | P | P | | | | P | | | | | |
| N Mlaba | NFP | | | | | | | NA | | | NA | P | | | | A | | | P | | |
| A P Mngomezulu | IFP | A | | | | | | | | | P | P | P | | | A | | | A | | |
| M S Mngayi | ANC | | | | | A | | P | | OBS | P | P | OBS | | | A | A | | P | | |
| A H Mthembu | ANC | | | | | | | A | P | | P | P | | | | P | P | | P | | |
| B C Mthembu | ANC | | | | | | | | | A | P | P | | | | NA | | | P | | |
| M W Mthenjana | ANC | A | | | | | | | | | P | P | NA | | | NA | | | | | |
| K N Mthethwa | IFP | | | | | | | A | | | A | A | | | | P | | | | | |
| Councillor | | FS | BL | CS | LLF | BOT | COMS | EXCO | CD | ITS | SCOUN | SCOUN | FS | CS | COMS | EXCO | COUNCIL | CD | PP | ITS | PEF AUDIT |
| Date | | 6 | 6 | 7 | 7 | 8 | 8 | 13 | 14 | 15 | 16 | 20 | 20 | 21 | 22 | 27 | 27 | 28 | 28 | 29 | 29 |
| B T Mthiyane | ANC | | | | | | | | A | | P | A | | | | A | | | | | |
| S S Mthiyane | ANC | | | | | | | | | | P | P | | | | A | | | | | |
| D J Ndimande | ANC | | | | | | NA | | | | P | P | | | | P | | | | | |
| K E Ndlovu | DA | OBS | | | | | P | OBS | | | P | A | | | | OBS | P | OBS | OBS | | |
| T B Ngcobo | NFP | | | | | A | | | | NA | NA | P | | | | P | A | | NA | | |
| G A Nkosi | AND | | | | | | NA | | | | P | P | | | | P | | | | | |
| S M Nsibande | INDEP | | | | | | | | | | P | P | | | | A | | AOBS | | | |
| P M Ntanzu | ANC | | | | | | | | P | | P | P | | | | A | | | | | |
| D A Nxumalo | IFP | P | | | | | | P | | | P | P | P | | | P | P | | P | | |
| E A Palmer | ANC | | | | | | A | | | | P | P | | | | P | | | | | |
| W M Radebe | ANC | | | | | | | | P | | P | P | | | | OBS | P | | | | |
| L S Sabelo | NFP | | | | | | | | | | P | P | | | | P | | | | | |
| L B Shangase | ANC | A | | | | | | | | | P | P | P | | | A | | | | | |
| S S Simmadhri | IFP | | | | | | | P | P | | A | P | OBS | | | P | P | | | | |
| M Sookroo | ANC | | | | | | | P | A | | P | P | | | | A | A | | | | |
| K Sukreben | ANC | A | | | | | | | | | P | P | A | | | NA | | | | | |
| N T Thusi | IFP | | | | | | P | | | | P | A | | | | A | | | | | |
| A Viljoen | DA | | | | | | | | P | | P | P | | | | P | | | | | |
| D J Xulu | ANC | | | | | | | | | P | P | P | | | | P | P | | P | | |
| S B Xaba | ANC | | | | | | | | | P | P | P | | | | P | P | | P | | |
| R M Zikhali | ANC | | | | | | NA | | | | P | P | | | | P | | | P | | |
| S H Zulu | IFP | | | | | | | | | P | P | P | | | | P | P | | P | | |

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

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

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

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

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|---------------|-----------|--------|------------|----|------------|------------|----------|----|---------|---------|------------|----|--------|----------|---------------|-----------|----------|-------------|--|--|
| Councillor | | F S | BL | CS | LL F | COM S | EXC O | CD | LL F | ITS | FS | PP | C S | COM S | PERF AUDIT | AUD IT | EXC O | COUN CIL | | |
| Date | | 5 | 5 | 6 | 6 | 7 | 12 | 13 | 13 | 14 | 19 | 19 | | 21 | 21 | 21 | 26 | 26 | | |
| F G Bosman | DA | | NO MEETING | | NO MEETING | NO MEETING | | | | P | NO MEETING | | | | | | | A | | |
| C M Botha | IFP | | | | | | | A | | | | | | | | | A | A | | |
| J N Cele | ANC | | | NA | | | | | | | | | | | | | | A | | |
| N R Cele | ANC | | | A | | | | | | | | | | | | | | P | | |
| L M Danisa | ANC | | | P | | | | | | | | | | | | | | P | | |
| A S Dawood | ANC | A | | | | | | | | | | | | | | | | P | | |
| B J de Lange | DA | P | | | | | | | | | | | | | | | | P | | |
| E J B Dube | ANC | | | | | | | P | | | | | | | | | P | P | | |
| L C M Fourie | DA | | | | | | | | | A | | | | P | | | P | P | | |
| N V Gumbi | ANC | | | A | | | | | P | | | | | | P | | P | P | | |
| S N Hlophe | ANC | | | | | | | P | | | | | | | | | | P | | |
| M Khoza | IFP | | NO MEETING | | NO MEETING | NO MEETING | | | | OB S | NO MEETING | | | | | | | P | | |
| S P Khoza | NFP | | | | | | | P | | | | | | | | | | P | | |
| M R Khumalo | ANC | | | | | | | | | | | | | A | | | | P | | |
| P N Kwela | NFP | A | | | | | | A | | | | | | | | | P | P | | |
| C S Kweyama | INDE P | | | | | | | NA | | | | | | | | | | P | | |
| M Lourens | ANC | | | P | | | | | | | | | | | | | | A | | |
| N M Madondo | ANC | | | | | | | | | NA | | | | | | | | A | | |
| M T Makatini | IFP | | | | | | | | | A | | | | | | | | P | | |
| P M Mathenjwa | ANC | | | | | | | | | P | | | | | | | | P | | |
| C P Mavimbela | NFP | | | | | | | | | | | | | | | | | A | | |
| N C Mbanjwa | ANC | P | | | | | | | | | | | | | | | P | P | | |
| E F Mbatha | ANC | A | | | | | | | | | | | | | P | | P | A | | |
| P T Mbatha | ANC | P | | | | | | | | | | | | | | | | A | | |

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|------------------|------|--------|----|---------|---------|----------|----------|---------|---------|---------|----|----|--------|----------|---------------|-----------|----------|-------------|--|--|--|
| Councillor | | F S | BL | CS | LL F | COM S | EXC O | CD | LL F | ITS | FS | PP | C S | COM S | PERF AUDIT | AUD IT | EXC O | COUN CIL | | | |
| Date | | 5 | 5 | 6 | 6 | 7 | 12 | 13 | 13 | 14 | 19 | 19 | | 21 | 21 | 21 | 26 | 26 | | | |
| M M Mbokazi | ANC | | | | | | | | | A | | | | | | | P | P | | | |
| D J Merryweather | DA | | | P | | | | OB S | P | | | | | | | | P | P | | | |
| M E Mhlongo | ANC | | | | | | | | | NA | | | | | | | | P | | | |
| J B Mkhabela | ANC | | | | | | | | | A | | | | | | | | A | | | |
| M R Mkhize | IFP | N A | | | | | | | | | | | | | | | | P | | | |
| S G Mkhize | ANC | | | | | | | | | | | | | | | | P | P | | | |
| G M Mkize | ANC | | | | | | | | | P | | | | P | | | P | P | | | |
| N Mlaba | NFP | | | | | | | | | | | | | A | | | | A | | | |
| A P Mngomezulu | IFP | P | | | | | | | | | | | | | | | | P | | | |
| M S Mnqayi | ANC | | | P | | | | | A | | | | | | | | | P | | | |
| A H Mthembu | ANC | | | | | | | | | | | | | | | | P | P | | | |
| B C Mthembu | ANC | | | | | | | A | | | | | | | | | | P | | | |
| M W Mthenjana | ANC | P | | | | | | | | | | | | | | | | P | | | |
| K N Mthethwa | IFP | | | | | | | | | | | | | P | | | | P | | | |
| Councillor | | F S | BL | CS | LL F | COM S | EXC O | CD | LL F | ITS | FS | PP | C S | COM S | PERF AUDIT | AUD IT | EXC O | COUN CIL | | | |
| Date | | 5 | 5 | 6 | 6 | 7 | 12 | 13 | 13 | 14 | 19 | 19 | | 21 | 21 | 21 | 26 | 26 | | | |
| B T Mthiyane | ANC | | | | | | | NA | | | | | | | | | | A | | | |
| S S Mthiyane | ANC | | | P | | | | | | | | | | | | | | P | | | |
| D J Ndimande | ANC | | | | | | | | | | | | | P | | | | P | | | |
| K E Ndlovu | DA | | | OB S | | | | | | OB S | | | | P | | | P | P | | | |
| T B Ngcobo | NFP | | | | | | | | | NA | | | | | | | | P | | | |
| G A Nkosi | AND | | | | | | | | | | | | | P | | | | A | | | |
| S M | INDE | | | | | | | | | | | | | | | | | A | | | |

| NOVEMBER 2013 | | | | | | | | | | | | | | | | | | | | | |
|---------------|-----|--------|----|----|---------|----------|----------|----|---------|-----|----|----|--------|----------|---------------|-----------|----------|-------------|--|--|--|
| Councillor | | F S | BL | CS | LL F | COM S | EXC O | CD | LL F | ITS | FS | PP | C S | COM S | PERF AUDIT | AUD IT | EXC O | COUN CIL | | | |
| Date | | 5 | 5 | 6 | 6 | 7 | 12 | 13 | 13 | 14 | 19 | 19 | | 21 | 21 | 21 | 26 | 26 | | | |
| Nsibande | P | | | | | | | | | | | | | | | | | | | | |
| P M Ntanzu | ANC | | | | | | | A | | | | | | | | | A | A | | | |
| D A Nxumalo | IFP | P | | P | | | | | | | | | | | | | P | P | | | |
| E A Palmer | ANC | | | | | | | | | | | | | NA | | | | P | | | |
| W M Radebe | ANC | | | | | | | P | | | | | | | | | A | P | | | |
| L S Sabelo | NFP | | | P | | | | | P | | | | | | | | | P | | | |
| L B Shangase | ANC | N A | | | | | | | | | | | | | | | | A | | | |
| S S Simmadhri | IFP | | | P | | | | P | | | | | | | | | P | P | | | |
| M Sookroo | ANC | | | | | | | P | | | | | | | | | A | A | | | |
| K Sukreben | ANC | P | | | | | | | | | | | | | | | | A | | | |
| N T Thusi | IFP | | | A | | | | | | | | | | P | | | | A | | | |
| A Viljoen | ANC | | | | | | | P | | | | | | | | | | P | | | |
| D J Xulu | ANC | | | | | | | | | P | | | | | | | | P | | | |
| S B Xaba | ANC | | | | | | | | | P | | | | | | | | P | | | |
| R M Zikhali | ANC | | | | | | | | | | | | | P | | | | A | | | |
| S H Zulu | IFP | | | | | | | | | P | | | | | | | | P | | | |

DECEMBER 2013

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

DECEMBER 2013

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

DECEMBER 2013

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

JANUARY 2014

| Councillor | | FS | COUNCIL | EXCO | |
|---------------|-------|-----|---------|------|--|
| Date | | 27 | 28 | 28 | |
| F G Bosman | DA | OBS | P | | |
| C M Botha | IFP | | P | | |
| J N Cele | ANC | | P | | |
| N R Cele | ANC | | P | | |
| L M Danisa | ANC | | P | | |
| A S Dawood | ANC | P | P | | |
| B J de Lange | DA | P | P | | |
| E J B Dube | ANC | | P | OBS | |
| L C M Fourie | DA | | P | P | |
| N V Gumbi | ANC | | P | P | |
| S N Hlophe | ANC | | P | OBS | |
| M Khoza | IFP | | P | | |
| S P Khoza | NFP | | P | | |
| M R Khumalo | ANC | | P | | |
| P N Kwela | NFP | P | P | P | |
| C S Kweyama | INDEP | | P | | |
| M Lourens | ANC | | P | | |
| N M Madondo | ANC | | P | | |
| M T Makatini | IFP | | P | | |
| P M Mathenjwa | ANC | | P | | |

| JANUARY 2014 | | | | | |
|------------------|-------|----|---------|------|--|
| Councillor | | FS | COUNCIL | EXCO | |
| Date | | 27 | 28 | 28 | |
| C P Mavimbela | NFP | | P | | |
| N C Mbanjwa | ANC | P | P | OBS | |
| E F Mbatha | ANC | P | P | P | |
| P T Mbatha | ANC | A | A | | |
| M M Mbokazi | ANC | | P | P | |
| D J Merryweather | DA | | P | | |
| M E Mhlongo | ANC | | P | OBS | |
| J B Mkhabela | IFP | | P | | |
| M R Mkhize | IFP | P | P | | |
| S G Mkhize | ANC | | P | P | |
| G M Mkize | ANC | | P | OBS | |
| N Mlaba | NFP | | N/A | | |
| A P Mngomezulu | IFP | A | A | | |
| M S Mngayi | ANC | | P | OBS | |
| A H Mthembu | ANC | | A | P | |
| B C Mthembu | ANC | | P | | |
| M W Mthenjana | ANC | P | P | | |
| K N Mthethwa | IFP | | A | | |
| Councillor | | FS | COUNCIL | EXCO | |
| Date | | 27 | 28 | | |
| B T Mthiyane | ANC | | P | | |
| S S Mthiyane | ANC | | P | | |
| D J Ndimande | ANC | | P | | |
| K E Ndlovu | DA | | P | OBS | |
| T B Ngcobo | NFP | | P | | |
| G A Nkosi | ANC | | P | OBS | |
| S M Nsibande | INDEP | | P | | |
| P M Ntanzi | ANC | | P | | |
| D A Nxumalo | IFP | P | P | P | |
| E A Palmer | ANC | | P | | |

| JANUARY 2014 | | | | | |
|------------------|-----|----|---------|------|--|
| Councillor | | FS | COUNCIL | EXCO | |
| Date | | 27 | 28 | 28 | |
| W M Radebe | ANC | | P | | |
| L S Sabelo | NFP | | P | | |
| L B Shangase | ANC | P | P | | |
| S S Simmadhri | IFP | | P | P | |
| M Sookroo | ANC | | P | P | |
| K Sukreben | ANC | P | P | | |
| N T Thusi | IFP | | P | | |
| A Viljoen | DA | | P | | |
| D J Xulu | ANC | | P | | |
| S B Xaba | ANC | | P | | |
| R M Zikhali | ANC | | P | | |
| S H Zulu | IFP | | P | OBS | |
| Inkosi Mkhwanazi | | | P | | |

| FEBRUARY 2014 | | | | | | | | | | | | | | | | | | | | |
|---------------|------|-------------------|-------|--------------|-------------------|-------|-------|-----|--------|--------|----|------------|------|-------------------|----------|----------|-------|----------|-----|--|
| Councillor | | COR PS | L L F | SPEC COUNCIL | CO MS | B O T | EX CO | C D | MAN DL | COR PS | FS | PERF AUDIT | IT S | UPT LC | SEC T 62 | SEC T 62 | EX CO | COU NCIL | F S | |
| Date | | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 14 | 13 | 13 | 18 | 20 | 20 | 25 | 25 | 25 | 27 | |
| F G Bosman | DA | MEETING CANCELLED | | P | MEETING CANCELLED | | | | | | | | A | MEETING CANCELLED | | | | A | | |
| C M Botha | IFP | | | P | | | | P | | | | | | | P | A | | P | | |
| J N Cele | AN C | | | P | | | | | | P | | | | | | | | P | | |
| N R Cele | AN C | | | P | | | | | | A | | | | | | | | P | | |
| L M Danisa | AN C | | | P | | | | | | P | | | | | | | | P | | |
| A S | AN | | | P | | | | | | | P | | | | | | | P | A | |

| FEBRUARY 2014 | | | | | | | | | | | | | | | | | | | | |
|---------------|--------|--------|-------|--------------|-------|-------|-------|-----|--------|--------|----|------------|-------|--------|----------|----------|-------|----------|-----|--|
| Councillor | | COR PS | L L F | SPEC COUNCIL | CO MS | B O T | EX CO | C D | MAN DL | COR PS | FS | PERF AUDIT | IT S | UPT LC | SEC T 62 | SEC T 62 | EX CO | COU NCIL | F S | |
| Date | | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 14 | 13 | 13 | 18 | 20 | 20 | 25 | 25 | 25 | 27 | |
| Dawood | C | | | | | | | | | | | | | | | | | | | |
| B J de Lange | DA | | | P | | P | | | | | P | | | | | | | P | P | |
| E J B Dube | AN C | | | P | | | | A | | | | | | | A | A | | P | | |
| L C M Fourie | DA | | | P | | | P | | | | | | | | | | P | P | | |
| N V Gumbi | AN C | | P | P | | | P | | P | P | | A | | | | | P | P | | |
| S N Hlophe | AN C | | | P | | P | P | P | | | | | | | | | | P | | |
| M Khoza | IFP | | | P | | | | | | | | | O B S | | | | | P | | |
| S P Khoza | NF P | | | P | | | | N A | | | | | | | | | | P | | |
| M R Khumalo | AN C | | | P | | | | | | | | | | | | | O B S | P | | |
| P N Kwela | NF P | | | P | | | A | P | | | P | | | | | | P | A | P | |
| C S Kweyama | IND EP | | | A | | | | A | | | | | | | | | | P | | |
| M Lourens | AN C | | | P | | | | | | P | | | | | | | A | P | | |
| N M Madondo | AN C | | | P | | | | | | | | | P | | | | | P | | |
| M T Makatini | IFP | | | A | | | | | | | | | A | | | | | A | | |
| P M Mathenjwa | AN C | | | P | | | | | | | | | P | | | | | P | | |
| C P | NF | | | A | | | | | | | | | | | | | | P | | |

| FEBRUARY 2014 | | | | | | | | | | | | | | | | | | | | |
|------------------|------|--------|-------|--------------|-------|-------|-------|-------|--------|--------|----|------------|------|--------|----------|----------|-------|----------|-----|--|
| Councillor | | COR PS | L L F | SPEC COUNCIL | CO MS | B O T | EX CO | C D | MAN DL | COR PS | FS | PERF AUDIT | IT S | UPT LC | SEC T 62 | SEC T 62 | EX CO | COU NCIL | F S | |
| Date | | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 14 | 13 | 13 | 18 | 20 | 20 | 25 | 25 | 25 | 27 | |
| Mavimbela | P | | | | | | | | | | | | | | | | | | | |
| N C Mbanjwa | AN C | | | P | | | | | | | P | | | | | | | A | A | |
| E F Mbatha | AN C | | | P | | | P | | P | | P | P | | | | | P | P | P | |
| P T Mbatha | AN C | | | P | | | | | | | P | | | | | | | P | A | |
| M M Mbokazi | AN C | | | P | | | P | | | | | | P | | | | P | P | | |
| D J Merryweather | DA | | P | P | | | OB S | O B S | | P | | | | | | | OB S | P | | |
| M E Mhlongo | AN C | | | A | | | | | | | | | P | | | | | A | | |
| M R Mkhize | IFP | | | P | | | | | | | | | | | | | | P | | |
| S G Mkhize | AN C | | | A | | | P | | | | | | P | | | | P | P | | |
| G M Mkize | AN C | | | P | | | | | | | | | | | | | | P | | |
| N Mlaba | NF P | | | P | | | | | | | | | | | NA | P | | A | | |
| A P Mngomezulu | IFP | | | P | | | | | | | P | | | | | | | P | P | |
| M S Mngayi | AN C | | A | P | | A | P | | P | A | | | | | A | | OB S | P | | |
| A H Mthembu | AN C | | | P | | | P | | | | | | | | | | P | P | | |
| B C Mthembu | AN C | | | P | | | | A | | | | | | | | | | P | | |

| FEBRUARY 2014 | | | | | | | | | | | | | | | | | | | | |
|---------------|--------|-------------------|-------|--------------|-------------------|-------|-------|-------|--------|--------|-------|------------|------|-------------------|----------|----------|-------|----------|-----|--|
| Councillor | | COR PS | L L F | SPEC COUNCIL | CO MS | B O T | EX CO | C D | MAN DL | COR PS | FS | PERF AUDIT | IT S | UPT LC | SEC T 62 | SEC T 62 | EX CO | COU NCIL | F S | |
| Date | | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 14 | 13 | 13 | 18 | 20 | 20 | 25 | 25 | 25 | 27 | |
| M W Mthenjana | AN C | | | P | | | | | | | P | | | | | | | P | P | |
| K N Mthethwa | IFP | | | P | | | | | | | | | | | | | | P | | |
| Councillor | | COR PS | L L F | SPEC COUNCIL | CO MS | B O T | EX CO | C D | MAN DL | COR PS | FS | PERF AUDIT | IT S | UPT LC | SEC T 62 | SEC T 62 | EX CO | COU NCIL | F S | |
| Date | | 5 | 5 | 5 | | 7 | 11 | 12 | 12 | 14 | 13 | 13 | 18 | 20 | 20 | 25 | 25 | 25 | 27 | |
| B T Mthiyane | AN C | MEETING CANCELLED | | A | MEETING CANCELLED | | | A | | | | | | MEETING CANCELLED | | | | P | | |
| S S Mthiyane | AN C | | | P | | | | | | P | | | | | | | | A | | |
| J B Mkhabela | AN C | | | P | | | | | | | | | P | | NA | P | | P | | |
| D J Ndimande | DA | | | P | | | | | | | | | | | | | | P | | |
| K E Ndlovu | NF P | | | P | | | OB S | O B S | | | O B S | | | | | | | P | | |
| T B Ngcobo | AN C | | | P | | A | | | | | | | NA | | | | | P | | |
| G A Nkosi | IND EP | | | P | | | | | | | | | | | | | | P | | |
| S M Nsibande | AN C | | | P | | | | | | | | | | | | | | A | | |
| P M Ntanzu | AN C | | | P | | | | P | | | | | | | | | | P | | |
| D A Nxumalo | AIF P | | | P | | | P | | | P | P | | | | | | P | P | P | |
| E A | AN | | | P | | | | | | | | | | | | | | P | | |

| FEBRUARY 2014 | | | | | | | | | | | | | | | | | | | | |
|---------------|------|--------|-------|--------------|-------|-------|-------|-----|--------|--------|-------|------------|------|--------|----------|----------|-------|----------|-----|--|
| Councillor | | COR PS | L L F | SPEC COUNCIL | CO MS | B O T | EX CO | C D | MAN DL | COR PS | FS | PERF AUDIT | IT S | UPT LC | SEC T 62 | SEC T 62 | EX CO | COU NCIL | F S | |
| Date | | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 14 | 13 | 13 | 18 | 20 | 20 | 25 | 25 | 25 | 27 | |
| Palmer | C | | | | | | | | | | | | | | | | | | | |
| W M Radebe | AN C | | | P | | | | | | | O B S | | | | | | | P | | |
| L S Sabelo | NF P | | ▯ | P | | | | | | A | | | | | | | | P | | |
| L B Shangase | AN C | | | P | | | | | | | P | | | | | | | A | A | |
| S S Simmadhri | IFP | | | P | | | P | P | | P | P | | | | | | P | P | P | |
| M Sookroo | AN C | | | P | | | P | P | | | | | | | | | P | P | | |
| K Sukreben | AN C | | | A | | | | | | | A | | | | | | | A | A | |
| N T Thusi | IFP | | ▯ | P | | | | | | A | | | | | | | | P | | |
| A Viljoen | DA | | | P | | | | A | | | | | | | | | | P | | |
| D J Xulu | AN C | | | A | | | | | | | | | P | | | | | P | | |
| S B Xaba | AN C | | | P | | | | | | | | | P | | | | | P | | |
| R M Zikhali | AN C | | | P | | | | | | | | | | | | | | P | | |
| S H Zulu | IFP | | | P | | | | | | | | | P | | | | | P | | |

| MARCH 2014 | | | | | | | | | | | | | | | | | | | |
|--------------|--------|----|-------------------|------|-----------|-------|-------|-------|------|----------|----------|----------|------|-------------------|----|-------|----------|-------------------|--|
| Councillor | | PP | CO RP | LL F | MP AC | CO MS | MP AC | EXC O | CD | PERF ASS | PERF ASS | PERF ASS | ITS | C S | FS | EXC O | COUN CIL | PEF AUDIT | MP AC |
| Date | | 4 | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 13 | 14 | 18 | 19 | 26 | 27 | 27 | 28 | 27 |
| F G Bosman | DA | | MEETING CANCELLED | | NO QUORUM | | | | | | | | A | MEETING CANCELLED | | | A | MEETING CANCELLED | MEETING CANCELLED DUE TO EXCO AND COUNCIL RFESCHEDULED |
| C M Botha | DA | | | | | | | | A | | | | | | | | A | | |
| J N Cele | ANC | NA | | | | | NA | | | | | | | | | | A | | |
| N R Cele | ANC | NA | | | | | | | | | | | | | | | P | | |
| L M Danisa | ANC | | | | | | A | | | | | | | | | | P | | |
| A S Dawood | ANC | | | | | | P | | | | | | | | P | | P | | |
| B J de Lange | DA | | | | | | | | | | | | | | P | | P | | |
| E J B Dube | ANC | A | | | | | | OB S | P | | | | | | | OB S | P | | |
| L C M Fourie | DA | A | | | | A | | P | | | | | A | | | P | P | | |
| N V Gumbi | ANC | | | P | | | | P | | P | A | A | | | | P | P | | |
| S N Hlophe | ANC | | | | | | | | P | | | | | | | | P | | |
| M Khoza | IFP | | | | | | | | | | | | OB S | | | | P | | |
| S P Khoza | NFP | P | | | | | | | P | | | | | | | | P | | |
| M R Khumalo | ANC | | | | | | | | | | | | | | | | NA | | |
| P N Kwela | NFP | | | | | | | P | P | | | | | | A | A | A | | |
| C S Kweyama | IND EP | | | | | | | | P | | | | | | | | A | | |
| M Lourens | ANC | | | | | | | | OB S | | | | | | | | A | | |
| N M Madondo | ANC | | | | | | | | | | | | P | | | | P | | |
| M T Makatini | IFP | | | | | | | | | | | | A | | | | P | | |

| MARCH 2014 | | | | | | | | | | | | | | | | | | | |
|------------------|-----|----|-------|------|-------|-------|-------|-------|------|----------|----------|----------|-----|-----|----|-------|----------|-----------|-------|
| Councillor | | PP | CO RP | LL F | MP AC | CO MS | MP AC | EXC O | CD | PERF ASS | PERF ASS | PERF ASS | ITS | C S | FS | EXC O | COUN CIL | PEF AUDIT | MP AC |
| Date | | 4 | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 13 | 14 | 18 | 19 | 26 | 27 | 27 | 28 | 27 |
| P M Mathenjwa | ANC | | | | | | | | | | | | P | | | | A | | |
| C P Mavimbela | NFP | | | | | | | | | | | | | | | | A | | |
| N C Mbanjwa | ANC | | | | | | | | | | | | | | P | | A | | |
| E F Mbatha | ANC | | | | | | | P | | P | P | P | | | P | P | P | | |
| P T Mbatha | ANC | | | | | | | | | | | | | | A | | P | | |
| M M Mbokazi | ANC | | | | | | | P | OB S | | | | P | | | P | P | | |
| D J Merryweather | DA | | | P | | | | OB S | OB S | | | | | | | OB S | P | | |
| M E Mhlongo | ANC | | | | | | | | | | | | P | | | | NA | | |
| J B Mkhabela | ANC | | | | | | | OB S | | | | | P | | | | P | | |
| M R Mkhize | IFP | | | | | | NA | | | | | | | | | | P | | |
| S G Mkhize | ANC | | | | | | | A | | | | | P | | | P | P | | |
| G M Mkize | ANC | | | | | P | | OB S | | | | | | | | OB S | P | | |
| N Mlaba | NFP | NA | | | | NA | | | | | | | | | | | NA | | |
| A P Mngomezulu | IFP | A | | | | | | | | | | | | | P | | P | | |
| M S Mnqayi | ANC | P | | P | | | | OB S | | | | | | | | | A | | |
| A H Mthembu | ANC | A | | | | P | | P | | | | | | | | P | P | | |
| B C Mthembu | ANC | A | | | | | | OB S | P | | | | | | | | P | | |

| MARCH 2014 | | | | | | | | | | | | | | | | | | | |
|---------------|--------|------|-------------------|------|-------|-------|-------|-------|------|----------|----------|----------|------|-----|------|-------|----------|-------------------|-------------------|
| Councillor | | PP | CO RP | LL F | MP AC | CO MS | MP AC | EXC O | CD | PERF ASS | PERF ASS | PERF ASS | ITS | C S | FS | EXC O | COUN CIL | PEF AUDIT | MP AC |
| Date | | 4 | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 13 | 14 | 18 | 19 | 26 | 27 | 27 | 28 | 27 |
| M W Mthenjana | ANC | | | | | | | OB S | | | | | | | A | | A | | |
| K N Mthethwa | IFP | | | | | P | | | | | | | | | | | A | | |
| Councillor | | PP | CO RP | LL F | MP AC | CO MS | MP AC | EXC O | CD | | | | ITS | | FS | EXC O | COUN CIL | PEF AUDIT | MP AC |
| Date | | 4 | 5 | 5 | 5 | 6 | 7 | 11 | 12 | | | | 18 | | 26 | 27 | 27 | 28 | 27 |
| B T Mthiyane | ANC | | MEETING CANCELLED | | | | | | A | | | | | | | | A | MEETING CANCELLED | MEETING CANCELLED |
| S S Mthiyane | ANC | | | | | | NA | | | | | | | | | | A | | |
| D J Ndimande | ANC | | | | | P | | | | | | | | | | | P | | |
| K E Ndlovu | DA | OB S | | | | P | | | OB S | | | | OB S | | OB S | OB S | P | | |
| T B Ngcobo | NFP | | | | | | | | | | | | P | | | | A | | |
| G A Nkosi | AND | | | | | P | | | | | | | | | | | NA | | |
| S M Nsibande | IND EP | A | | | | | | | | | | | | | | | NA | | |
| P M Ntanzu | ANC | | | | | | | | P | | | | | | | | A | | |
| D A Nxumalo | IFP | P | | | | | | P | | | | | | | P | P | P | | |
| E A Palmer | ANC | | | | | P | | | | | | | | | | | P | | |
| W M Radebe | ANC | | | | | | | | P | | | | | | | | P | | |
| L S Sabelo | NFP | | | P | | | NA | | | | | | | | | | A | | |
| L B Shangase | ANC | | | | | | | | | | | | | | P | | P | | |
| S S Simmadhri | IFP | | | | | | | A | A | | | | | | P | P | P | | |
| M Sookroo | ANC | | | | | | | A | P | | | | | | | P | P | | |

| MARCH 2014 | | | | | | | | | | | | | | | | | | | |
|-------------|-----|----|-------|------|-------|-------|-------|-------|----|----------|----------|----------|-----|-----|----|-------|----------|-----------|-------|
| Councillor | | PP | CO RP | LL F | MP AC | CO MS | MP AC | EXC O | CD | PERF ASS | PERF ASS | PERF ASS | ITS | C S | FS | EXC O | COUN CIL | PEF AUDIT | MP AC |
| Date | | 4 | 5 | 5 | 5 | 6 | 7 | 11 | 12 | 12 | 13 | 14 | 18 | 19 | 26 | 27 | 27 | 28 | 27 |
| K Sukreben | ANC | | | | | | NA | | | | | | | | P | | A | | |
| N T Thusi | IFP | | | A | | A | A | | | | | | | | | | P | | |
| A Viljoen | DA | | | | | | P | | P | | | | | | | | P | | |
| D J Xulu | ANC | | | | | | NA | | | | | | P | | | | P | | |
| S B Xaba | ANC | | | | | | | | | | | | P | | | | P | | |
| R M Zikhali | ANC | P | | | | P | P | | | | | | | | | | A | | |
| S H Zulu | IFP | | | | | | | | | | | | P | | | | P | | |

| APRIL 2014 | | | | | | | | | | | | | | | | | | |
|--------------|-----|-----|-----|------------|------------|-------|-------|---|-----|---------|----|------------|--------------------------------|------|-----|-------|----------|----|
| Councillor | | PP | F S | COR P | LL F | COM S | EXC O | CD | ITS | SECT 62 | PP | NAM STRUCT | FS | CORP | LLF | EXC O | COUNC IL | CD |
| Date | | 1 | | 2 | | 3 | 8 | | | | | | | | | | 22 | |
| F G Bosman | DA | | | NO MEETING | NO MEETING | | | ALL MEETINGS CANCELLED DUE TO NATIONAL ELECTIONS DUE TO THE NATIONAL ELECTIONS | | | | | NO MEETING DUE TO ELECTIONS | | | | P | |
| C M Botha | DA | | | | | | | | | | | | | | | | P | |
| J N Cele | ANC | A | | | | | | | | | | | | | | | P | |
| N R Cele | ANC | A | | | | | | | | | | | | | | | P | |
| L M Danisa | ANC | | | | | | | | | | | | | | | | P | |
| A S Dawood | ANC | | | | | | | | | | | | | | | | P | |
| B J de Lange | DA | | | | | | | | | | | | | | | | A | |
| E J B Dube | ANC | P | | | | | OBS | | | | | | | | | | P | |
| L C M Fourie | DA | P | | | | P | P | | | | | | | | | | A | |
| N V Gumbi | ANC | OBS | | | | | P | | | | | | | | | | P | |
| S N Hlophe | ANC | | | | | | OBS | | | | | | | | | | A | |
| M Khoza | IFP | | | | | OBS | | | | | | | | | | | P | |
| S P Khoza | NFP | NA | | | | | | | | | | | | | | | NA | |
| M R Khumalo | ANC | | | | | P | | | | | | | | | | | P | |

APRIL 2014

| Councillor | | PP | F S | COR P | LL F | COM S | EXC O | CD | ITS | SECT 62 | PP | NAM STRUCT | FS | CORP | LLF | EXC O | COUNCIL | CD |
|------------------|--------|-------------|-----|-------|------|------------|------------|----|-----|---------|----|------------|----|------|-----|-------|---------|----|
| Date | | 1 | | 2 | | 3 | 8 | | | | | | | | | | 22 | |
| P N Kwela | NFP | | | | | | P | | | | | | | | | | A | |
| C S Kweyama | INDE P | | | | | | | | | | | | | | | | P | |
| M Lourens | ANC | | | | | | | | | | | | | | | | P | |
| N M Madondo | ANC | | | | | | | | | | | | | | | | P | |
| M T Makatini | IFP | | | | | | | | | | | | | | | | A | |
| P M Mathenjwa | ANC | | | | | | | | | | | | | | | | P | |
| C P Mavimbela | NFP | | | | | | | | | | | | | | | | A | |
| N C Mbanjwa | ANC | | | | | | | | | | | | | | | | P | |
| E F Mbatha | ANC | | | | | | A | | | | | | | | | | P | |
| P T Mbatha | ANC | | | | | | | | | | | | | | | | P | |
| M M Mbokazi | ANC | | | | | | P | | | | | | | | | | P | |
| D J Merryweather | DA | OB S | | | | OBS | OBS | | | | | | | | | | P | |
| M E Mhlongo | ANC | | | | | | | | | | | | | | | | A | |
| J B Mkhabela | ANC | | | | | | | | | | | | | | | | A | |
| M R Mkhize | IFP | | | | | | | | | | | | | | | | A | |
| S G Mkhize | ANC | | | | | | P | | | | | | | | | | A | |
| G M Mkize | ANC | | | | | P | | | | | | | | | | | P | |
| N Mlaba | NFP | A | | | | NA | | | | | | | | | | | A | |
| A P Mngomezulu | IFP | P | | | | | | | | | | | | | | | A | |
| M s Mngayi | ANC | P | | | | | | | | | | | | | | | P | |
| A H Mthembu | | P | | | | P | A | | | | | | | | | | A | |
| B C Mthembu | | A | | | | | OBS | | | | | | | | | | P | |
| W M Mthenjana | | | | | | | OBS | | | | | | | | | | P | |
| K N Mthethwa | IFP | | | | | A | | | | | | | | | | | A | |
| Councillor | | PP | F S | COR P | LL F | COM S | EXC O | CD | ITS | SECT 62 | PP | | FS | CORP | LLF | EXC O | COUNCIL | CD |
| Date | | 1 | | 2 | | 3 | 8 | | | | | | | | | | | |

| APRIL 2014 | | | | | | | | | | | | | | | | | | |
|---------------|--------|----|-----|------------|------------|-------|-------|--|-----|---------|----|------------|----|------|-----|-------|---------|----|
| Councillor | | PP | F S | COR P | LL F | COM S | EXC O | CD | ITS | SECT 62 | PP | NAM STRUCT | FS | CORP | LLF | EXC O | COUNCIL | CD |
| Date | | 1 | | 2 | | 3 | 8 | | | | | | | | | | 22 | |
| B T Mthiyane | ANC | | | NO MEETING | NO MEETING | | | ALL MEETINGS CANCELLED DUE TO NATIONAL ELECTIONS | | | | | | | | | | A |
| S S Mthiyane | ANC | | | | | | | | | | | | | | | | | P |
| D J Ndimande | ANC | | | | | P | | | | | | | | | | | | P |
| K E Ndlovu | DA | | | | | A | OBS | | | | | | | | | | | P |
| T B Ngcobo | NFP | | | | | | | | | | | | | | | | | A |
| G A Nkosi | AND | | | | | P | | | | | | | | | | | | A |
| S M Nsibande | INDE P | A | | | | P | | | | | | | | | | | | A |
| P M Ntanzu | ANC | | | | | | | | | | | | | | | | | P |
| D A Nxumalo | IFP | P | | | | | P | | | | | | | | | | | P |
| E A Palmer | ANC | | | | | A | | | | | | | | | | | | P |
| W M Radebe | ANC | | | | | | | | | | | | | | | | | A |
| L S Sabelo | NFP | | | | | | | | | | | | | | | | | A |
| L B Shangase | ANC | | | | | | OBS | | | | | | | | | | | P |
| S S Simmadhri | IFP | | | | | | P | | | | | | | | | | | A |
| M Sookroo | ANC | | | | | | P | | | | | | | | | | | P |
| K Sukreben | ANC | | | | | | OBS | | | | | | | | | | | P |
| N T Thusi | IFP | | | | | A | | | | | | | | | | | | P |
| C M Botha | IFP | | | | | | | | | | | | | | | | | P |
| S H Zulu | IFP | | | | | | OBS | | | | | | | | | | | P |
| R M Zikhali | ANC | P | | | | P | | | | | | | | | | | | P |

| MAY 2014 | | | | | | | | | | | | | | | |
|------------------|-------|------------|----------------------|------|-----------|-----|------------|------------|------|------|-----|----|------|---------|------------|
| Councillor | | CORP | LLF | EXCO | S COUN | CD | CORP | COMS | IT&S | CORP | BOT | FS | EXCO | COUNCIL | FS |
| Date | | 7 | 7 | 13 | 13 | 14 | 21 | 15 | 20 | 21 | 23 | 26 | 27 | 27 | 29 |
| F G Bosman | DA | NO MEETING | NO MEETING/NO QUORUM | | A | | NO MEETING | NO MEETING | P | | | | | P | NO MEETING |
| C M Botha | IFP | | | | P | P | | | | | | | | A | |
| J N Cele | ANC | | | | P | | | | | A | | | | P | |
| N R Cele | ANC | | | | P | | | | | A | | | | P | |
| L M Danisa | ANC | | | | P | | | | | P | | | | A | |
| A S Dawood | ANC | | | | P | | | | | | | NA | | P | |
| B J de Lange | DA | | | | P | | | | | | P | P | | P | |
| E J B Dube | ANC | | | | P | P | | | | | | | OBS | P | |
| L C M Fourie | DA | | | A | A | | | | O | | | | P | P | |
| N V Gumbi | ANC | | | P | P | OBS | | | | P | | | P | P | |
| S N Hlophe | ANC | | | OBS | P | P | | | | | P | | | P | |
| M Khoza | IFP | | | | A | | | | O | | | | | P | |
| S P Khoza | NFP | | | | P | P | | | | | | | | P | |
| M R Khumalo | ANC | | | | A | | | | | | | | | P | |
| P N Kwela | NFP | | | P | P | P | | | | | | P | P | P | |
| C S Kweyama | INDEP | | | | A | A | | | | | | | | P | |
| M Lourens | ANC | | | | A | | | | | A | | | | P | |
| N M Madondo | ANC | | | | A | | | | A | | | | | A | |
| M T Makatini | IFP | | | | A | | | | A | | | | | P | |
| P M Mathenjwa | ANC | | | | P | | | | P | | | | | P | |
| C P Mavimbela | NFP | | | | A | | | | | | | | | P | |
| N C Mbanjwa | ANC | | | | A | | | | | | | A | | A | |
| E F Mbatha | ANC | | | P | P | | | | | | | P | P | P | |
| P T Mbatha | ANC | | | | P | | | | | | | A | | A | |
| M M Mbokazi | ANC | | | P | P | OBS | | | A | | | | P | P | |
| D J Merryweather | DA | | | OBS | P | OBS | | | | P | | | OBS | P | |
| M E Mhlongo | ANC | | | | A | | | | A | | | | | P | |
| J B Mkhabela | ANC | | | OBS | P | | | | P | | | | OBS | P | |

MAY 2014

| Councillor | | CORP | LLF | EXCO | S COUN | CD | CORP | COMS | IT&S | CORP | BOT | FS | EXCO | COUNCIL | FS |
|----------------|-------|------------|----------------------|------|-----------|-----|------------|------------|------|------|-----|----|------|---------|------------|
| Date | | 7 | 7 | 13 | 13 | 14 | 21 | 15 | 20 | 21 | 23 | 26 | 27 | 27 | 29 |
| M R Mkhize | IFP | | | | P | | | | | | | | | P | |
| S G Mkhize | ANC | | | P | P | | | | P | | | | A | A | |
| G M Mkize | ANC | | | | P | | | | | | | | | P | |
| N Mlaba | NFP | | | | A | | | | | | | | | A | |
| A P Mngomezulu | IFP | | | | P | | | | | | | P | | P | |
| M S Mnqayi | ANC | | | OBS | P | | | | | P | A | | | P | |
| A H Mthembu | ANC | | | P | P | | | | | | | | P | A | |
| B C Mthembu | ANC | | | | P | P | | | | | | | | P | |
| M W Mthenjana | ANC | | | | P | | | | | | | A | | P | |
| K N Mthethwa | IFP | | | | P | | | | | | | | | P | |
| Councillor | | COMS | LLF | EXCO | S COUN | CD | CORP | COMS | IT&S | CORS | BOT | FS | EXCO | COUNCIL | FS |
| Date | | 7 | 7 | | 13 | | | 15 | 20 | 21 | 23 | 26 | 27 | 27 | 29 |
| B T Mthiyane | ANC | NO MEETING | NO MEETING/NO QUORUM | | P | A | NO MEETING | NO MEETING | | | | | | A | NO MEETING |
| S S Mthiyane | ANC | | | | P | | | | | A | | | | P | |
| D J Ndimande | ANC | | | | P | | | | | | | | | A | |
| K E Ndlovu | DA | | | OBS | P | OBS | | | O | | | | | A | |
| T B Ngcobo | NFP | | | | A | | | | NA | | NA | | | A | |
| G A Nkosi | AND | | | | P | | | | | | | | | A | |
| S M Nsibande | INDEP | | | | P | | | | | | | | | P | |
| P M Ntanzi | ANC | | | | P | A | | | | | | | | P | |
| D A Nxumalo | IFP | | | P | P | | | | | A | | P | P | P | |
| E A Palmer | ANC | | | | A | | | | | | | | | P | |
| W M Radebe | ANC | | | | P | P | | | | | | | | P | |
| L S Sabelo | NFP | | | | P | | | | | A | | | | P | |
| L B Shangase | ANC | | | | P | | | | | | | P | | P | |
| S S Simmadhri | IFP | | | P | P | P | | | | P | | A | P | P | |
| M Sookroo | ANC | | | P | A | A | | | | | | | P | P | |
| K Sukreben | ANC | | | | A | | | | | | | P | | P | |
| N T Thusi | IFP | | | | P | | | | | A | | | | A | |

| MAY 2014 | | | | | | | | | | | | | | | | |
|-------------|-----|------|-----|------|-----------|----|------|------|------|------|-----|----|------|---------|----|--|
| Councillor | | CORP | LLF | EXCO | S COUN | CD | CORP | COMS | IT&S | CORP | BOT | FS | EXCO | COUNCIL | FS | |
| Date | | 7 | 7 | 13 | 13 | 14 | 21 | 15 | 20 | 21 | 23 | 26 | 27 | 27 | 29 | |
| C M Botha | DA | | | | P | | | | | | | | | P | | |
| A Viljoen | ANC | | | | P | P | | | | | | | P | | | |
| D J Xulu | ANC | | | | A | | | | P | | | | P | | | |
| S B Xaba | ANC | | | | P | | | | A | | | | A | | | |
| R M Zikhali | ANC | | | | A | | | | | | | | P | | | |
| S H Zulu | IFP | | | | P | | | | NA | | | | P | | | |

| JUNE 2014 | | | | | | | | | | | | | | | | | | | | | | |
|--------------|-----|--------|------------|------------|----------|-------------|--------|---------------------|------------|----|------------|--------------|------------|----------|---------|----------|-------------|--------|---------|----------|--------|--------------|
| SPEC | | B L | CO RPS | PEF ASS | EX CO | L L F | C D | SPEC COUNCI L | ITS | FS | BYL AWS | SCOU NCIL | CO RPS | CO MS | IT S | EX CO | COU NCIL | C D | IT S | CO RS | F S | PEF AUDIT |
| Date | | 3 | | 6 | 10 | 11 | 11 | 12 | | 12 | | | | 12 | 17 | 24 | 24 | 25 | 17 | 25 | 26 | 27 |
| F G Bosman | DA | | NO MEETING | | | | | A | DEL ETE | | | | NO MEETING | | P | | P | | | | | |
| C M Botha | IFP | | | | | | P | P | | | | | | | | | NA | NA | | | | |
| J N Cele | ANC | | | | | | | A | | | | | | | | | P | | | A | | |
| N R Cele | ANC | | | | | | | P | | | | | | | | P | P | | | P | | |
| L M Danisa | ANC | | | | | | | P | | | | | | | | | P | | | P | | |
| A S Dawood | ANC | P | | | | | | A | | P | | | | | | | P | | | | P | |
| B J de Lange | DA | | | | | | | P | | P | | | | | | | P | | | | P | |
| E J B Dube | ANC | | | | | | P | P | | | | | | | | OB S | P | P | | | | |
| L C M | DA | | | | P | | | P | | | | | | P | O | P | P | | | | | |

JUNE 2014

| SPEC | | B L | CO RPS | PEF ASS | EX CO | L L F | C D | SPEC COUNCI L | ITS | FS | BYL AWS | SCOU NCIL | CO RPS | CO MS | IT S | EX CO | COU NCIL | C D | IT S | CO RS | F S | PEF AUDIT |
|------------------|-----------|----------------------|-------------------|--------------------|------------------|----------------------|----------------------|------------------------------|------------|-----------|--------------------|----------------------|-------------------|------------------|----------------------|------------------|---------------------|----------------|-----------------|------------------|----------------|----------------------|
| Date | | 3 | | 6 | 10 | 11 | 11 | 12 | | 12 | | | | 12 | 17 | 24 | 24 | 25 | 17 | 25 | 26 | 27 |
| Fourie | | | | | | | | | | | | | | | B S | | | | | | | |
| N V Gumbi | AN C | O B S | | P | P | P | O B S | P | | | | | | | | P | P | | | P | | P |
| S N Hlophe | AN C | P | | | | | P | P | | | | | | OB S | | | P | P | | | | |
| M Khoza | IFP | P | | | | | | P | | | | | | OB S | O B S | | A | | | | | |
| S P Khoza | NF P | | | | | | A | A | | | | | | | | | P | P | | | | |
| M R Khumalo | AN C | | | | | | | A | | | | | | P | | | P | | | | | |
| P N Kwela | NF P | | | | A | | A | P | | A | | | | | | P | P | P | | | P | |
| C S Kweyama | IND EP | | | | | | N A | A | | | | | | | | | A | A | | | | |
| M Lourens | AN C | | | | OB S | | | P | | | | | | | | OB S | P | | | P | | |
| N M Madondo | AN C | N A | | | | | | P | | | | | | | P | | P | | | | | |
| M T Makatini | IFP | | | | | | | A | | | | | | | P | | NA | | | | | |
| P M Mathenjwa | AN C | | | | | | | A | | | | | | | P | | P | | | | | |
| C P Mavimbela | NF P | | | | | | | A | | | | | | | | | A | | | | | |
| N C Mbanjwa | AN C | | | | | | | A | | A | | | | | | | A | | | | A | |

| JUNE 2014 | | | | | | | | | | | | | | | | | | | | | | |
|------------------|------|--------|-----------|------------|----------|-------------|--------|-----------------|-----|-------|------------|--------------|-----------|----------|---------|----------|-------------|--------|---------|----------|--------|--------------|
| SPEC | | B L | CO RPS | PEF ASS | EX CO | L L F | C D | SPEC COUNCIL | ITS | FS | BYL AWS | SCOU NCIL | CO RPS | CO MS | IT S | EX CO | COU NCIL | C D | IT S | CO RS | F S | PEF AUDIT |
| Date | | 3 | | 6 | 10 | 11 | 11 | 12 | | 12 | | | | 12 | 17 | 24 | 24 | 25 | 17 | 25 | 26 | 27 |
| E F Mbatha | AN C | | | P | P | | | P | | P | | | | | | P | P | | | | P | P |
| P T Mbatha | AN C | | | | OB S | | | A | | A | | | | | | | P | | | | N A | |
| M M Mbokazi | AN C | | | | P | | O B S | P | | | | | | | P | P | P | | | | | |
| D J Merryweather | DA | P | | | OB S | P | O B S | P | | | | | | | | | A | | | A | | |
| M E Mhlongo | AN C | A | | | | | | P | | | | | | | P | | P | | | | | |
| J B Mkhabela | AN C | | | | OB S | | | P | | | | | | | P | | P | | | | | |
| M R Mkhize | IFP | | | | | | | P | | O B S | | | | | | | P | | | | | |
| S G Mkhize | AN C | P | | | P | | | P | | | | | | | P | A | A | | | | | |
| G M Mkize | AN C | | | | | | | P | | | | | | P | | | P | | | | | |
| N Mlaba | NF P | | | | | | | A | | | | | | | NA | | A | | | | | |
| A P Mngomezulu | IFP | A | | | OB S | | | P | | A | | | | | | | A | | | | A | |
| M S Mnqayi | AN C | | | | OB S | P | | P | | | | | | | | OB S | P | | | P | | |
| A H Mthembu | AN C | | | | P | | | P | | | | | | P | | | P | | | | | |
| B C Mthembu | AN C | | | | | | P | P | | | | | | | | | P | P | | | | |

| JUNE 2014 | | | | | | | | | | | | | | | | | | | | | | |
|------------------|-----------|-------------|------------|------------|----------|-------------|-------------|-----------------|-----|----|------------|--------------|------------|----------|-------------|----------|-------------|--------|---------|----------|--------|--------------|
| SPEC | | B L | CO RPS | PEF ASS | EX CO | L L F | C D | SPEC COUNCIL | ITS | FS | BYL AWS | SCOU NCIL | CO RPS | CO MS | IT S | EX CO | COU NCIL | C D | IT S | CO RS | F S | PEF AUDIT |
| Date | | 3 | | 6 | 10 | 11 | 11 | 12 | | 12 | | | | 12 | 17 | 24 | 24 | 25 | 17 | 25 | 26 | 27 |
| M W Mthenjana | AN C | | | | | | | A | | P | | | | | | | P | | | | N A | |
| K N Mthethwa | IFP | | | | | | | A | | | | | | A | | | P | | | | | |
| Councillor | | B L | CO RPS | PEF ASS | EX CO | | C D | COUNCIL | ITS | FS | BYL AWS | SCOU NCIL | CO RPS | CO MS | | EX CO | COU NCIL | C D | IT S | CO RS | F S | PEF AUDIT |
| Date | | 3 | | | 10 | | 11 | 12 | | 12 | | | | 12 | | 24 | 24 | 25 | 17 | 25 | 26 | 27 |
| B T Mthiyane | AN C | | NO MEETING | | | | P | A | | | | | NO MEETING | | | | P | P | | | | |
| S S Mthiyane | AN C | | | | | | | A | | | | | | | | | NA | | | A | | |
| D J Ndimande | AN C | A | | | | | | P | | | | | | P | | | P | | | | | |
| K E Ndlovu | DA | O B S | | | OB S | | O B S | P | | | | | | P | O B S | | NA | | | OS | | |
| T B Ngcobo | NF P | N A | | | | | | P | | | | | | | P | | A | | | | | |
| G A Nkosi | AN D | | | | | | | A | | | | | | NA | | | P | | | | | |
| S M Nsibande | IND EP | | | | | | | P | | | | | | A | | | NA | | | | | |
| P M Ntanzi | AN C | | | | | | P | P | | | | | | | | | P | P | | | | |
| D A Nxumalo | IFP | | | | P | | | P | | P | | | | | | P | P | | | P | P | |
| E A Palmer | AN C | | | | | | | P | | | | | | P | | | A | | | | | |
| W M Radebe | AN C | | | | | | P | P | | | | | | | | | P | A | | | | |

| JUNE 2014 | | | | | | | | | | | | | | | | | | | | | | |
|----------------------|---------|--------|-----------|------------|----------|-------------|--------|---------------------|-----|----|------------|--------------|-----------|----------|---------|----------|-------------|--------|---------|----------|--------|--------------|
| SPEC | | B L | CO RPS | PEF ASS | EX CO | L L F | C D | SPEC COUNCI L | ITS | FS | BYL AWS | SCOU NCIL | CO RPS | CO MS | IT S | EX CO | COU NCIL | C D | IT S | CO RS | F S | PEF AUDIT |
| Date | | 3 | | 6 | 10 | 1 1 | 11 | 12 | | 12 | | | | 12 | 17 | 24 | 24 | 2 5 | 1 7 | 25 | 2 6 | 27 |
| L S Sabelo | NF P | | | | | P | | P | | | | | | | | | P | | | P | | |
| L B Shangase | AN C | | | | | | | A | | A | | | | | | | P | | | | N A | |
| S S Simmadhr i | IFP | A | | | A | | P | P | | P | | | | | | P | P | P | | P | P | |
| M Sookroo | AN C | P | | | A | | P | P | | | | | | | | A | A | P | | | | |
| K Sukreben | AN C | | | | | | | A | | A | | | | | | | P | | | | P | |
| N T Thusi | IFP | | | | | P | | A | | | | | | P | | | P | | | P | | |
| A Viljoen | DA | | | | | | P | P | | | | | | | | | P | N A | | | | |
| D J Xulu | AN C | | | | | | | P | | | | | | | P | | P | | | | | |
| S B Xaba | AN C | | | | | | | P | | | | | | | P | | P | | | | | |
| R M Zikhali | AN C | | | | | | | P | | | | | | P | | | P | | | | | |
| S H Zulu | IFP | | | | | | | A | | | | | | | P | | P | | | | | |

APPENDIX B: COMMITTEES AND COMMITTEE PURPOSE

SECTION 79 - COUNCIL AND OFFICIAL REPRESENTATION ON COMMITTEES FOR THE 2011 TO 2016 TERM OF OFFICE

| COMMITTEE | CHAIR | DEPUTY CHAIR | ANC | DA | IFP | NFP | INDEP / OBSERVERS | OFFICIALS | EXTERNAL REPRESENT |
|--------------------------------------|------------|---------------|---|----------------|-----------------------------|------------|--|--|--------------------|
| Bylaws Philile | S N Hlophe | S S Simmadhri | A S Dawood N M Madondo M E Mhlongo S G Mkhize D J Ndimande M Sookroo | D Merryweather | M Khoza A P Mngomezulu | T B Ngcobo | Observer Mayor Deputy Mayor Speaker Chief Whip A Viljoen | N Miya J Allen S Hlela C Koekemoer S Mbatha M Van Rooijen B Nzimande E Van Biljon Z Poswa G Gazu C Mathenjwa Z Masango J Roselt H R Dladla B Khanyile N Maharaj E Raper F Cornelius | |
| Standing Orders Ragini | M S Mnqayi | K N Mthethwa | L M Danisa M R Khumalo M Lourens E A Palmer W M Radebe Vacant | A Viljoen | M T Makatini D A Nxumalo | N P Kwela | <u>Observer</u> Mayor Deputy Mayor | V Mathabela M Mhlongo X Zuma | |

| COMMITTEE | CHAIR | DEPUTY CHAIR | ANC | DA | IFP | NFP | INDEP / OBSERVERS | OFFICIALS | EXTERNAL REPRESENT |
|--|------------|---------------|--|----------------|-------------------------------|------------|---|--|--------------------|
| uMhlathuze Public Transport Liaison Committee (UPTLC) Ragini | S B Xaba | C P Mavimbela | M M Mbokazi M W Mthenjana S S Mthiyane B T Mthiyane P M Ntanzu W M Radebe | K Ndlovu | M Khoza S H Zulu | T B Ngcobo | C S Kweyama <u>Observer</u> Mayor Deputy Mayor Speaker Chief Whip D Merryweather | J Schutte B Strachan S Mbatha M Mhlongo Z Poswa CFO on request | |
| Community Safety Forum (Incorporating CCTV Camera Project) Ragini | K Sukreben | L C M Fourie | P M Mathenjwa N C Mbanjwa P T Mbatha G A Nkosi L B Shangase D J Xulu | D Merryweather | M Khoza M R Mkhize | L Sabelo | <u>Observer</u> Mayor Deputy Mayor Speaker Chief Whip K E Ndlovu | A Schutte S Mbatha B Khumalo CFO on request | |
| Public Participation Committee under convenorship of the Speaker Philile | M S Mnqayi | N Mlaba | J N Cele N Cele E J B Dube A H Mthembu B C Mthembu K Ntuli | L C M Fourie | A P Mngomezulu D A Nxumalo | S Khoza | S Nsibande <u>Observer</u> Mayor Deputy Mayor Chief Whip K Ndlovu | S Hlela S Mbatha S Khumalo / T Gumede M Z Zungu P White S Adonis R Govender N Zulu N Khumalo B Kanyile | |

SECTION 80 - COUNCIL AND OFFICIAL REPRESENTATION ON COMMITTEES FOR THE 2011 TO 2016 TERM OF OFFICE

| COMMITTEE | CHAIR | DEPUTY CHAIR | ANC | DA | IFP | NFP | INDEP / OBSERVERS | OFFICIALS | EXTERNAL REPRESENT |
|--|------------|---------------|--|----------------|---------------------------------|-----------|---|---|-----------------------|
| Financial Services (FS) Philile | E F Mbatha | D A Nxumalo | A S Dawood N C Mbanjwa P T Mbatha M W Mthenjana L B Shangase K Sukreben | B J de Lange | A P Mngomezulu S S Simmadhri | N P Kwela | <u>Observer</u> Deputy Mayor Speaker Chief Whip M R Mkhize C M Botha F Bosman | M Kunene H Renald N Khumalo E Raper F Cornelius S Khumalo N Mthembu E H van Biljon Z Dladla R Mnguni J K Naidoo C Koekemoer T Phahla | |
| Corporate Services (CORPS) Philile | N V Gumbi | S S Simmadhri | J N Cele N Cele L M Danisa M Lourens M S Mnqayi S S Mthiyane | D Merryweather | D A Nxumalo N T Thusi | L Sabelo | <u>Observer</u> Mayor Speaker C M Botha A P Mngomezulu B J de Lange | C Koekemoer S Mbatha T Phahla M Oliphant J Allen B Khumalo A Lombaard G Mthembu S Mthombeni E H van Biljon T Jordan M Smith M Vilakazi J Roselt Z Masango Z Dladla A Vumba C Mathenjwa Z Poswa A Moss E Raper D Kemp | |

| COMMITTEE | CHAIR | DEPUTY CHAIR | ANC | DA | IFP | NFP | INDEP / OBSERVERS | OFFICIALS | EXTERNAL REPRESENT |
|--|-------------|--------------|---|------------|---------------------------|---------|--|---|-----------------------|
| Community Services (COMS) Ragini | A H Mthembu | L C M Fourie | M R Khumalo G M Mkhize D J Ndimande G A Nkosi R M Zikhali E A Palmer | K E Ndlovu | K N Mthethwa N T Thusi | N Mlaba | S Nsibande <u>Observer</u> Mayor Deputy Mayor Speaker Chief Whip A P Mngomezulu M Khoza D Merryweather A S Dawood S G Mkhize S H Zulu | Z Dladla A Vumba C Mathenjwa J Roselt Z Masongo Z Poswa P White T Mavimbela B Ambrose J Mdlalose R Mnguni P Dlamini O Ramaboea E Davis F Cook E H van Biljon O J H Mulder D Ngidi Mr B Ngema Ms S Govender N Maharaj A Schutte N Zulu C da Cruz N Mthembu | |

| COMMITTEE | CHAIR | DEPUTY CHAIR | ANC | DA | IFP | NFP | INDEP / OBSERVERS | OFFICIALS | EXTERNAL REPRESENT |
|--|-----------|--------------|---|-----------|----------------------------|------------|--|--|-----------------------|
| City Development (CD) Theresa Sub Com: Aesthics Naming Structures Mandlazini Trust Mzingazi Joint Social Compact | M Sookroo | N P Kwela | E J B Dube S N Hlophe B C Mthembu B T Mthiyane P M Ntanzu W M Radebe | A Viljoen | S S Simmadhri C M Botha | S Khoza | C Kweyama <u>Observer</u> Mayor Deputy Mayor Speaker Chief Whip A Dawood B J de Lange | M Van Rooijen T Jordan B Strachan S P Nzimande B Ngema M Mhlongo S Govender M Smith M Vilakazi E Brummer S Qulu S Thusi P Thusini Z Ndawonde E H van Biljon Z Dladla J Roselt Z Masongo A Vumba C Mathenjwa R Mnguni Z Poswa T Mavimbela P White P Dlamini A Moss B Mbhamali J Allen H Renald E Raper F Matolo | |
| Infrastructure and Technical Services (ITS) | S Mkhize | M M Mbokazi | N M Madondo P T Mathenjwa M E Mhlongo S B Xaba D J Xulu Vacant | F Bosman | M T Makatini S H Zulu | T B Ngcobo | <u>Observer</u> Mayor Deputy Mayor Speaker Chief Whip | J K Naidoo B Mbhamali J Schutte S Hlela A Moss L Buthelezi E H van Biljon | |

| COMMITTEE | CHAIR | DEPUTY CHAIR | ANC | DA | IFP | NFP | INDEP / OBSERVERS | OFFICIALS | EXTERNAL REPRESENT |
|-----------|-------|--------------|-----|----|-----|-----|---|---|-----------------------|
| Carien | | | | | | | A P Mngomezulu M Khoza L C M Fourie | M Van Rooijen B Strachan M Mhlongo Z Dladla J Roselt Z Masongo A Vumba R Mnguni C Mathenjwa Z Poswa T Mavimbela P Dlamini T Phahla B Khumalo J Allen H Renald C da Cruz | |

MPAC ESTABLISHED IN TERMS OF THE MUNICIPAL STRUCTURES ACT 1998, MUNICIPAL SYSTEMS ACT 2000 AND MUNICIPAL FINANCE MANAGEMENT ACT OF 2003

| COMMITTEE | CHAIR | DEPUTY CHAIR | ANC | DA | IFP | NFP | INDEP / OBSERVERS | OFFICIALS | EXTERNAL REPRESENT |
|--|-------|--------------|---|-----------|-------------------------|-----------|----------------------|--|-----------------------|
| Municipal Public Accounts Committee (MPAC) Theresa | | | N Cele L M Danisa A S Dawood M S Mnqayi S S Mthiyane K Ntuli D J Xulu | A Viljoen | M R Mkhize N T Thusi | N P Kwela | | J K Naidoo Senior Managers Municipal Manager H Renald | |

SECTION 62 ESTABLISHED IN TERMS OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 32 OF 2000

| COMMITTEE | CHAIR | DEPUTY CHAIR | ANC | DA | IFP | NFP | INDEP / OBSERVERS | OFFICIALS | EXTERNAL REPRESENTATIVE |
|---|-----------|--------------|--|----|-----------|---------|-------------------|---|---------------------------------------|
| Section 62 Appeals Committee Carien | A Viljoen | | E J B Dube M S Mnqayi J B Mkhabela | | C M Botha | N Mlaba | | N Miya J Allen M van Rooijen M Vilakazi M Smith M Ngubane B Ngema CFO on request | RESOLUTION 3779 OF 6 JUNE 2006 |

LOCAL LABOUR FORUM ESTABLISHED IN TERMS OF THE ORGANISATIONAL RIGHTS AGREEMENT

| | | | | | |
|--|---|--|--|---|---|
| Local Labour Forum Philile & Sarah | Chairmanship alternates every meeting M Mngomezulu Clr M S Mnqayi | Ito ORA deputy should be union representative but LLF resolved dep chair can be a councillor | RESOLUTION 7329 OF 14 JUNE 2011 Employer representation on the Local Labour Forum be confirmed as follows (to be confirmed by Corp Serve Portfolio) <ul style="list-style-type: none"> ➤ N V Gumbi ➤ M S Mnqayi ➤ N Cele ➤ L M Danisa ➤ D Merryweather ➤ L Sabelo ➤ S S Simmadhri ➤ N T Thusi City Manager <ul style="list-style-type: none"> • Three members representing Management as defined in terms of Section 8.2.1.1 of the Organisational Rights Agreement: | NO OBSERVERS AS PER RESOLUTION OF LLF ON 21 MAY 2007 the Local Labour Forum agendas and minutes only be made available to the 12 employer representatives and the 12 employee representatives in future | Deals with all issues related to Labour matters in terms of the ORA |
|--|---|--|--|---|---|

PERFORMANCE AUDIT, PERFORMANCE EVALUATION PANELS

| | | | |
|--|--|---|---|
| Audit Committee Carlen | Mr J H de Wet Chairperson | Vacancy Mr B Mdletshe Dr N J Sibeko | Resolution 8323 of 20 Nov 2012 (TERM ENDS 31/1/2014) H Renald D Myburgh N Mthembu |
| Performance Audit Committee Ragini | Vacancy Chairperson | E F Mbatha (Mayor) N V Gumbi (Deputy Mayor) Dr E M S Ntombela Ms P P Sithole | RESOLUTION 8010 OF 16 Aug 2012 (terms ends after 2012/2013 financial year end REVIEWED ANNUALLY D Myburgh |
| Performance Evaluation Panel – Heads Of Departments (Section 57 Employees) Sarah | Acting City Manager – uMhlathuze Municipality Chairman Of Performance Audit Committee Chairman Executive Committee Municipal Manager - Uthungulu Member Of Executive Committee | N J Sibeko E F Mbatha (Mayor) N V Gumbi (Deputy Mayor) MM - UDM | RESOLUTION 7331 OF 14 JUNE 2011 D Myburgh |
| Performance Evaluation Panel (Municipal Manager) Sarah | Mayor - uMhlathuze Municipality Member Of Executive Committee Chairman Of Performance Audit Committee Municipal Mayor - uThungulu Member Of A Ward Committee | E F Mbatha (Mayor) N V Gumbi T Mchunu TBA | RESOLUTION 7331 OF 14 JUNE 2011 D Myburgh |

BOARD OF TRUSTEES

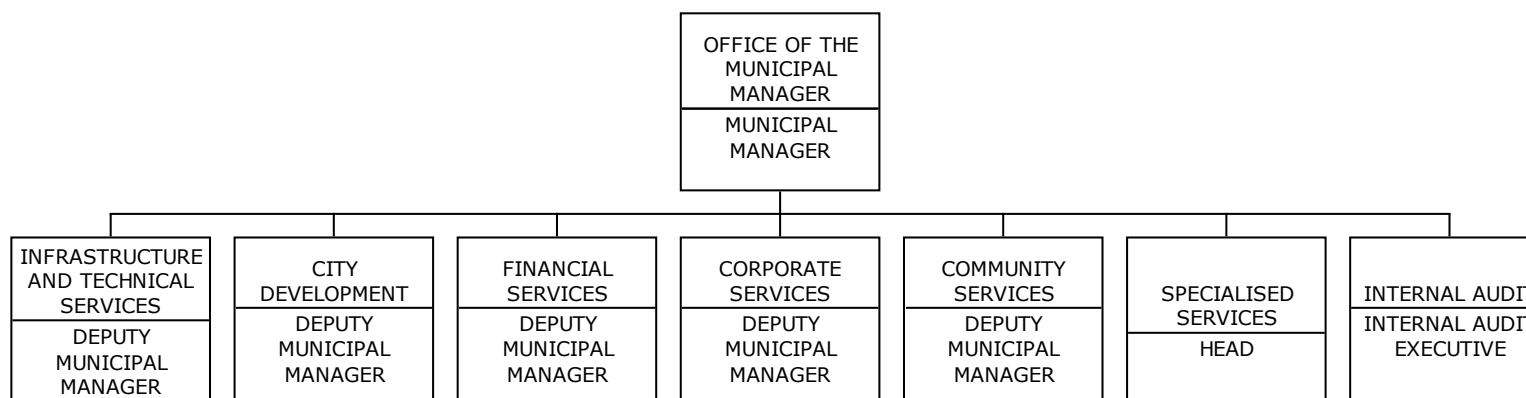
| COMMITTEE | EMPLOYER REPRESENTATIVES | EMPLOYEE REPRESENTATIVES | |
|--|--|---|---------------------------------|
| Board Of Trustees Ragini | M S Mnqayi B J De Lange S N Hlophe T B Ngcobo | N Visagie (Principal Officer) Z Mzulwini B Mathebula T Moamosi C le Roux Simeka – Mrs M Fennessy | RESOLUTION 7326 OF 14 JUNE 2011 |

SUPPLY CHAIN MANAGEMENT COMMITTEES

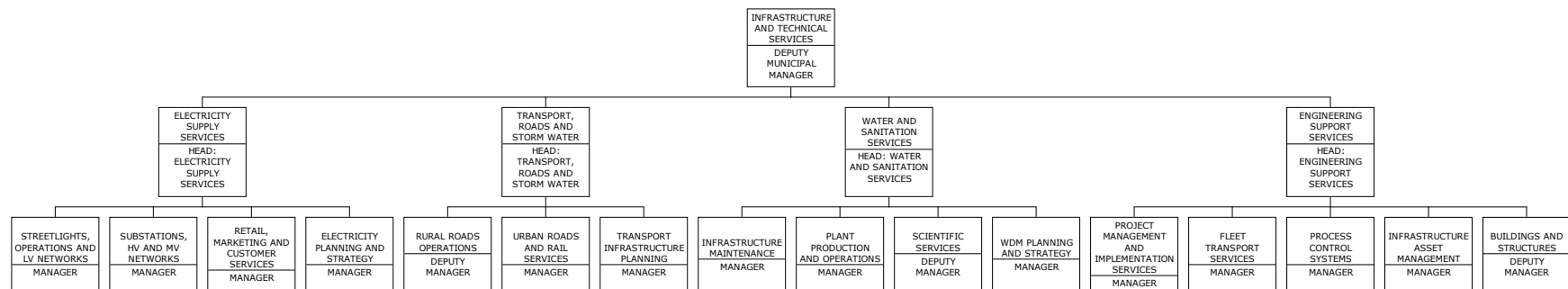
| | |
|---|---|
| Bid Specification Committee Theresa | MR S MDAKANE - CHAIRPERSON MR N KHUMALO MS N MIYA MR T GOPANE MS H R DLADLA |
| | |
| Bid Evaluation Committee Carien | MRS M NDLOVU - CHAIRPERSON MR L BUTHELEZI MR T KUBHEKA MR B V NZUZA MRS S VAN WYK |
| | |
| Bid Adjudication Committee Philile | MR M KUNENE - CHAIRPERSON MR E L KHOZA MR S A MHLONGO MR M OLIPHANT MR Z POSWA |

APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE

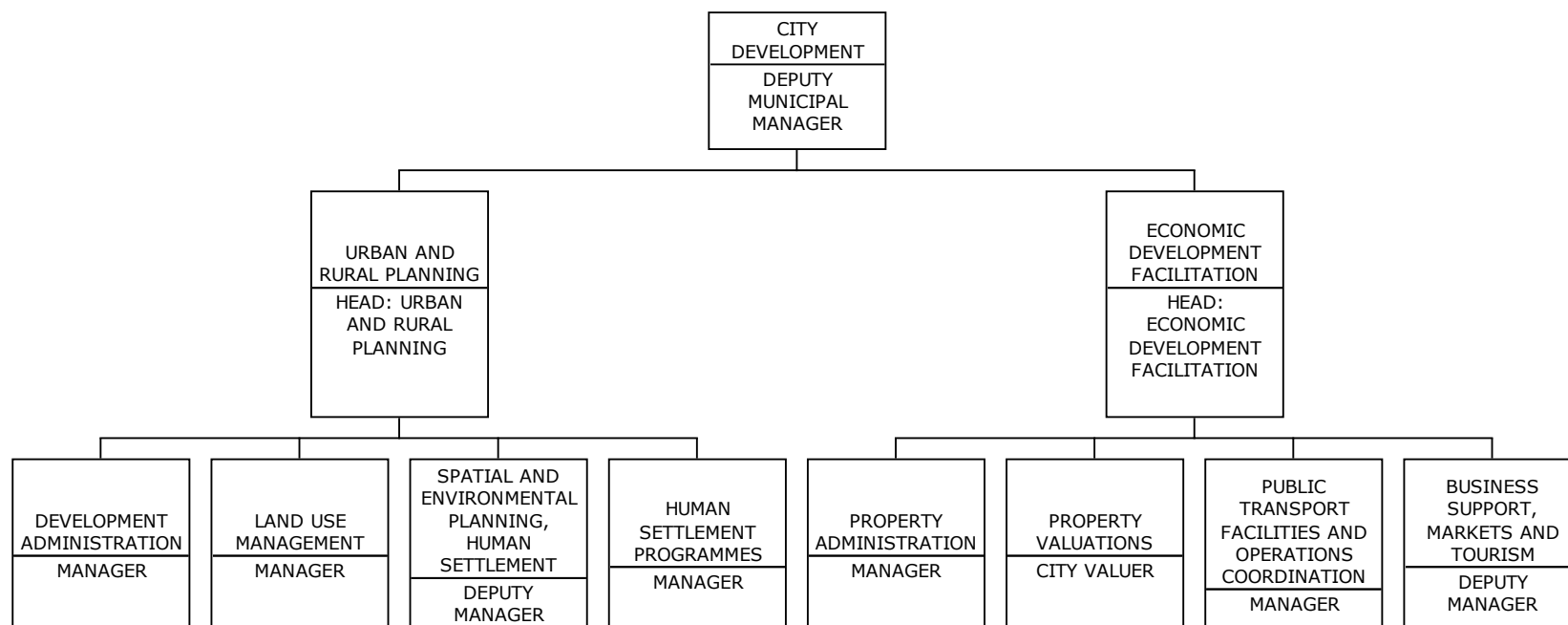
Office of the Municipal Manager



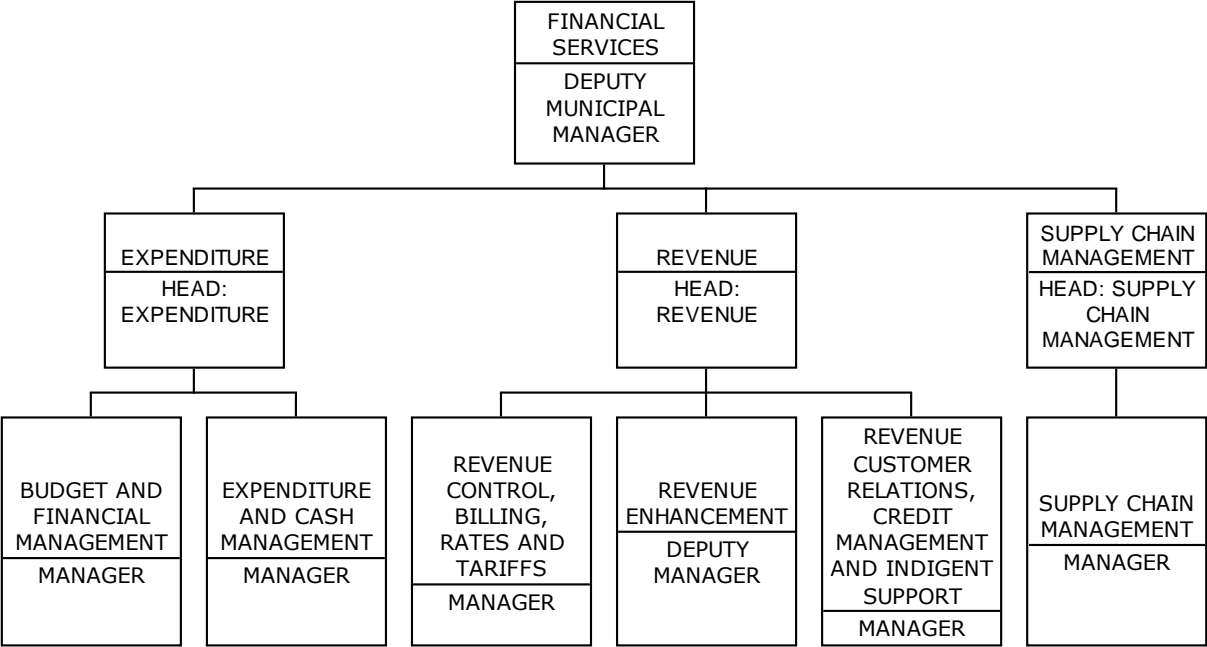
Infrastructure and Technical Services



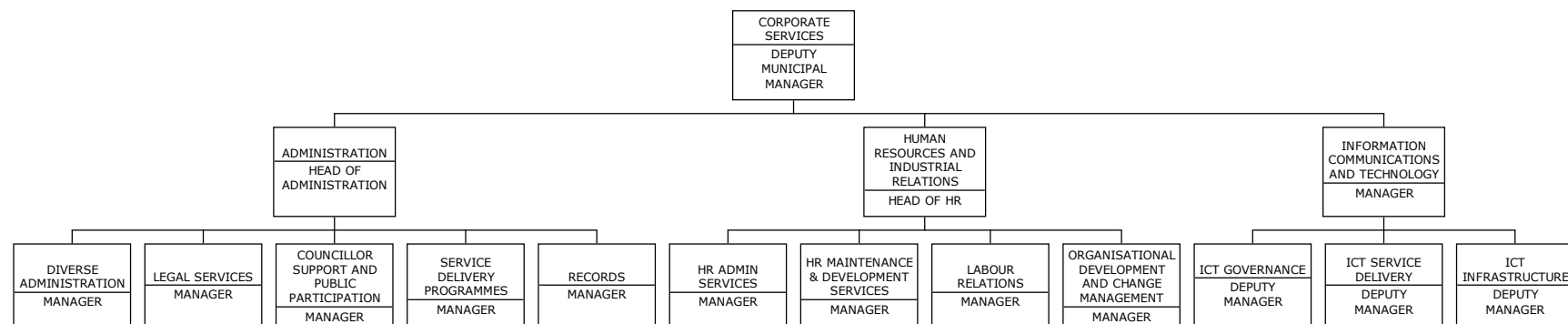
City Development



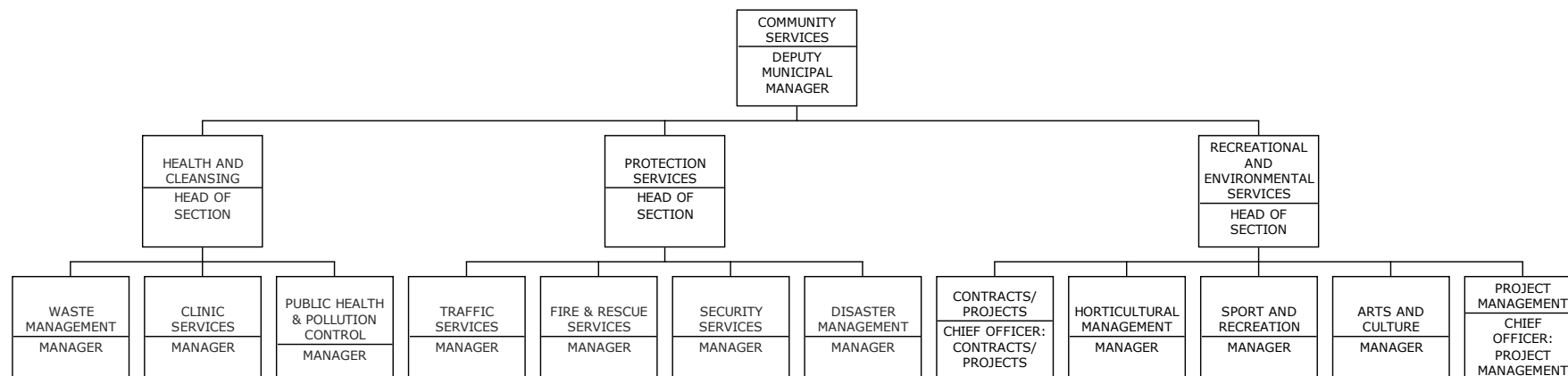
Finacial Services



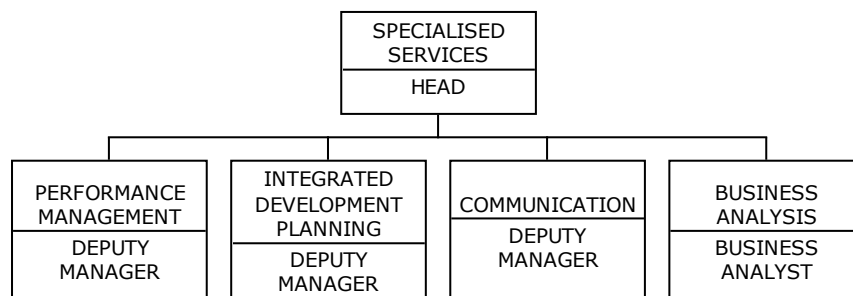
Corporate Services



Community Services



Specialised Services



APPENDIX D: FUNCTIONS OF THE MUNICIPALITY

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|-------------------------------------|--|--|
| Office of the Municipal Manager | Internal Audit) | Municipal Public Accounts |
| | Enterprise Risk Management | Risk Management |
| | Integrated Development Planning | Strategic Planning, Business Planning, City Development Strategies |
| | Performance Management | Organisational Performance Individual Performance Community Satisfaction |
| | Public Communications | Public Relations Media Liaison Website administration |
| | | |
| Corporate Services | Diverse Administration Services | Secretariat Services Facilities Management Switchboard |
| | Legal Services | Legal Support Services |
| | Records Management | Central Registry |
| Councillors | Councillor Support and Public Participation Services | Office of the Mayor Office of the Speaker Special Programmes |
| Public Safety and Security Services | Fire & Rescue Services | |
| | | Fire Prevention |
| | | Fire Training |
| | | Fire and Rescue Operations |
| | | Fire and Rescue Administration |
| | Traffic Services | |
| | | Crime Prevention |
| | | Licensing (Vehicles) |
| | | Traffic Operations and Administration |
| | | Traffic Control Room |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|-----------------------|--|---|
| Water and Sanitation | Security Services (Crime Prevention and CCTV System) | |
| | Disaster Management | |
| | Plant Production and Operations | |
| | | Plant Availability (Water and Wastewater Treatment Plants) |
| | | Plant Availability (Pumpstations) |
| | | Wastewater Final Effluent Quality Compliance (General Authorization March 2004 and General Standard 9225 May 1984) |
| | | Water Treatment Final Portable Water Compliance (SANS241-2011) |
| | Infrastructure Maintenance | |
| | | Water and Wastewater Network Reliability Program |
| | | Planned Maintenance Program for all Pump stations |
| | | Planned Maintenance Program for all Network Pipelines |
| | | Planned Maintenance Program for all Water Meters |
| | Scientific Services | |
| | | Blue and Green Incentive Based Program |
| | | Surface Water Monitoring Program (DWA Guidelines 1996) |
| | | Wastewater Quality Monitoring Program |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|-----------------------------|--|---|
| | | (General Authorization 18 March 2004 / General Standard 9225 18 May 1984) |
| | | Water Services Bylaw Compliance Program |
| | | Online Water Quality Monitoring Program |
| | Water Demand Management and Strategy | |
| | | Water Loss Management Program |
| | | Water and Wastewater Demand Management Program |
| | | Water Services Development Plan Annual review |
| | | Water Services Bylaws Annual review |
| | | Water Safety and Risk Abatement Annual Review |
| | | Bulk Water and Wastewater Master Plan Development and Review |
| | | Wastewater Effluent Re-Use Program |
| Electricity Supply Services | Streetlights, Operations and LV Networks | |
| | | Electrical Planned Maintenance |
| | | Reticulation, Operations and Maintenance |
| | Substations, HV and MV Networks | |
| | | Electrical Protection |
| | | Electrical Cable Faults |
| | | Electrical Network Switching |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|----------------------------------|---|--|
| | | Electrical Light Current |
| | Electricity Retail, Marketing and Customer Services | |
| | | Electricity Retail and Auditing |
| | | Electricity Marketing and Customer Services |
| | Electrical Planning and Strategy Services | |
| | | Electrical Planning |
| | | System Reinforcement |
| | | Electricity Contracts |
| Transport, Roads and Storm water | Rural Roads Operations | |
| | | Planned Rural Road Maintenance Program for Kwa Madlebe |
| | | Planned Rural Road Maintenance Program for Kwa Dube |
| | | Planned Rural Road Maintenance Program for Kwa Mkhwanazi |
| | | Planned Rural Road Maintenance Program for Kwa Khoza |
| | | Planned Maintenance Program for all Pedestrian Bridges |
| | | Construction of New Culverts and Bridges |
| | | Management and Monitoring Program for all Rural Road Mining Operations |
| | Urban Roads and Railway Services | |
| | | Planned Urban Road Maintenance Program (North) |
| | | Planned Urban Road Maintenance |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|-----------------------|--|--|
| | | Program (South) |
| | | Planned Urban Road Maintenance Program (West) |
| | | Planned Rail Maintenance Program for all Urban Areas |
| | | Planned Urban Road Maintenance Resealing Program for all Urban Areas |
| | | Planned Urban Road Marking & Signage Program(A ll Areas) |
| | Transport Infrastructure Planning and Strategy | |
| | | Transport Infrastructure Plan Development and/or Annual Review |
| | | Traffic Management Studies Program (All Areas) |
| | | Transport Master Plan (Urban, Rural and Rail) |
| | Storm Water Systems , Catchment and Coastal Management | |
| | | Storm water Management Bylaw Annual Review |
| | | Storm water Drains Planned Maintenance Program |
| | | Catchment Management Program |
| | | Coastal Management Program |
| | Public Transport Operations | |
| | | Road Side Furniture Development Program |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|------------------------------|--|---|
| | | Public Transport Integration Program |
| | | Public Transport Master Plan Program |
| Health and Cleansing | Solid Waste Management | |
| | | Waste Management Inland |
| | | Waste Management Coastal |
| | | Waste Management Administration |
| | Primary Health (Clinic Services) | |
| | | Clinic Services - Empangeni |
| | | Clinic Services - Richards Bay |
| | | Occupational Health |
| | Public Health and Pollution Control | |
| | | Environmental Health Coastal |
| | | Environmental Health Inland |
| | | Air Pollution Control and Environmental Impact |
| Engineering Support Services | Engineering Projects Management and Implementation | |
| | | Electrical Projects Implementation Program |
| | | Civil Engineering Projects Implementation Program |
| | | Mechanical Projects Implementation Program |
| | | Capital Project Funding Program |
| | Fleet Management Services | |
| | | Fleet Planned Maintenance Program |
| | | Equipment and Small Plant |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|-----------------------|---|---|
| | | Planned Maintenance Program |
| | | Vehicle Utilization and Optimization Program |
| | | Vehicle Replacement Program |
| | Process Control Systems | |
| | | Planned Maintenance Program (Telemetry and Scada Systems) |
| | | Planned Maintenance Program (Instrumentation) |
| | | Planned Maintenance Program (Radio Engineering) |
| | | Master Plan Development and/or Review (Process Control Systems) |
| | Municipal Infrastructure Asset Management | |
| | | GIS Management Program |
| | | Integrated Infrastructure Plan Program (Development & Review) |
| | | Maintenance Plans Program Management |
| | | Technical Operations Center Management Program |
| | | Engineering Document Management Program |
| | Municipal Buildings and Structures | |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|---------------------------------------|--|---|
| | | Planned Building Maintenance Program (Civils) |
| | | Planned Building Maintenance Program (Electrical) |
| | | Planned Building Maintenance Program (Mechanical) |
| | | Planned Structures Maintenance |
| | | Building Construction and New Works Program |
| Recreation and Environmental Services | Horticultural Management | |
| | | Biodiversity (Cemeteries) and Conservation |
| | | Operations management |
| | Sport & Recreation | |
| | | Recreational Facilities Management |
| | | Sport and Recreation Development |
| | Arts and Culture | |
| | | Public Libraries |
| | | Museum |
| | | Community Halls and Thusong Centres |
| | Recreational Projects Management | |
| | Horticultural Contracts Management | |
| Local Economic Development | Community Capacity Building & Training | |
| | Business Support | |
| | Development & Support of markets | |
| | Economic Facilitation | |
| | Marketing & Tourism Development | |
| Urban and Rural Planning | Land Use Management (LUMS) | |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|---|---|---|
| | | Building Management and Control |
| | | Planning and Development Evaluation |
| | | Development Control, Appeals and Consent use |
| | | Surveys, Analysis, Data, Research and GIS information |
| | Spatial and Environmental Planning | |
| | Development Administration | |
| | Human Settlement Programmes | |
| Economic Development Facilitation | Property Administration | |
| | Property Evaluations | |
| | Business Support, Markets and Tourism | |
| | | Tourism |
| | | Business Support and Markets |
| | | Investment Promotion |
| | Public Transport Facilities and Operations Coordination | |
| Human Resource and Industrial Relations Services | Personnel Administration, Recruitment and Placement | |
| | Personnel Maintenance and Development | |
| | | SHE Risk Management |
| | | Training Development and Education |
| | | Employee wellness |
| | Labour Relations Management | |
| | Organisation Development and Change Management | |
| Information, Communications and Technology Services | ICT Governance | |
| | ICT Service Delivery | |
| | ICT Infrastructure | |
| Expenditure | Budget and Financial Management | |
| | | Budget and Financial Control |

| SERVICE DELIVERY UNIT | PROGRAMME | FUNCTIONS |
|-------------------------|--|---|
| | | Annual Financial Statements, Assets, Reporting and Loans |
| | Expenditure and Cash Management | |
| | | Creditors Management |
| | | Payroll and Policy Management |
| Revenue | Revenue Control, Billing, Rates and Tariffs | |
| | | Rates, Non-Metered Services, Cash Control |
| | | Revenue Control, Tariff Design, Budget and Reporting |
| | | Billing, Metered Services, System Tariff Administration and Reporting |
| | Revenue Enhancement | |
| | | Metered Services |
| | | Sundry Services |
| | Revenue Customer Relations, Credit Management and Indigent Support | |
| | | Branch Management and Community Liaison |
| | | Customer Relations and Indigent Support |
| Supply Chain Management | Demand and Acquisitions | |
| | Stores Control | |
| | Logistics and Supply Chain Management Risk | |

APPENDIX E: WARD REPORTING

BACKGROUND

The Constitution of the Republic of South Africa, 1996 places an obligation on Local Government to encourage the involvement of communities and community organizations in the matters of local government.

Section 152 (1) of the Constitution says that the object of local government is -

“(e) to encourage the involvement of communities and community organisations in the matters of local government and that (2) a municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).”

Chapter 4, Section 4 of the Local Government Structures Act 117 of 1998 (LGSA), as amended, explains that the object of Ward Committees is to enhance participatory democracy in Local Government.

DISCUSSION

The Department of Cooperative Governance and Traditional Affairs (Cogta) has undertaken an assessment on the functionality of Ward Committees in the Province, which aims at adding value to the Ward Committee System. The assessment done by Province has shown that municipal current approach is quantitative rather than qualitative and therefore does not allow for the development of meaningful intervention strategies to ensure that the programme meets its objectives.

Appendix E :The Functions of Ward Committees

The role of Ward Committee Members is the facilitation of local community participation in decisions which affect the local community and the municipality as a whole, the articulation of local community interest and the representation of this interest within the government system. Ward Committees are representing different sectors in the Ward depending on the Ward diversity, thus they can play a critical role but are not limited to in the following:

- The preparation, implementation and review of Integrated Development Plans (IDP's).
- The establishment, implementation and review of a municipality's Performance Management System.
- Monitoring and review of a municipality's performance.
- Preparation of a municipality's budget.
- Decision making about the provision of municipal services.
- Communication and dissemination of information.
- Serve as a specialised participatory structure in the municipality.
- Create unbiased and cooperative communication channels.
- Receive complaints and queries from residents concerning municipal service delivery, communicate it to Council and provide feedback to the community on Councils response.
- Ensure constructive and harmonious interaction between the Municipality and the community by coordinating Ward residents meetings and other community development forums and organisations on matters affecting the Ward.
- Conduct research into the circumstances prevailing in the Ward in regard to service delivery, availability of amenities, level of poverty, HIV/AIDS, counseling services, crime statistics etc.
- Conduct outreach programmes so that it can interact with community groups and ensure that the concerns and plight of these groups are addressed by the Council.
- Interact with other forums to ensure that the committee keeps abreast of what is happening in its Ward in respect of issues that may have been initiated through other departments and that are being driven by particular stakeholder / groups.
- Guide and advise residents on the manner in which their problems could be resolved.

- Information on municipal services and programmes should be provided by the designated municipal officials and government programmes should be provided by the Community Development Workers.
- Coordinate Ward Programmes of Council, where the Municipality is required to inform, involve and consult with the community.
- Attend to all meetings, campaigns, Izimbizo, Operation Mbo in the Ward as well as the one organised by the municipality and any other government sphere.
- Attend Operation – Sukuma Sakhe (OSS) meetings in a War Room to take and drive the issues raised by the community.
- Attend to any other matter that affects the Ward.

The above functions could be achieved as the Municipality has 300 Ward Committee Members. Each Ward out of 30 Wards has 10 representatives.

Sector of Community representation is covered in the attendance register.

Reports submitted by the committees.

Monthly reports ward committee reports and quarterly public meetings reports are submitted to the Councillor's Support and Public Participation Office. Workshop for all ward committee members on the new functionality reporting system was held in December 2014, where we had an Ward Committee Annual Review Session. We anticipate that Jan to March reports will be in the new format.

APPENDIX F: WARD INFORMATION

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 1

| | Date2014 Dms 915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|--|-----------------------|-------------------------------|---------------|------------------|
| Clr | F G Bosman | 0824685254 | Chairman | Male | |
| 1 | Khoza Thabani Jetro late | | Bi election on the 5 Feb 2014 | | |
| 2 | Zulu Jabulani Isaac | 0836829222 | Business sector | Male | |
| 3 | Mwandla Sphesihle Joyful | 0835184913 | Sport s and Recreation | Male | |
| 4 | Van Zyl Martha Maria | 0824424319 | Senior citizens | Female | |
| 5 | Macfarlane John Justin | 0829233332 | Rates Payers | Male | |
| 6 | Bosman Vida Stephanie | 0736352558 | Secretary | Female | |
| 7 | Buthelezi Paulo's | 0765555800 | Employment | Male | |
| 8 | Zulu Thulani Eric | 0725378199 | Youth | Male | |
| 9 | Mthethwa Dumsane | 0764641601 | Public Transport | Male | |
| 10 | Maxwell Vezi | 0828922861 | Faith Based | Male | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 2

| | Date2014 Dms 915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|--|-----------------------|--------------------------|---------------|------------------|
| Clr | A Viljoen | 0824984216 | Chairman | Male | |
| 1 | Schmal Agnesia | 0736755620 | | Female | |
| 2 | Sedice Robin Anthony | 0834615764 | | Male | |
| 3 | Koogje Rhona Louisa | 0828836321 | | Female | |
| 4 | Scates - Wood Bridget | 0834413666 | | Female | |
| 5 | Khulu Clifford | 0727799887 | | Male | |
| 6 | Andreson Cecilia | 0834171245 | | Female | |
| 7 | Dennis Botha | 0836521611 | | Male | |
| 8 | Savides Andrew David | 0723920511 | | Male | |
| 9 | Kearns Rynie | 0834413752 | | Female | |

| | Date2014 Dms 915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|----|--|-----------------------|--------------------------|---------------|------------------|
| 10 | Sagras Simmadhri | 0834691179 | | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 3

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|-------------------------------------|---------------|------------------|
| Clr | D Merryweather | 0834252508 | Chairman | Male | |
| 1 | Trollip Jonathan | 0825544838 | Infrastructure & Technical Services | Male | |
| 2 | Lourens Sharon | 0845819165 | Corporate Services | Female | |
| 3 | Mhlongo Sipho | 0785776346 | City Development | Male | |
| 4 | Hibbert Norman | 0734476632 | Finance | Male | |
| 5 | De Korte Patricia | 0836542625 | Community Services | Female | |
| 6 | Swanepoel Mario | 0847888021 | City Development | Female | |
| 7 | Pretorius Johan | 0723503889 | Infrastructure & Technical Services | Male | |
| 8 | Mhlongo Njabulo | 0767548982 | Transport | Male | |
| 9 | A Samshuyzen | 0832771628 | Health | Male | |
| 10 | S J Merryweather | 0839739135 | Safety and Security | Female | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 4

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | N M Madondo | 0733632712 | Chairman | Male | |
| 1 | Cele Fikile | 0837400718 | Safety | Female | |
| 2 | Nkwanyana Bongani | 0731363563 | Youth Secretary | Male | |
| 3 | Gumede Nokuthula | 0787976369 | Health | Female | |
| 4 | Mabuyakhulu Phumlani | 0732769251 | Education | Male | |
| 5 | Mthethwa Lindelani | 0738910772 | Infrastructure | Male | |

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|----|---|-----------------------|--------------------------|---------------|------------------|
| 6 | Ntombela Nobuhle | 0799037461 | Transport | Female | |
| 7 | Hlongwane Sifiso | 0737771496 | Senior Citizen | Male | |
| 8 | Meyer Tracy | 0832457130 | Social (Socio-Economic) | Female | |
| 9 | Shange Thabi | 0766832843 | Economic/Environment | Female | |
| 10 | Mthembu Eric | 0795864368 | (OSS) Sukuma Sakhe | Female | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 5

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | S H Zulu | 0736567216 | Chairman | Male | |
| 1 | Zulu Mbongeleni | 0734006142 | Safety | Male | |
| 2 | Biyela Lungile | 0764856982 | Ngo's | Female | |
| 3 | Mthethwa Thulebona | 0736861970 | Disaster | Male | |
| 4 | Ntuli Reginah | 0731596864 | Transport | Female | |
| 5 | Ngema Dlokwakhe Mj | 0825127443 | Projects | Male | |
| 6 | Nkosi Sabelo | 0733184010 | Sports | Male | |
| 7 | Wanda Thabsile | 0731721369 | Health | Female | |
| 8 | Nsele Thulani | 0824331241 | Transport | Male | |
| 9 | Mthethwa Nokukhanya | 0739465499 | Education | Female | |
| 10 | Hlekwayo Hilton S | 079745183 incomplete | Education / Agriculture | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 6

| | Date2014 <u>Dms915563</u> | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|--|---------------------------|---|---------------|------------------|
| Clr | D Ndimande | 0734798776 | Chairman | Male | |
| 1 | Msweli Nonhlanhla Shongani | 0734223454 | Communication | Female | |
| 2 | Ngema Nomsa Emeld | 0729281052 | Education Facilitator and coordinator | Female | |
| 3 | Nyawo Nozipho Zabuya | 0789864752 | Religious coordinator | Female | |
| 4 | Mdamba Thandeka | 0788592999 | Health Services | Female | |
| 5 | Mthethwa Sakhamuzi Phumlani | 0839619492 | Community Development and youth development | Male | |
| 6 | Manqele Mabutho Jabulani | 0839438366 | Community development | Male | |
| 7 | Mhlanga Sipho Jonathan | 0763870735 | Transport | Male | |
| 8 | Magcaba Sphamandla | 0843380898 | Sport development | Male | |
| 9 | Zuma Thobeka | 0793406588 | Business and infrastructure | Female | |
| 10 | Zungu Vusi | 0783512829 | Community and safety | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 7

| | Date2014 <u>Dms915563</u> | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|--|---------------------------|--------------------------|---------------|------------------|
| Clr | W M Radebe | 0760113760 | Chairman | Male | |
| 1 | Khuzwayo Vusumuzi | 0837145218 | Education Sector | Male | |
| 2 | Ndwandwe Sithembiso | 0722281259 | Welfare Organization | Male | |
| 3 | Dlamini Zodwa Kholiwe | 0794781021 | Health Sector | Female | |
| 4 | Biyela Ntombizodwa | 0791445402 | Rates and Civic | Female | |
| 5 | Tembe Dumsani | 0720457350 | Crime and Safety | Male | |
| 6 | Zulu Nonhlanhla | 0829628834 | Women and Children | Female | |
| | | | | | |

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|----|--|---------------------------|---------------------------------|---------------|------------------|
| 7 | Kuzani Bongiwe | 0732300792 | Business and Social Development | Female | |
| 8 | Gumede Bongani | 0818859941 | Religious and Faith | Male | |
| 9 | Mangele Thembanani Celani | 0731107765 | Traditional and Culture | Female | |
| 10 | Tembe Squmama Wayne | 0760741796 | Youth Development and Sport | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 8

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|---------------------------|---------------------------------|---------------|------------------|
| Clr | S B Xaba | 08373496651 | Chairman | Male | |
| 1 | Mthethwa Sonto | 0784152142 | Health and Social Develop | Female | |
| 2 | Nyawo Nonhlanhla | 0725925381 | Health and Social Develop | Female | |
| 3 | Gumede Ernest | 0736026788 | Rate payers | Male | |
| 4 | Madide Khanyisile | 0769159771 | Rate payers | Female | |
| 5 | Mpanza Winnie Nompumelelo | 0781504076 | Education and informal traders | Female | |
| 6 | Ndlovu Ndodo Sibusiso | 0780128794 | Youth Sports and Recreation | Male | |
| 7 | Msomi Zephania Themba | 0737744535 | Transport | Male | |
| 8 | Gumede Muhle Mosses | 0786600846 | Community Develop and civic ass | Male | |
| 9 | Myeni Bongumusa Siphamandla | 0794128236 | Safety and Security | Male | |
| 10 | Mkhwanazi Sindi Cynthia | 0712824214 | Women and Religious | Female | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 9

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | E Palmer | 0834096887 | Chairman | Male | |
| 1 | Nene Ntombi | 0833350717 | Social Welfare | Female | |
| 2 | Mbatha Nonhlanhla | 0785708190 | Agriculture | Female | |
| 3 | Luthuli Nonjabulo | 0728047575 | Sports & Recreation | Female | |
| 4 | Ngcobo Ntombeziningi | 0836834333 | Transport | Female | |
| 5 | Masuku Siphindile | 0731606728 | Housing | Female | |
| 6 | Ntuli Anele | 0823435655 | Sports | Male | |
| 7 | Ntuli Nombulelo | 0726939043 | Agriculture | Female | |
| 8 | Khuzwayo Njabulo | 0731085775 | Housing | Male | |
| 9 | Mngomezulu Reginah D | 0829330366 | Health | Female | |
| 10 | Mngomezulu Sheila | 0732707845 | General | Female | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 10

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | E J B Dube | 0717236456 | Chairman | Male | |
| 1 | Mthembu Thembinkosi | 0720440705 | Educ & Professional | Male | |
| 2 | Mnqayi Elphas Sphiwe | 0732752113 | Faith Based Seat | Male | |
| 3 | Mkhwanazi Zethu | 0724099285 | Public Transport | Female | |
| 4 | Dube Vincent Mbongeni | 0721806619 | Safety & Security | Male | |
| 5 | Mnguni Sakhule Vernord | 0730299772 | Informal Traders Ass | Male | |
| 6 | Nsele Nkosinathi | 0836566126 | Farmers (small & Comm) | Male | |
| 7 | Mkhwanazi Thabsile | 0723405047 | Social Develop & Health | Female | |
| 8 | Mbambo Winnie | 0844576643 | Senior Citizen | Female | |
| 9 | Qulo Thembi | 0829650224 | Youth | Female | |
| 10 | Nsele Londiwe | 0785894459 | Women Seat | Female | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 11

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | M E Mhlongo | 0722484859 | Chairman | Male | |
| 1 | Mahlambi M Zandile | 0722111518 | Deputy Chair | Male | |
| 2 | Ntombela Madlenkosi | 0768264953 | Sports | Male | |
| 3 | Zibane Ntombenhle | 0839780478 | Secretary | Female | |
| 4 | Mhlongo Mangoba | 0729471375 | Churches | Male | |
| 5 | Mattie Gladys | 0736566211 | Agriculture | Female | |
| 6 | Mhlongo Matendane | 0781806036 | Churches | Male | |
| 7 | Mthethwa Thembani | 0722738382 | Projects | Female | |
| 8 | Mpanza Oscar | 0829451084 | Projects | Male | |
| 9 | Ngobese Buza Gerald | 0724439318 | Sports | Male | |
| 10 | Zikhali Eunice | 0727253299 | Crèches | Female | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 12

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | John Cele | 0769274849 | Chairman | Male | |
| 1 | Mthembu Elvis John | 0733498331 | Housing | Male | |
| 2 | Ncube Perseverance | 0738532284 | Welfare | Female | |
| 3 | Shabalala Sipho Sonnyboy | 0738372825 | Housing | Male | |
| 4 | Hlophe Zibuse Bheki | 0730506968 | Welfare | Male | |
| 5 | Madondo Fikelephi Nomusa | 0793671863 | Transport | Female | |
| 6 | Gumede Mbongeni Bennedict | 0739108858 | Sports | Male | |
| 7 | Mtshali Jabulani | 0710112845 | Water & Sanitation | Male | |
| 8 | Mbambo Jabulani Themba | 0839838069 | Transport | Male | |
| 9 | Dube Zodwa Goodness | 0838974333 | Water & Sanitation | Female | |
| 10 | Willows Phumzile Janet | 0737835326 | Sports | Female | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 13

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | C S Kweyama | 0731105847 | Chairman | Male | |
| 1 | Shozi Ntombizonke | 0730139976 | Senior Citizen | Male | |
| 2 | Hlongwane S Mabanga | 0781641158 | Youth | Male | |
| 3 | Mthembu Amos | 0734027833 | Education | Male | |
| 4 | Khanyile Thembekile | 0769972777 | Health | Female | |
| 5 | Hadebe Jackson | 0781148667 | Transport | Male | |
| 6 | Mbatha Thabile | 0837311588 | Sports | Female | |
| 7 | Sithole Philile | 0834648650 | Welfare | Female | |
| 8 | Sabela Zandile | 0737813303 | Ngo's | Female | |
| 9 | Maphumulo Falakhe | 0726753684 | Water and Sanitation | Female | |
| 10 | Mthembu George | 0826631149 | Housing | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 14

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--|---------------|------------------|
| Clr | M Khumalo | 0765370643 | Chairman | Male | |
| 1 | Xaba Nonhlanhla | 0734054945 | Econ Dev & Women | Female | |
| 2 | Gabela John | 0838615386 | Human Settlement | Male | |
| 3 | Mthethwa Muzi | 0714267729 | Youth Dev & Sports | Male | |
| 4 | Mthembu Nonstikelelo | 0710590470 | Rural sanitation /rds,waste manag | Female | |
| 5 | Msimanga Joel | 0768893068 | Rural rds,waste manag & infrustructure | Male | |
| 6 | Ntuli Sinenhlanhla | 0730644263 | Social Development | Female | |
| 7 | Majola Eric | 0784017269 | Rural Sanitation, art & culture, entertainment | Male | |
| 8 | Mkhize Nonhlanhla | 0733878676 | Transport & health | Female | |
| 9 | Mhlongo Khulekani | 0766395058 | Human Settlement Safety & Security | Male | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 15

| | Date2014 <u>Dms915563</u> | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|--|-----------------------|-------------------------------|---------------|------------------|
| Clr | S Nsibande | 0726725473 | Chairman | Male | |
| 1 | Sibisi Nomsa Qinisile | 0783278029 | Women | Female | |
| 2 | Masango Dumsane | 0837289531 | Education | Male | |
| 3 | Mthembu Judas | 0724558297 | Safety & Security | Male | |
| 4 | Mkhize Tholakele | 0731250404 | Rate Payers | Female | |
| 5 | Myeni Sibongakonke | 0724701758 | Business Sector | Male | |
| 6 | Khoza Hlengiwe | 0719638718 | Youth | Female | |
| 7 | Mlambo Derrick | 0783303005 | Social Development and Health | Male | |
| 8 | Mthiyane Sibongile Nana | 0782511315 | Senior Citizen | Female | |
| 9 | Myeni Jabulisiwe Qhamu | 0766143549 | Public Transport | Female | |
| 10 | Gumede Musawenkosi | 0711176045 | Faith Based Org | Male | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 16

| | Date2014 <u>Dms915563</u> | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|--|-----------------------|-------------------------------|---------------|------------------|
| Clr | N R Cele | 0769274849 | Chairlady | Female | |
| 1 | Mngoni Sihle | 0742480842 | Water Projects | Male | |
| 2 | Madonsela Nkosinathi | 0839456336 | Human settlement & Sanitation | Male | |
| 3 | Ntuli Mzobanzi Godfrey | 0724446544 | Safety & Security | Male | |
| 4 | Ngubane Phumlani Mbuyiseni | 0780124053 | Sports & Recreation | Female | |
| 5 | Khanyile Ntombenhle | 0729546237 | Faith & Women | Female | |
| 6 | Cele Philadephia Lungile | 0832041512 | Gender (secretary) | Female | |
| 7 | Sithole Owen | 0727251867 | Environmental Issues | Male | |
| 8 | Mthethwa Samukelisiwe Faith | 0823600201 | Roads | Female | |
| 9 | Vacant | | | | |
| 10 | Mtshali Phindile Clara | 0797480283 | Electricity/ Transport | Female | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 17

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | G Nkosi | 0829660772 | Chairlady | Female | |
| 1 | Dube Octavia | 0745245043 | Health | Female | |
| 2 | Radebe Cebolenkosi | 0826908262 | Religious | Male | |
| 3 | Sibiya Bheki Richard | 0724828900 | Disability | Male | |
| 4 | Mkhize Phumzile | 0825024015 | Education | Female | |
| 5 | Jiyane Sebenzile | 0832077798 | Welfare | Female | |
| 6 | Dlamini Khethiwe | 0760543714 | Women's and Children | Female | |
| 7 | Mzimela Sboniso | 0838656100 | Youth | Male | |
| 8 | Msweli Jabu | 0739452762 | Business & Finance | Female | |
| 9 | Mngomezulu Siyabonga | 0838817046 | Transport & Sports | Male | |
| 10 | Gumbi Class | 0835181079 | Safety & Security | Male | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 18

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | S S Mthiyane | 0734125410 | Chairman | Male | |
| 1 | Dindi Sfiso Samuel | 0762663896 | Education and Housing | Male | |
| 2 | Ntshangase Jabulisiwe | 0877960995 | Housing and Road | Female | |
| 3 | Sabela Nokuthula | 0845430428 | Sanitation and Welfare | Female | |
| 4 | Nxumalo Nkosiyaakhe | 0736059194 | Water and Road | Male | |
| 5 | Shezi lindiwe | 0746882886 | Health and Home Affairs | Female | |
| 6 | Gabela Beatrice Fikile | 0827338017 | Health and Sanitation | Female | |
| 7 | Nxumalo Goodman | 0721128526 | Education and Transport | Male | |
| 8 | Mbambo Xolani | 0738026702 | CPF and Sports | Male | |
| 9 | Gasa Xolani | 0712836106 | CPF and Sports | Male | |
| 10 | Khumalo Ritta | 0788168266 | Welfare | Female | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 19

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | L M Danisa | 0724071103 | Chairlady | Female | |
| 1 | Luthuli Emmanuel Sifiso | 0760529943 | Health | Male | |
| 2 | Khumalo Princess N | 0766886198 | Sassa | Female | |
| 3 | Jali Mable | 0763829525 | Sports | Female | |
| 4 | Mdlalose Nduduzo | 0728573123 | Youth | Male | |
| 5 | Ngcobo Derrick Z | 0823904208 | Welfare | Male | |
| 6 | Sibiya Lindeni | 0723070294 | Traditional Authorities | Female | |
| 7 | Makhathini Dudu | 0787284088 | Transport | Female | |
| 8 | Mahlangu David | 0833531302 | DSD | Male | |
| 9 | Mncube Bonginkosi | 0829206801 | Religious and Transport | Male | |
| 10 | Ngubane Willie | 0732481618 | Traditional Healers | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 20

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | B C Mthembu | 0722566660 | Chairlady | Female | |
| 1 | Khumalo Thandeka | 0762011113 | Youth | Female | |
| 2 | Sithole Ntombisekhaya | 0794077973 | Health | Female | |
| 3 | Zulu Thabile | 0726126934 | Education | Female | |
| 4 | Cebekhulu Muziwakhe | 0736069140 | Water and Sanitation | Male | |
| 5 | Mbuyisa Walter | 0769759030 | Transport | Male | |
| 6 | Khumalo Rhoda | 0715986571 | Housing | Female | |
| 7 | Sibisi Ntombilezi | 0732218583 | Senior Citizens | Female | |
| 8 | Khumalo Dudu | 0734461945 | Faith and Religious | Female | |
| 9 | Gwala Thembi | 0739538449 | Sports and Recreation | Female | |
| 10 | Chiliza Emmanuel | 0769138343 | Safety and Security | Male | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 21

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|-------------------------------------|--------------------------|------------------------------|---------------|------------------|
| Clr | M Mbokazi | 0721428154 | Chairman | Male | |
| 1 | Mbokazi Brenda | 0799200396 | Health Services | Female | |
| 2 | Biyela Sithembiso | 0827088365 | Sports and Recreation | Female | |
| 3 | Nzuza Thokozile | 0763970691 | Religious /Faith | Female | |
| 4 | Dhlahdla Duduzile | 0735037398 | Women's &Traditional Affairs | Female | |
| 5 | Mbatha Allan | 0721966774 | Social Development | Male | |
| 6 | Vacant | | | | |
| 7 | Madlopha Ednah | 0784199879 | Transport | Female | |
| 8 | Hlophe Eugen | 0835582230 0720127197 | Secretary | Male | |
| 9 | Mbatha Nomagugu | 0765676325 | Youth and Business | Female | |
| 10 | Nkosi Alfred | 0735896008 | Safety and Security | Male | |
| 11 | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 22

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|-------------------------------------|-----------------------|---|---------------|------------------|
| Clr | M W Mthenjana | 0727378430 | Chairman | Male | |
| 1 | Mbanjwa Siyabonga | 0826956922 | Youth | Male | |
| 2 | Khumalo Dudu | 0835653126 | Health | Female | |
| 3 | Mlambo Lucy | 0710042405 | Senior Citizen | Female | |
| 4 | Dubazana Thembekile | 0738084252 | Social Development | Female | |
| 5 | Dube Thokozani | 0715015177 | Sports | Male | |
| 6 | Zikhali Noloyiso | 0796767877 | Religious Sector | Female | |
| 7 | Ntuli Thoko | 0729087031 | Education | Female | |
| 8 | Ngema Dudu | 0738933010 | Transport | Female | |
| 9 | Chili Christopher | 0733308772 | Safety and Security | Male | |
| 10 | Mkhwanazi Alexander | 0833614056 | Senior Citizen & People with Disability | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 23

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|--------------------------|---------------|------------------|
| Clr | A de Lange | 0833217844 | Chairman | Male | |
| 1 | King Shelly | 0839896278 | Education | Female | |
| 2 | Mackay Kenneth | 0826599044 | Health | Male | |
| 3 | Dlamini Phila | 0786965527 | Safety and Security | Male | |
| 4 | Ntuli Ngcebo Shadrack | 0731733791 | Youth | Male | |
| 5 | Mbongeleni Johannes Dlamini | 0837583508 | Transport | Male | |
| 6 | Mthenjana Nokuthula Rosemary | 0836887877 | Welfare | Female | |
| 7 | Peyters Raymond Gerald | 035-7723095 | Senior Citizen | Male | |
| 8 | Magnificent Goba | 0782957370 | Water and Sanitation | Male | |
| 9 | Vahed A | | Agriculture | Male | |
| 10 | Tlou S | | Infrastructure | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 24

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | |
|-----|---|-----------------------|--------------------------|---------------|--|
| Clr | G M Mkhize | 0725255789 | Chairlady | Female | |
| 1 | Mbatha Zakhele | 0784804127 | Youth Sector | Male | |
| 2 | Buthelezi Mavis | 0769352089 | Water and Sanitation | Female | |
| 3 | Majola Siphiwe | 0734901371 | Religious Sector | Female | |
| 4 | Ntimbane Zakhele | 0781218450 | Rural Roads | Male | |
| 5 | Makhathini Thembinkosi | 0833429694 | Transport and Crime | Male | |
| 6 | Makhathini Thandi Zodwa | 0822090818 | Health | Female | |
| 7 | Mkhasibe Gugu | 0829661829 | Education | Female | |
| 8 | Shandu James | 0834899276 | Community Safety | Male | |
| 9 | Biyela Samalia | 0787372607 | Senior citizen | Female | |
| 10 | Ngubane Mfanafuthi | 0726487745 | Sport and recreation | Male | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 25

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|--------------------------|--------------------------------|---------------|------------------|
| Clr | B T Mthiyane | 0835033827 | Chairman | Male | |
| 1 | Mathe Thamsanqa | 0730530159 0767170846 | Road & Transport | Male | |
| 2 | Mkhwanazi Khethiwe | 0732120447 | Education and Training | Female | |
| 3 | Sithole Sibusiso | 0849491163 | Youth Development | Male | |
| 4 | Mbili Sindisiwe | 0733665439 | Women's, Children & Disability | Female | |
| 5 | Sibisi Mandlakayise | 0726585854 | Safety and Security | Male | |
| 6 | Zungu Thembinkosi | 0798720984 | Infrastructure development | Male | |
| 7 | Myeni Yolanda | 0724563098 | Health & Welfare | Female | |
| 8 | Mdletshe Bhekinhlanhla | 0783851164 | Ward Economic development | Male | |
| 9 | Mnguni Thembelizayo | 0797327780 | Agriculture | Female | |
| 10 | Ntuli Vusi | 0727005967 | Culture, Sport & Secretion | Male | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 26

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|-------------------------------------|---------------|------------------|
| Clr | Clr A S Dawood | 0829242730 | Chairman | | |
| 1 | Heath Shella | 0766147284 | Housing | Female | |
| 2 | Mkhize Sbusiso Maxwell | 0769832929 | Welfare and Education | Male | |
| 3 | Mfeka Thokozane Penelope | 0822144333 | Sports & Transport | female | |
| 4 | Ngcobo Phumelele Promise | 0733076561 | General Services , Water&Snaitation | Female | |
| 5 | Ndlazi Dumsani | 0826275128 | Safety and Security | Male | |
| 6 | Muthusamy | 0765868992 | Housing | Male | |
| 7 | Saravan Kalayvany | 0797170626 | secretary | Female | |
| 8 | Govender Rebekah | 0724264703 | Safety and Security | Female | |
| 9 | Govender Ray | 0833304825 | Welfare and Education | Male | |
| 10 | Saravan dan Perumal | 0842525507 | General Services , Water&Snaitation | Male | |
| | | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 27

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender |
|-----|---|-----------------------|---|---------------|
| Clr | L B Shangase | 0720607165 | Chairlady | Female |
| 1 | Mpanza Bongokuhle | 0833255653 | Crime, Health ,Environment &Funerals | Female |
| 2 | Khanyile Ntuthuko | 0761725420 | Education,Health,Environment&Funerals | Male |
| 3 | Gogo Prisca | 0728435206 | Health,Environment,&Funerals | Male |
| 4 | Mfeka Nokwazi | 0829595833 | Gradenig,Health,Environment&Funerals | Female |
| 5 | Ntuli Bheki | 0788626470 | Education,Transport,Health,Environment & Funerals | Male |
| 6 | Ntuli Sifiso | 0780767212 | Health,Environment &Funerals | Male |
| 7 | Mthethwa Sanele | 0787295567 | Sports,health,Environment&Funerals | Male |
| 8 | Mtshali Thulani Aurther | 0735143699 | | Male |
| 9 | Biyela Thabisile | 0732041768 | HIV AIDS,CCGS,Health,Environment& Funerals | Female |
| 10 | Nxumalo Nkosinomusa | 0834225792 | Transport,Health,Environment & Funerals | Female |
| | | | | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 28

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender |
|-----|---|-----------------------|-------------------------------|---------------|
| Clr | P M Ntanzi | 0835243685 | Chairman | Male |
| 1 | Myeni Doreen | 0734683962 | Welfare | Female |
| 2 | Mthethwa Mandla | 0727415632 | Safety & Security | Male |
| 3 | Kunene Thandi | 0787352556 | Health | Female |
| 4 | Mbatha Thulani | 0792276091 | Transport | Male |
| 5 | Mafuleka Dominic | 0795958979 | Coordinator of all portfolios | Male |
| 6 | Cele Dumile | 0721897445 | Economic Development | Female |
| 7 | Xulu Enock | 0733015562 | Agriculture | Male |
| 8 | Gumede Sphelele | 0733242453 | Youth Development | Male |
| 9 | Ntombela Bonisiwe | 0730454368 | Women Development | Female |
| 10 | Giladile Zwelethemba | 0735336520 | Sports | Male |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 29

| | Date2014 Dms915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|---|-----------------------|-----------------------------|---------------|------------------|
| Clr | Prince Mthunzi Mathenjwa | 0839565583 | Chairman | Male | |
| 1 | Gumede Lindokuhle Sipho | 0739563863 | Deputy Secretary | Male | |
| 2 | Mngomezulu Nkosinathi Simiso | 0733316111 | Transport & Sport | Male | |
| 3 | Khoza Bakhonzelenkosini | 0761565601 | Education | Male | |
| 4 | Mdletshe Bonisiwe Nelezi | 0727685838 | Social Development | Female | |
| 5 | Makhaye Basil Sizwe | 0728154164 | Infrastructure | Male | |
| 6 | Sibiya Sdudla Thandazile | 0796254965 | Agriculture | Female | |
| 7 | Dube Ntombikayise | 0782677592 | Education | Female | |
| 8 | Zulu Mandlenkosi | 0839859860 | Community Safety & Security | Male | |
| 9 | Mkhize Florence Mary | 0725509789 | Secretary | Female | |
| 10 | Dludla Ntozakhe Nono | 0843047804 | Traditional Affairs | Male | |

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 30

| | Date2014 DMS 915563 | Contact Number | Portfolio /Sector | Gender | Signature |
|-----|--|-----------------------|------------------------------------|---------------|------------------|
| Clr | D J Xulu | 0836971913 | Chairman | Male | |
| 1 | Mhlongo Zanele | 0768456812 | CPF & Ward Secrecy | Female | |
| 2 | Wyne Boy | 0766491841 | Transport & Housing | Male | |
| 3 | Mthembu Ebbie | 0826226636 | Traditional Affairs & Women Issues | Female | |
| 4 | Cele Nonkululeko | 0728331433 | Agriculture | Female | |
| 5 | Nsele Welcome | 0736009772 | Sports & Recreation | Male | |
| 6 | Mbatha Octavia Nokulunga | 0731967117 | Safety & Security | Female | |
| 7 | Ndlamlenze Nondumiso | 0731398316 | Agriculture | Female | |
| 8 | Makhwasa Xolisile | 0844632784 | Education and Traditional Affairs | Female | |
| 9 | Manda Sthembiso | 0742827535 | Youth Seat | Male | |
| 10 | Ndlovu Xolani Njabulo | 0846412126 | Housing & Sports | Male | |

APPENDIX G: AUDIT COMMITTEE REPORT

The Honourable Speaker
Council of the City of uMhlathuze
Civic Centre
Mark Strasse
Richards Bay
3900

Dear Sir

REPORT OF THE AUDIT COMMITTEE TO COUNCIL

The Audit Committee of the City of uMhlathuze has pleasure in submitting its ninth report to the Council of the City of uMhlathuze. This report is submitted in terms of the provisions of sections 121(3)(j), 166(2)(b) and 166(2)(c) of the Municipal Finance Management Act of 2003 ("the MFMA") and covers the financial year from 1 July 2013 to 30 June 2014 except where otherwise stated.

Members

1. The following persons served as members of the Audit Committee for the year under review:

S Nkonzombi – Chairperson (appointed 01 February 2014)

PC Oosthuizen

Ms Z P Khanyile (appointed 01 February 2014)

Mr Oosthuizen, served as Chairperson of the Performance Audit Committee and as such represented the Audit Committee on the Performance Audit Committee.

Overview of activities

2. The Audit Committee had four formal meetings during the period covered by this report. The Audit Committee therefore complied with the provisions of section 166(4)(b) of the MFMA which requires the Audit Committee to meet at least four times per year.
3. The meeting dates and attendance at these meetings were as follows:

| Name | 29 August 2013 | 21 November 2013 | 28 March 2014 | 25 June 2014 |
|---|----------------|------------------|---------------|--------------|
| JM de Wet (Out-going Chairperson) | ✓ | ✓ | X | X |
| B Mdletshe (Term ended) | X | ✓ | X | X |
| PC | ✓ | ✓ | ✓ | ✓ |

| Name | 29 August 2013 | 21 November 2013 | 28 March 2014 | 25 June 2014 |
|------------------------------|----------------|------------------|---------------|--------------|
| Oosthuizen | | | | |
| S Nkonzombi (Chairperson) | X | X | ✓ | ✓ |
| Ms Z P Khanyile | X | X | ✓ | ✓ |

4. Set out below is a summary of the matters which were dealt with at the Audit Committee meetings:
- The Internal Audit Plan for the 2013/2014 financial year was considered and approved;
 - Council's draft Enterprise Risk Management Policy document was considered and commented upon;
 - The recommendations and guidance contained in Guideline 65 which was issued by National Treasury during November 2012 was considered and is dealt with in more detail below;
 - At each of the meetings, reports from the internal auditors on work done by them in terms of the approved audit plan, was tabled, discussed and approved;
 - At each meeting a progress report of actual work done as measured against the Internal Audit Plan, was considered;
 - At each meeting feedback was received and considered relating to critical ICT issues and related risks;
 - Attention was given to Council's Performance Management System by considering reports from Council's Performance Management Committee.

Report

5. For purposes of executing its statutory duties as contained in section 166(2)(a) of the MFMA as well as its mandate as set out in the Audit Committee Charter, the Audit Committee relies on the work done by internal audit. The internal audit function is overseen and co-ordinated by the Chief Audit Executive who is a Council employee. In executing her mandate, the Chief Audit Executive was assisted by the following contracted firms of professional service providers:
- SAB & T Business Innovation Group (1 October 2013 to 30 June 2014); and
 - Umnotho Business Consulting (November 2012 to September 2013).
- Umnotho Business Consulting was replaced as internal audit service providers by SAB & T Business Innovations Group during the year end.
6. In order to be able to rely on the work performed by internal audit, the Audit Committee has to satisfy itself that the quality and scope of the work performed by internal audit is sufficient to be able to place the necessary reliance thereon. This requires that the internal auditors should be able to do their work without any restrictions and that the internal auditors are, at all times, fully independent. It is the view of the Audit Committee that the work performed by internal audit is of a high standard, that it is properly planned and controlled and that the reporting is detailed and comprehensive. There is also sufficient evidence that internal audit findings are discussed with the responsible officials and that implementation of corrective measures that have been agreed upon, is followed up regularly. Consequently we have no hesitation in relying on the work performed by internal audit for purposes of executing our mandate. We are therefore in a position to advise Council that as far as matters relating to internal financial control, the

adequacy, reliability and accuracy of financial reporting, performance management and evaluation, effective governance and compliance with the MFMA and other relevant legislation are concerned, the internal audit reports considered by the Committee have not revealed any material issues that may compromise any of these functions or responsibilities. This comment should however be read with our concerns and recommendations which are dealt with in paragraph 10.

7. Section 166(2)(b) of the MFMA requires the Audit Committee to “review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation”. For these purposes, the Audit Committee relies on the work performed by the Auditor-General during its audit of the financial statements of the municipality.
8. The members of the Audit Committee reviewed the financial statements and the report of the Auditor General for the year ended 30 June 2014 and can report as follows:

Auditor General’s report on the financial statements

- 8.1 The Auditor-General’s report on the financial statements has been noted. In this regard it is pleasing to note that the Auditor-General expressed an unqualified audit opinion on the financial statements for the year ended 30 June 2014. Emphasis of matter items relating to significant water and electricity losses in the amount of R25.09m, material under-spending of its municipal infrastructure grant in the amount of R213m was noted.

Auditor General’s report on other legal and regulatory requirements

- 8.2 The Auditor General also reported on other legal and regulatory requirements for the year ended 30 June 2014. The Auditor General reported the following:
 - 25.4% of planned targets were not achieved mainly because of the under-spending in the municipal infrastructure grant. This matter is also the subject of an investigation into alleged misconduct which is still in progress.

Comment on the financial statements for the year ended 30 June 2014

- 8.3 An overview of the financial performance of Council for the year ended 30 June 2014 is set out in the table below.

Financial performance for the year ended 30 June 2014

| | Comment | 2014 R000 | 2013 R000 |
|---|---|--|---|
| 1 | <p>Financial performance</p> <p>Total income</p> <p>Total expenditure</p> <p>Surplus/(Deficit) for the year</p> <p><i>Surplus for the year has been generated compared to previous year deficit as a result of an increase in total revenue of 22% vs an increase in expenditure of 9%.</i></p> | <p>2 494 312</p> <p>2 296 407</p> <hr/> <p>197 905</p> | <p>2 040 655</p> <p>2 092 075</p> <hr/> <p>(51 420)</p> |
| | Comment | 2014 R000 | 2013 R000 |
| 2 | <p>Positive cash flow from operating activities</p> <p><i>Council achieved positive cash generation from operating activities after the removal of non-cash items (primarily depreciation).</i></p> | 467 448 | 359 594 |
| 3 | <p>Revenue from property rates and service charges</p> <p><i>Percentage increase</i></p> | <p>1 897 405</p> <p>18%</p> | <p>1 609 426</p> <p>14%</p> |
| 4 | <p>Revenue from government grants</p> <p><i>Percentage increase</i></p> | <p>357 616</p> <p>41%</p> | <p>253 530</p> <p>9%</p> |
| 5 | Employee costs | 480 990 | 437 126 |
| 6 | <p>Bulk purchases</p> <p><i>Percentage increase</i></p> | <p>1 051 626</p> <p>12%</p> | <p>937 247</p> <p>12%</p> |

Financial position at 30 June 2014

| | Comment | 2014 R000 | 2013 R000 |
|---|--|----------------|----------------|
| 1 | Net assets <i>Reduction as a result of the surplus for the year</i> | 3 677 468 | 3 487 271 |
| 2 | Cash and cash equivalents <i>Increase primarily due to positive cash flow from operating activities</i> | 404 509 | 242 775 |
| 3 | Trade receivables before provision for bad debts <i>Percentage increase</i> | 348 539 33% | 262 463 28% |
| 4 | Provision for bad debts <i>There seems to have been a deterioration in collections which is evidenced by the increase in trade receivables (see 3 above) which required an increase in the bad debt provision</i> | (86 223) | (23 000) |
| 5 | Ratio of current assets to current liabilities <i>This ratio, which is an indicator of liquidity, has improved marginally from the previous year which indicates that Council has made further progress in overcoming the cash flow challenges experienced previously</i> | 1.3:1 | 1.1:1 |
| 6 | Percentage overspending of final approved operating expenditure budget | 15.4% | 11.8% |
| 7 | Percentage under-spending of final approved capital expenditure budget | 36.2% | 50.7% |
| 8 | Percentage under-spending of conditional grants received | 25.4% | 64.6% |

9. Insofar as the provisions of section 166(2)(c) of the MFMA are concerned, we can report that, in our opinion, there are no issues raised by the Auditor General in the audit report which require Council's specific attention.

Reporting and disclosure

10. The preparation of Council's annual financial statements is governed by various International Financial Reporting Standards, Generally Recognised Accounting Standards and Generally Accepted Municipal Accounting Standards. In addition, there are a number of financial reporting requirements issued by National Treasury which have to be complied with. In spite of the substantial compliance burden which these standards require, Council's Treasury Department managed, as in the previous financial year, to comply with these standards to the satisfaction of the Auditor General and Treasury should, in our view, be congratulated with this achievement. Future compliance with financial reporting standards will however continue to place severe strain on existing financial capacity and infrastructure. It is therefore crucial that Council acknowledge the importance of maintaining and improving its financial capacity to meet this ongoing challenge.

Guideline 65

- 10.1 During November 2012, National Treasury issued Guideline 65 under the Municipal Finance and Management Act of 2003 titled *Internal Audit and Audit Committee*. The stated purpose of this guide was to assist municipalities in improving the effectiveness of internal audit and their Audit Committees. The Audit Committee devoted considerable time to the recommendations contained in this document which resulted in the following outcomes:

- The Audit Committee Charter and the Internal Audit Charter was redrafted in order to more accurately reflect the proposals and principles contained in Guideline 65, and
- The Guideline appeared to recommend that municipalities with a separate Performance Audit Committee should combine this committee and the Audit Committee into one committee. This recommendation caused considerable debate within the municipality and culminated into the Chairpersons of the Audit Committee and Performance Audit Committee being requested to engage with National Treasury to obtain clarity on this matter. This was duly done and the respective Chairpersons issued a report dated 5 June 2013 in which a recommendation was made that the current status quo be retained and that the Audit Committee and Performance Audit Committee continue to function as two separate committees with the proviso that the Performance Audit Committee report to the Audit Committee as the Audit Committee has final responsibility for performance management.

Internal audit issues

- 10.2 The main function of the Audit Committee is to receive and consider reports from Internal Audit in which their findings on work done in terms of the approved Internal Audit Plan are recorded. For purposes of completeness, the process which is typically followed when a specific area is selected for audit, is as follows:
- A pre-scoping meeting is held with the HOD and other senior officials of the relevant department in which the audit objectives and outcomes are discussed;
 - A scoping document is then prepared which is approved by the relevant HOD;

- Fieldwork commences. During this process regular interaction with relevant officials takes place;
- After completion of the fieldwork a draft report is prepared for discussion with the HoD and senior officials. The purpose of this discussion is to iron out any errors or differences of opinion and to obtain managements' comments and implementation commitments;
- These reports are collated on a quarterly basis and presented to the Municipal Manager and other senior officials for discussion and final approval;
- These approved reports are then tabled at the next Audit Committee meeting for discussion.

10.3 Because of the above procedure and the fact that the Audit Committee only meets on a quarterly basis, the time line from initiation of an audit cycle to final reporting is very long and, as a result, some urgency with the addressing of identified problem areas is lost. It is, however, conceded that the interaction between Internal Audit and officials during the fieldwork stage has a lot of value and compensates to a degree for the lost benefits associated with the long reporting time line.

Conclusion

- 11 The implementation and maintenance of proper systems of internal control, the prevention of fraud and error, the safeguarding of the assets of the municipality and compliance with relevant laws and regulations, are Council's responsibility. The role of the Audit Committee is to monitor the efficiency of the procedures and mechanisms which Council has put in place in order to ensure that its policies and procedures are adhered to. We can report that, taking into account the exceptions noted above and based on the reports submitted to us, that our overall impression is that the systems and procedures implemented by council are operating efficiently.
- 12 We also wish to take the opportunity to thank the Municipal Manager and his officials for their hard work and the dedication they display to their duties and their positive interaction with the Audit Committee.

Yours faithfully

S Nkonzombi

Chairman – Audit Committee

16 January 2015

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

| Type of agreement | Duration | Value |
|--------------------------------|--------------------------------------|---|
| | | |
| Memorandum of Agreement | 15 Jan 2014 (Termination by notice) | Empangeni Invasive Alien Species Control Programme |
| Memorandum of Agreement | 1 June 2013 - 31 May 2016 | R 1 000,00 |
| Service Agreement | 7 Nov 2013 (Termination by notice) | Provision of services portion 165 of Erf 5333 R/Bay |
| Funding Agreement | 31 July 2013 (Termination by notice) | Basic water supply services |
| Service Level Agreement | 1 April 2013 - 31 March 2014 | R 36 605 000,00 |
| Memorandum of Agreement | 1 July 2013 - 30 June 2014 | R 6 566 000,00 |
| Agreement of Financial Support | 31 Jan (Termination by notice) | Graduate Program/ Grant |
| Memorandum of Agreement | 20 June 2012 (Termination by notice) | Workplace skills development |

APPENDIX I: MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

STRATEGIES, GOALS AND OBJECTIVES

The following tables provide a summary of the municipal strategies, goals and objectives

| NATIONAL KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION | |
|---|---|
| STRATEGY 1: GOOD GOVERNANCE | |
| GOALS | OBJECTIVES |
| 1. Democratic, responsible, transparent, objective and equitable municipal governance | <ul style="list-style-type: none"> ○ Effective and efficient municipal structure that is resourced to fulfil roles and responsibilities ○ Implement “Batho Pele” principles ○ Effective and efficient community participation mechanisms and processes |
| 2. Compliance with relevant legislation and policies | <ul style="list-style-type: none"> ○ Preparation of credible and implementable Integrated Development Plan ○ Compilation of “SMART” Organisational Performance Management ○ Records Management ○ Occupational health and safety processes and procedures in place ○ Develop required policies, procedures and registers ○ Legal vetting of contracts ○ Internal and External Audit |
| 3. Uninterrupted service delivery | <ul style="list-style-type: none"> ○ Improved relationship between management and labour ○ Provision for service delivery during industrial action |
| 4. Public Safety and Security and protection of Council property | <ul style="list-style-type: none"> ○ Provision of security, fire, rescue and traffic services ○ Provision of Disaster Management Services ○ Policy against fraud, corruption, theft, misuse and damage to Council property by members of the public and officials |

NATIONAL KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE PROVISION

STRATEGY 2: SUSTAINABLE INFRASTRUCTURE AND SERVICE DELIVERY

| GOALS | OBJECTIVES |
|---|---|
| 1. Efficient and integrated infrastructure and services | <ul style="list-style-type: none"> ○ Provision of water, sanitation, transport and electrical infrastructure ○ Ensure Quality control measures in respect of Municipal Services ○ Stormwater systems and management ○ Infrastructure Maintenance ○ Council Fleet and asset management ○ Promote development densification for efficient and cost effective provision of services ○ Improvements to Public Transport facilities and infrastructure ○ Promote pedestrian friendly environment |
| 2. Compliance with legislation, policies and guidelines | <ul style="list-style-type: none"> ○ Planning for provision of water, sanitation, transport and electrical infrastructure in line with relevant government legislation and policies ○ Development of asset registers for management and maintenance purposes |
| 3. Integrated urban and rural development | <ul style="list-style-type: none"> ○ Identify and plan areas for future development ○ Development of Integrated Human Settlements ○ Promote development densification for cost effective provision of services |
| 4. Effective project management | <ul style="list-style-type: none"> ○ Ensure completion of projects within time and budget constraints |
| 5. Environmental Sustainability | <ul style="list-style-type: none"> ○ Coastal management ○ Investigate alternative energy sources and the recycling of resources ○ Support environmental sustainable developments ○ Solid waste management ○ Develop a good relationship with relevant stakeholders in order to promote sustainable development ○ Implementation of relevant COP17/CMP 7 agreements |

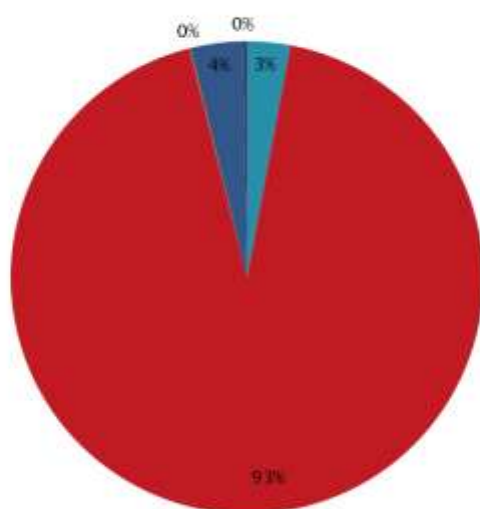
| NATIONAL KPA: LOCAL ECONOMIC DEVELOPMENT | |
|---|---|
| STRATEGY 3: SOCIAL AND ECONOMIC DEVELOPMENT | |
| GOALS | OBJECTIVES |
| 1. Safe and Healthy Living Environment | <ul style="list-style-type: none"> ○ Provision of health facilities and services ○ Provision of a safe and clean environment ○ Solid waste management ○ Horticultural management |
| 2. Social Cohesion | <ul style="list-style-type: none"> ○ Provision of community and sports facilities and services, arts and culture |
| 3. Create environment conducive for economic growth and development | <ul style="list-style-type: none"> ○ Implement LED plan/strategy ○ Land Use Management ○ Promotion of tourism ○ Support to informal economy and SMME sector ○ Identification and planning of priority nodes and corridors ○ Property evaluation and administration ○ Public Transport coordination ○ Review and implementation of Tourism strategy/plan |

| NATIONAL KPA: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION | |
|---|--|
| STRATEGY 4: INSTITUTIONAL DEVELOPMENT | |
| GOALS | OBJECTIVES |
| 1. Municipality resourced and committed to attaining the vision and mission of the organization | <ul style="list-style-type: none"> ○ Appropriate organizational climate to attract and retain appropriate skills ○ Development and appropriate training and assistance to employees ○ Clean and secure working environment ○ Improved relationship between management and labour |
| 2. Appropriate communication and Technology Services | <ul style="list-style-type: none"> ○ Improve inter-departmental communication and cooperation within Municipality ○ Improve external communication ○ Innovative Information Management Systems ○ Appropriate ICT infrastructure, processes and procedures |
| 3. Manage ethnic and religious diversity | <ul style="list-style-type: none"> ○ Implement “Batho Pele” principles ○ Promote synergistic partnership with relevant stakeholders |

Capital Funding per IDP Strategy

| | | |
|---|--------------------|------------|
| Strategy 1: Good Governance | 7 574 000 | 3 |
| Strategy 2: Sustainable Infrastructure and Service Delivery | 239 132 100 | 93 |
| Strategy 3: Social and Economic Development | 200 000 | 0 |
| Strategy 4: Institutional Development | 9 120 100 | 4 |
| Strategy 5: Sound Financial Management | 789 000 | 0 |
| TOTAL | 256 815 200 | 100 |

■ Good Governance
 ■ Sustainable Infrastructure
 ■ Social & Economic Development
 ■ Institutional Development
 ■ Sound Financial Management
 ■



APPENDIX K (I): REVENUE COLLECTION PERFORMANCE BY VOTE

| <u>REVENUE COLLECTION PERFORMANCE BY VOTE</u> | | |
|--|-----------------------------|-----------------------------|
| | | |
| VOTE DESCRIPTION | ACTUAL 2011/2012 | ACTUAL 2012/2013 |
| Vote 1 - City Development | 10832081 | 16904368 |
| Vote 2 - Community Services Health & Public Safety | 14135206 | 15756920 |
| Vote 3 - Community Services Recreation & Environment | 39492124 | 46267545 |
| Vote 4 - Corporate Services Human Administration | 2020675 | 2439708 |
| Vote 5 - Corporate Services Human Resources | 5189084 | 5635877 |
| Vote 6 - Financial Services | 237750050 | 393611015 |
| Vote 7 - Infrastructure & Technical Services - Electrical Supply Services | 904480071 | 1189944893 |
| Vote 8 - Infrastructure & Technical Services - Water & Sanitation Services | 340192719 | 53882020 |
| Vote 9 - Infrastructure & Technical Services Transport, Roads & stormwater | 95275637 | 103678633 |
| Vote 10 - Infrastructure & Technical Services - Engineering Support Services | 14799273 | 13311718 |
| Vote 11 - Office of the Municipal Manager | 268113 | 71160 |
| | 1 664 435 | 1 841 504 |

APPENDIX K (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

| | | | 2012/2013 | |
|--|-----------------------------|-----------------------------|----------------------------|----------------------------|
| REVENUE COLLECTION PERFORMANCE BY SOURCE | ACTUAL 2011/2012 | ACTUAL 2012/2013 | Original Budget | Adjusted Budget |
| Revenue By Source | | | | |
| Property rates | 204 614 | 238 007 | 231 260 | 238 260 |
| Property rates - penalties & collection charges | – | – | – | – |
| Service charges - electricity revenue | 966 962 | 1 091 706 | 1 077 000 | 1 093 000 |
| Service charges - water revenue | 134 008 | 158 637 | 159 445 | 152 265 |
| Service charges - sanitation revenue | 59 702 | 66 946 | 69 300 | 67 800 |
| Service charges - refuse revenue | 46 088 | 52 520 | 51 300 | 52 100 |
| Service charges - other | 18 483 | 12 472 | 14 084 | 14 993 |
| Rental of facilities and equipment | 16 133 | 16 860 | 6 130 | 15 204 |
| Interest earned - external investments | 4 012 | 14 499 | 1 648 | 3 954 |
| Interest earned - outstanding debtors | 1 639 | 1 778 | 1 317 | 1 601 |
| Dividends received | – | – | – | – |
| Fines | 3 005 | 10 550 | 2 052 | 11 412 |
| Licences and permits | 1 831 | 1 933 | 1 686 | 1 883 |
| Agency services | 5 922 | 6 093 | 5 300 | 5 800 |
| Transfers recognised - operational | 183 050 | 137 890 | 204 891 | 204 991 |
| Other revenue | 13 129 | 31 612 | 12 655 | 13 262 |
| Gains on disposal of PPE | 5 857 | – | – | – |
| Total Revenue (excluding capital transfers and contributions) | 1 664 435 | 1 841 504 | 1 838 068 | 1 876 525 |

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

| DETAIL OF GRANT | BUDGET | ADJUSTMENT BUDGET | ACTUAL | VARIANCE | | MAJOR CONDITIONS APPLIED BY DONOR |
|--|-----------|-------------------|-----------|----------|-------------------|---|
| | | | | BUDGET | ADJUSTMENT BUDGET | |
| Finance Management | 1 500 000 | 1 500 000 | 904 000 | -0,40 | -0,40 | This grant is used to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA). An amount of R 596 000 was withdrawn by National Treasury for the 2010/2011 allocation. |
| Municipal Systems Improvement | 800 000 | 800 000 | 11 000 | -0,99 | -0,99 | This grant is used to assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act (MSA) and related legislation. An amount of R 789 000 was withdrawn by National Treasury for the 2010/2011 allocation. |
| Infrastructure Skills Development | 3 000 000 | 3 000 000 | 3 000 000 | - | - | This grant is used to strengthen capacity of local government to effectively and efficiently deliver quality infrastructure by increasing the pool of skills available, to facilitate lifelong learning and the transfer of knowledge and skills to municipalities. |
| Energy Efficiency and Demand Side Management | 8 000 000 | 8 000 000 | 8 000 000 | - | - | The grant is to be used to implement Energy efficiency and Demand Side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency. |
| Expanded Public Works Programme Integrated | 1 000 000 | 1 000 000 | 1 000 000 | - | - | This grant is used to incentivise municipalities to expand work creation efforts through the use of |

| DETAIL OF GRANT | BUDGET | ADJUSTMENT BUDGET | ACTUAL | VARIANCE | | MAJOR CONDITIONS APPLIED BY DONOR |
|--|-----------|-------------------|------------|----------|-------------------|---|
| | | | | BUDGET | ADJUSTMENT BUDGET | |
| | | | | | | labour intensive delivery methods in compliance with EPWP Guidelines. |
| | | | | | | |
| Provincial Health Subsidies | 9 311 000 | 9 311 000 | 4 842 400 | -0,48 | -0,48 | This grant is used exclusively to fund clinic services. |
| | | | | | | |
| Extension to Richards Bay Airport | - | - | 1 763 629 | 100,00 | 100,00 | This grant is used for the expenditure incurred at the airport. |
| | | | | | | |
| Tourism Development - COGTA | - | 3 500 000 | 3 500 000 | 100,00 | - | This grant is used for Corridor Development projects |
| Informal traders and stalls - COGTA | - | 4 000 000 | 4 000 000 | 100,00 | - | This grant is used for Corridor Development projects |
| | | | | | | |
| Massification Grant | - | - | 2 000 000 | 100,00 | 100,00 | This grant is used for the eSikhaleni Water systems investigation. |
| | | | | | | |
| Hostels - Dept of housing | 8 925 000 | 8 925 000 | 20 000 000 | 1,24 | 1,24 | This grant is used in the refurbishment of various hostels. |
| Housing subsidy | - | - | 2 803 555 | 100,00 | 100,00 | This subsidy is used for the housing operating account. |
| | | | | | | |
| Library Subsidy - Public Internet Access | 619 800 | 619 800 | 619 800 | - | - | This grant is used to appoint library computer assistants at various libraries. |
| Library Subsidy | 2 784 000 | 2 784 000 | 2 784 000 | - | - | This subsidy is used towards the current staffing and operational costs of the libraries. |
| | | | | | | |
| Museum Subsidy | 134 000 | 134 000 | 134 000 | - | - | This subsidy is used in the daily running of the Empangeni museum. |
| | | | | | | |
| Environmental Health Subsidy | 4 603 259 | 4 603 259 | 4 603 259 | - | - | This subsidy is used for environmental health services |
| | | | | | | |
| Bus Shelters and Laybys - uThungulu District Council | - | - | 207 384 | 100,00 | 100,00 | Funds were received for the construction of Bus shelters and laybys |

APPENDIX M(I): CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME

| R | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL |
|-------------------------------|-----------------|-----------------|--------|
| Infrastructure | | | |
| Infrastructure-Road transport | 21 510 | 21 320 | 6 782 |
| Roads, Pavements & Bridges | 21 510 | 21 320 | 6 782 |
| Storm water | - | - | - |
| Infrastructure-Electricity | 10 300 | 17 500 | 3 993 |
| Generation | - | - | - |
| Transmission & Reticulation | 8 000 | 15 700 | 3 366 |
| Street lighting | 2 300 | 1 800 | 627 |
| Infrastructure-Water | 2 605 | 4 840 | 3 412 |
| Dams & Reservoirs | - | - | - |
| Water Purification | - | - | - |
| Reticulation | 2 605 | 4 840 | 3 412 |
| Infrastructure-Sanitation | 56 156 | 36 781 | 32 115 |
| Reticulation | 56 156 | 36 781 | 32 115 |
| Sewerage Purification | - | - | - |
| Infrastructure-Other | 1 200 | 20 | - |
| Waste Management | 1 200 | 20 | |
| Transportation | - | - | |
| Gas | - | - | |
| Other | - | - | |
| | | | |
| Community | 60 | 60 | 36 |
| Parks & Gardens | - | - | - |
| Sport fields & Stadia | - | - | - |
| Swimming Pools | - | - | - |
| Community Halls | - | - | - |
| Libraries | 60 | 60 | |
| Recreational facilities | - | - | 36 |
| Fire, Safety & emergency | - | - | - |
| Security & Policing | - | - | - |
| Buses | - | - | - |
| Clinics | - | - | - |
| Museums & Art Galleries | - | - | - |
| Cemeteries | - | - | - |
| Social Rental Housing | - | - | - |
| Other | - | - | - |
| | - | - | - |
| Heritage Assets | - | - | - |
| Buildings | | | |
| Other | | | |
| | | | |
| Investment properties | - | - | - |
| Housing development | - | - | - |
| Other | - | - | - |
| | | | |

| R | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL |
|--|-----------------|-----------------|---------------|
| Other assets | 9 995 | 11 301 | 6 448 |
| General vehicles | 2 000 | 558 | 1 501 |
| Specialised vehicles | 6 795 | - | - |
| Plant & equipment | - | 631 | 788 |
| Computers - hardware/equipment | - | 1 114 | 1 024 |
| Furniture and other office equipment | 389 | 402 | 520 |
| Abattoirs | - | | - |
| Markets | - | | - |
| Civic Land and Buildings | 81 | 4 234 | 2 479 |
| Other Buildings | 495 | 4 072 | 136 |
| Other Land | 235 | 290 | - |
| Surplus Assets - (Investment or Inventory) | - | - | - |
| Other | - | - | - |
| | | | |
| Agricultural assets | - | - | - |
| | | | |
| Biological assets | - | - | - |
| | | | |
| Intangibles | - | 2 500 | 61 |
| Computers - software & programming | - | 2 500 | 61 |
| Other (list sub-class) | | | |
| | | | |
| Total Capital Expenditure on new assets | 101 826 | 94 322 | 52 847 |
| | | | |
| Specialised vehicles | 6 795 | - | - |
| Refuse | 6 795 | - | - |
| Fire | - | - | - |
| Conservancy | - | - | - |
| Ambulances | - | - | - |

APPENDIX M(II): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

| R | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL |
|-------------------------------|-----------------|-----------------|---------------|
| Infrastructure | 67 927 | 92 330 | 28 025 |
| Infrastructure-Road transport | 1 650 | 6 156 | 964 |
| Roads, Pavements & Bridges | 1 650 | 6 156 | 964 |
| Storm water | | | |
| Infrastructure-Electricity | 16 616 | 32 105 | 12 599 |
| Generation | | | |
| Transmission & Reticulation | 15 165 | 29 654 | 11 289 |
| Street lighting | 1 451 | 2 451 | 1 310 |
| Infrastructure-Water | 37 634 | 48 077 | 11 088 |
| Dams & Reservoirs | | | |
| Water Purification | | | |
| Reticulation | 37 634 | 48 077 | 11 088 |
| Infrastructure-Sanitation | 12 027 | 5 892 | 3 374 |
| Reticulation | 12 027 | 5 892 | 3 374 |
| Sewerage Purification | | | |
| Infrastructure-Other | - | 100 | - |
| Waste Management | - | 100 | - |
| Transportation | - | - | |
| Gas | - | - | |
| Other | - | - | |
| | | | |
| Community | 14 518 | 17 230 | 9 637 |
| Parks & Gardens | 100 | 100 | - |
| Sport fields & Stadia | 1 240 | 876 | 569 |
| Swimming Pools | 215 | 599 | 487 |
| Community Halls | 2 500 | 2 611 | 1 546 |
| Libraries | 595 | 544 | 227 |
| Recreational facilities | - | 3 500 | 125 |
| Fire, Safety & emergency | - | - | |
| Security & Policing | 40 | 75 | |
| Buses | - | - | - |
| Clinics | - | - | - |
| Museums & Art Galleries | - | - | - |
| Cemeteries | 903 | - | 637 |
| Social Rental Housing | 8 925 | 8 925 | 6 046 |
| Other | - | - | |
| | | | |
| Heritage Assets | - | - | - |
| Buildings | | | |
| Other | | | |
| | | | |
| Investment properties | - | - | 2 258 |
| Housing development | | | |
| Other | | | 2 258 |
| | | | |

| R | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL |
|--|-----------------|-----------------|---------------|
| Other assets | 15 213 | 27 185 | 16 905 |
| General vehicles | 3 950 | 8 020 | 5 095 |
| Specialised vehicles | 2 | 2 372 | 872 |
| Plant & equipment | 5 046 | 5 452 | 3 241 |
| Computers - hardware/equipment | 2 996 | 4 707 | 4 903 |
| Furniture and other office equipment | 1 045 | 1 248 | 2 000 |
| Abattoirs | - | | - |
| Markets | - | | - |
| Civic Land and Buildings | 1 650 | 3 651 | 160 |
| Other Buildings | 24 | 1 192 | 634 |
| Other Land | 500 | 543 | - |
| Surplus Assets - (Investment or Inventory) | | | - |
| Other | | | - |
| | | | |
| Agricultural assets | - | | |
| | - | - | - |
| Biological assets | | | |
| | | | |
| Intangibles | 6 999 | 2 480 | 5 364 |
| Computers - software & programming | 6 999 | 2 480 | 5 364 |
| Other (list sub-class) | | | |
| | | | |
| Total Capital Expenditure on new assets | 104 657 | 139 225 | 62 189 |
| | | | |
| Specialised vehicles | 2 | 2 372 | 872 |
| Refuse | 2 | - | |
| Fire | - | 2 372 | 872 |
| Conservancy | | | |
| Ambulances | | | |

APPENDIX N: CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

| FUNCTION | PROJECT DESCRIPTION | ACTUAL 2012/2013 |
|--------------------------------------|--|------------------|
| BUDGET & TREASURY OFFICE Total | COMPUTER HARDWARE Total | 13 350 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT Total | 121 200 |
| | INTANGIBLES Total | 60 500 |
| | | 195 050 |
| | | |
| COMMUNITY & SOCIAL SERVICES Total | CIVIC CENTRE ROOFING AND WATER PROOFING Total | 263 870 |
| | COMPUTER HARDWARE Total | 128 894 |
| | EMPANGENI HALL Total | 640 860 |
| | EMPANGENI LIBRARY CARPET REPLACEMENT Total | 130 700 |
| | EXTENSIONDEVELOPMENT OF ESIKHALENI CEMETERY Total | 147 000 |
| | EXTENSIONDEVELOPMENT OF RICHARDS BAY CEMETERY Total | 490 127 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT Total | 990 904 |
| | GOBANDLOVU HALL Total | 394 974 |
| | INSTALLATION OF ALLUMINIUM GLASS FRONT SHOP Total | 33 165 |
| | INSTALLATION OF CAMERA MAYORS PARKING Total | 7 500 |
| | INSTALLATION OF CAMERA OUTSIDE PARKING AREA Total | 115 957 |
| | INTERNAL CCTV CAMERA Total | 148 517 |
| | INTERNAL CCTV CAMERA PROJECT FINANCIAL SERVICES Total | 130 181 |
| | MANDLANKALA HALL Total | 140 210 |
| | MZINGAZI HALL Total | 370 151 |
| | PLANT AND EQUIPMENT Total | 35 600 |
| | RBAY LIBRARY - REPLACE FRONT DESK Total | 68 719 |
| | REDESIGN OFFICE SPACE Total | 12 347 |
| | RENOVATIONS FINANCIAL SERVICES Total | 80 399 |
| | REPLACEMENT OF CARPET Total | 27 464 |
| | SECURITY ROOM ALTON PARKS DEPOT Total | 56 738 |
| | TIER LOCKERS Total | 55 440 |
| | | 4 469 714 |
| | | |
| CORPORATE SERVICES Total | 2KVA MAINSSOLAR POWERED UPS Total | 49 354 |
| | CALL CENTRE Total | 596 602 |
| | CBD EXTENSION SOUTH OF GULDENGRACHT Total | 666 309 |
| | CIVIC CENTRE OFFICE AMENDMENTS | 1 377 |
| | COMPUTER HARDWARE | 3 707 369 |
| | ERF 8038 BIRDSWOOD (BHENGU) | 15 000 |
| | ERF 8083 BIRDSWOOD (BHENGU) | 13 990 |
| | ERF H1766 ESIKHALENI (NTOKOZO ROAD) (DLAMINI) | 86 000 |

| FUNCTION | PROJECT DESCRIPTION | ACTUAL 2012/2013 |
|-------------------|--|-------------------------|
| | FIRE ENGINE | 872 000 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | 268 005 |
| | GIS DATABASE ENHANCEMENTS AND CAPTURING | 364 000 |
| | GIS ELECTRICAL ENGINEER | 657 000 |
| | IMPROVEMENTS TO TOC CONTROL ROOM | 88 591 |
| | INSTALLATION TELEMETRY EQUIPMENT | 56 207 |
| | INTANGIBLES | 1 037 904 |
| | ISUZU KB 250 | 311 939 |
| | ISUZU NPR 300 TRUCK | 957 200 |
| | ISUZU NPS 300 | 541 910 |
| | ISUZU PVZ1400 6 X 4 WITH F215A | 1 336 804 |
| | IT INFRASTRUCTURE | 854 568 |
| | JEEP GRAND CHEROKEE | 1 250 000 |
| | MAZDA | 259 780 |
| | ML MERC MAYORAL VEHICLE | 746 635 |
| | MOTORE VEHICLE | 602 723 |
| | MULTI MODE 4 CORE FIBRE FROM EMPANGENI LIBRARY | 26 897 |
| | OPEL VIVARO 1.9 CDTI 9 SEATER BUS | 337 535 |
| | OPEL VIVARO 1.9 CDTI PANEL VAN | 251 280 |
| | PLANT AND EQUIPMENT | 51 676 |
| | RECEPTION POINT NEW TOC | 116 950 |
| | SENTINEL - SECURITY INFORMATION AND EVENT MANAGEME | 1 000 000 |
| | SKID UNIT | 14 606 |
| | SOFTWARE LICENSING COMPLIANCE (MICROSOFT) | 3 304 594 |
| | TOC UPGRADE | 1 429 138 |
| | UMZINGWENYA INFORMAL SETTLEMENTS FLOODLINE | 130 565 |
| | WATERFRONT DEVELOPMENT | 35 892 |
| | | 22 040 400 |
| | | |
| ELECTRICITY Total | 4WAY RMU REPLACEMENT BRACKENHAM | 175 000 |
| | AQUILLA SUBSTATION UPGRADE | 181 221 |
| | B1030 NGWELEZANE | 549 948 |
| | CIVIC CENTRE OFFICE AMENDMENTS | 1 377 |
| | CONNECTIONS (FEES) EXTENSIONS DOMESTIC | 2 013 467 |
| | CONNECTIONS (FEES) EXTENSIONS INDUSTRIAL | 2 517 294 |
| | ENERGY SAVING PROJECT - ROAD INTERSECTIONS | 1 140 816 |
| | ESIKHALENI INFILLS | 44 853 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | 455 866 |
| | HERCULES SUBSTATION - POWER MONITORING EQUIPMENT | 559 879 |
| | HYDRA SUBSTATION | 5 712 635 |
| | IMPROVEMENT TO ABULUTION FACILITY ELECTRICAL DEPT | 35 000 |
| | METERING CALIBRATION AND VERIFICATION TOOL | 59 460 |
| | MV SWITCHGEAR FAULT DETECTORS | 534 526 |
| | NGWELEZANE MAIN | 20 856 |

| FUNCTION | PROJECT DESCRIPTION | ACTUAL 2012/2013 |
|--------------------------------|---|-------------------------|
| | ORION 11KV SUBSTATION FENCING | 63 200 |
| | PEGASUS 11 KV SUBSTATION | 50 000 |
| | PLANT AND EQUIPMENT | 219 206 |
| | RICHARDS BAY MINISUB - ENERGY LOSSES | 1 115 050 |
| | RISI LOCKING MECHANISMS | 88 801 |
| | TUCANA 11KV SUBSTATION GATE | 5 900 |
| | | 15 544 354 |
| | | |
| HEALTH Total | FURNITURE AND OTHER OFFICE EQUIPMENT | 129 396 |
| | PLANT AND EQUIPMENT Total | 95 666 |
| | | 225 062 |
| | | |
| HOUSING Total | ESIKHALENI REFURBISH HOSTELS | 6 045 656 |
| | | 6 045 656 |
| | | |
| OTHER Total | AIRPORT | 2 257 921 |
| | | 2 257 921 |
| | | |
| PLANNING AND DEVELOPMENT Total | FURNITURE AND OTHER OFFICE EQUIPMENT | 121 655 |
| | WELCOME SIGNAGE Total | 97 267 |
| | | 218 922 |
| | | |
| PUBLIC SAFETY Total | FURNITURE AND OTHER OFFICE EQUIPMENT | 72 609 |
| | PLANT AND EQUIPMENT Total | 762 573 |
| | PORTABLE FIRE PUMP | 147 525 |
| | STREETLIGHTING EMPANGENI MAIN ROAD INTERSECTION | 810 296 |
| | STREETLIGHTING FOR EMPANGENI - REPLACEMENT | 299 937 |
| | STREETLIGHTING FOR MZINGAZI | 322 952 |
| | STREETLIGHT POLES ESIKHALENI REPLACEMENT | 199 930 |
| | STREETLIGHTLIGHTING JOHN ROSS | 304 209 |
| | | 2 920 030 |
| | | |
| ROAD TRANSPORT Total | BUS AND TAXI LAYBYE | 1 254 323 |
| | CIVIL SERVICES INFILL AREAS J2 AND H2 AREA | 745 436 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | 18 956 |
| | NEW ROBOT - TUSK CASINO | 964 405 |
| | PEDESTRIAN BRIDGES MKHWANAZI NORTH | 497 784 |
| | PEDESTRIAN BRIDGES NSELENI | 484 423 |
| | PEDESTRIAN WALKWAYS - ESIKHALENI H | 173 000 |
| | PEDESTRIAN WALKWAYS - RBAY | 48 000 |
| | PLANT AND EQUIPMENT | 27 000 |
| | ROADS - B1030 NGWELEZANE | 71 800 |
| | SPEEDHUMPS | 882 720 |
| | UMHLATHUZE VILLAGE PHASE 7 | 1 860 649 |
| | | 7 028 495 |
| | | |

| FUNCTION | PROJECT DESCRIPTION | ACTUAL 2012/2013 |
|---------------------------------|---|-------------------------|
| SPORT AND RECREATION Total | ARBORETUM POOL - FILTRATION PLANT | 15 123 |
| | BAY POOL - FILTRATION PLANT | 15 123 |
| | BAY POOL UPGRADE | 190 760 |
| | BRACKENHAM POOL - FILTRATION PLANT | 15 123 |
| | EMPANGENI POOL - FILTRATION PLANT | 15 123 |
| | ESIKHALENI COLLEGE IRRIGATION SYSTEM | 139 880 |
| | ESIKHALENI POOL UPGRADE | 35 351 |
| | ESIKHALENI POOL UPGRADE - PARKHOME UNIT | 106 930 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | 73 086 |
| | GOAL POST AND GROUNDSKEEPER | 174 572 |
| | LEAK DETECTION UNIT - SWIMMING POOL | 74 452 |
| | MEERENSEE POOL - FILTRATION PLANT | 15 123 |
| | PLANT AND EQUIPMENT | 766 695 |
| | PLAY GROUND EQUIPMENT | 81 250 |
| | POLE PRUNE MACHINE | 68 950 |
| | RBCC IMPROVEMENTS CLUB FACILITIES | 313 639 |
| | RECREATIONAL FACILITIES | 12 880 |
| | TOURISM DEVELOPMENT | 112 345 |
| | VELDENVLEI SPORT COMPLEX - SECURITY | 43 113 |
| | BURGULAR GATE Total | |
| | VERTICLE BLINDS | 6 520 |
| | | 2 276 038 |
| | | |
| WASTE MANAGEMENT Total | DROP-OFF POINT MEERENSEE FENCING | 20 019 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | 80 456 |
| | OFFICE AMENDMENT AT CIVIC 2 | 53 000 |
| | PLANT AND EQUIPMENT | 29 640 |
| | | 183 115 |
| | | |
| WASTE WATER MANAGEMENT Total | ALARM SYSTEM - IOF PUMPSTATION | 8 040 |
| | EMPANGENI PUMPSTATION RELACEMENT BULK SEWER | 3 393 |
| | FINGER PRINT CLOCK MACHINE | 5 850 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | 157 177 |
| | KHULEKA PUMPSTATION REFURBISHMENT | 118 850 |
| | KULEKA PUMPSTATION PUMP | 120 950 |
| | LAKE ECUBHU WATER TREATMENT WORKS STANDBY PUMPS | 90 243 |
| | LEAK FREE TOILET SYSTEM | 171 993 |
| | MZINGAZI VILLAGE SEWER RETICULATION | 166 554 |
| | OXYACELTELENE PORTA PACK WITH TROLLEY | 9 158 |
| | PLANT AND EQUIPMENT | 401 239 |
| | PORTABLE SUBMERSIBLE PUMP Total | 12 750 |
| | RURAL SANITATION | 29 607 771 |
| | SANITATION PROJECTS | 2 528 365 |
| | SCREEN PLANEL FELIXTON PUMPSTATION | 19 843 |
| | SEWERAGE PIPELINE REPLACEMENT AT VULINDLELA | 36 838 |
| | SOUTHERN PUMPSTATION REPLACE EXISTING BULK SEWER | 161 344 |

| FUNCTION | PROJECT DESCRIPTION | ACTUAL 2012/2013 |
|--------------------------------------|--|-------------------------|
| | SUBMERSIBLE PUMP | 171 182 |
| | UMHLATHUZE VILLAGE PHASE 7 | 1 200 000 |
| | VULINDLELA NETWORK REPLACEMENT | 1 140 207 |
| | | 36 131 745 |
| | | |
| WATER Total | BULK WATER MASTER | 1 559 166 |
| | CIVIC CENTRE OFFICE AMENDMENTS | 2 295 |
| | COMPUTER HARDWARE | 25 387 |
| | COMPUTER HARDWARE EQUIPMENT | 1 462 |
| | ESIKHALENI WATER SYSTEM | 1 887 452 |
| | ESIKHALENI WATER TREATMENT PLANT | 186 918 |
| | ESIKHALENI WATER WORKS IMPROVEMENT | 8 451 945 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | 87 944 |
| | JOJO TANK | 19 900 |
| | ORION STAR A212 CONDUCTIVITY BECHTOP METER | 7 043 |
| | PLANT AND EQUIPMENT | 1 371 179 |
| | SCIENTIFIC SERVICES - OFFICE AMENDMENTS | 4 591 |
| | UMHLATHUZE VILLAGE PHASE 7 - WATER | 676 771 |
| | WATER METERS - RURAL AREAS | 749 816 |
| | WATER SUPPLY - MIGVAT | 28 020 |
| | WATER SUPPLY - RURALSEMI URBAN AREAS | 164 503 |
| | WATER SUPPLY DUBE TRIBAL AREA | 132 415 |
| | WATER SUPPLY MKHWANAZI NORTH - RURAL AREA | 143 169 |
| | | 15 499 976 |
| | | |
| TOTAL CAPITAL EXPENDITURE BY PROJECT | | 115 036 478 |

APPENDIX O: CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

| Function | Project Description | Works Completed (Y/N) | Ward Affected |
|-----------------------------|---|-----------------------|---------------|
| Budget & Treasury Office | Computer Hardware Total | Completed | All Wards |
| | FURNITURE AND OTHER OFFICE EQUIPMENT Total | COMPLETED | ALL WARDS |
| | INTANGIBLES Total | IN PROGRESS | ALL WARDS |
| | | | |
| Community & Social Services | Civic Centre Roofing And Water Proofing Total | In Progress | All Wards |
| | COMPUTER HARDWARE | COMPLETED | WARD 14 |
| | EMPANGENI HALL | IN PROGRESS | WARD 23 |
| | EMPANGENI LIBRARY CARPET REPLACEMENT | IN PROGRESS | WARD 23 |
| | EXTENSION DEVELOPMENT OF ESIKHALENI CEMETERY | IN PROGRESS | WARD 14 |
| | EXTENSION DEVELOPMENT OF RICHARDS BAY CEMETERY | IN PROGRESS | WARD 26 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | COMPLETED | ALL WARDS |
| | GOBANDLOVU HALL | COMPLETED | WARD 14 |
| | INSTALLATION OF ALLUMINIUM GLASS FRONT SHOP | COMPLETED | ALL WARDS |
| | INSTALLATION OF CAMERA MAYORS PARKING | COMPLETED | WARD 2 |
| | INSTALLATION OF CAMERA OUTSIDE PARKING AREA | COMPLETED | WARD 2 |
| | INTERNAL CCTV CAMERA | COMPLETED | WARD 2 |
| | INTERNAL CCTV CAMERA PROJECT FINANCIAL SERVICES | COMPLETED | ALL WARDS |
| | MANDLANKALA HALL | IN PROGRESS | WARD 12 |
| | MZINGAZI HALL | IN PROGRESS | ALL WARDS |
| | PLANT AND EQUIPMENT | COMPLETED | ALL WARDS |
| | RBAY LIBRARY - REPLACE FRONT DESK | IN PROGRESS | WARD 2 |
| | REDESIGN OFFICE SPACE | IN PROGRESS | ALL WARDS |
| | RENOVATIONS FINANCIAL SERVICES | IN PROGRESS | ALL WARDS |
| | REPLACEMENT OF CARPET | IN PROGRESS | WARD 2 |
| | SECURITY ROOM ALTON PARKS DEPOT | COMPLETED | WARD 2 |
| | TIER LOCKERS | COMPLETED | WARD 9 |
| | | | |
| Corporate Services | 2kva Mainssolar Powered Ups | Completed | All Wards |
| | CALL CENTRE | COMPLETED | ALL WARDS |
| | CBD EXTENSION SOUTH OF GULDENGRACHT | IN PROGRESS | ALL WARDS |
| | CIVIC CENTRE OFFICE AMENDMENTS | COMPLETED | ALL WARDS |
| | COMPUTER HARDWARE | COMPLETED | ALL WARDS |
| | ERF 8038 BIRDSWOOD (BHENGU) | COMPLETED | WARD 4 |
| | ERF 8083 BIRDSWOOD (BHENGU) | COMPLETED | WARD 4 |

| Function | Project Description | Works Completed (Y/N) | Ward Affected |
|-------------|--|-----------------------|------------------|
| | ERF H1766 ESIKHALENI (NTOKOZO ROAD) (DLAMINI) | COMPLETED | WARD 2 |
| | FIRE ENGINE | IN PROGRESS | ALL WARDS |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | COMPLETED | ALL WARDS |
| | GIS DATABASE ENHANCEMENTS AND CAPTURING | COMPLETED | ALL WARDS |
| | GIS ELECTRICAL ENGINEER | COMPLETED | ALL WARDS |
| | IMPROVEMENTS TO TOC CONTROL ROOM | COMPLETED | ALL WARDS |
| | INSTALLATION TELEMETRY EQUIPMENT | COMPLETED | ALL WARDS |
| | INTANGIBLES | IN PROGRESS | ALL WARDS |
| | ISUZU KB 250 | COMPLETED | ALL WARDS |
| | ISUZU NPR 300 TRUCK | COMPLETED | ALL WARDS |
| | ISUZU NPS 300 Total | COMPLETED | ALL WARDS |
| | ISUZU PVZ1400 6 X 4 WITH F215A Total | COMPLETED | ALL WARDS |
| | IT INFRASTRUCTURE Total | COMPLETED | ALL WARDS |
| | JEEP GRAND CHEROKEE | COMPLETED | ALL WARDS |
| | MAZDA | COMPLETED | ALL WARDS |
| | ML MERC MAYORAL VEHICLE | COMPLETED | ALL WARDS |
| | MOTORE VEHICLE | COMPLETED | ALL WARDS |
| | MULTI MODE 4 CORE FIBRE FROM EMPANGENI LIBRARY | COMPLETED | ALL WARDS |
| | OPEL VIVARO 1.9 CDTI 9 SEATER BUS | COMPLETED | ALL WARDS |
| | OPEL VIVARO 1.9 CDTI PANEL VAN | COMPLETED | ALL WARDS |
| | PLANT AND EQUIPMENT | COMPLETED | ALL WARDS |
| | RECEPTION POINT NEW TOC | COMPLETED | ALL WARDS |
| | SENTINEL - SECURITY INFORMATION AND EVENT MANAGEME | IN PROGRESS | ALL WARDS |
| | SKID UNIT | COMPLETED | ALL WARDS |
| | Software Licensing Compliance (Microsoft) | COMPLETED | ALL WARDS |
| | TOC UPGRADE | COMPLETED | ALL WARDS |
| | UMZINGWENYA INFORMAL SETTLEMENTS FLOODLINE | IN PROGRESS | ALL WARDS |
| | WATERFRONT DEVELOPMENT | COMPLETED | WARD 2 |
| | | | |
| Electricity | 4way Rmu Replacement Brackenham | Completed | Ward 4 |
| | AQUILLA SUBSTATION UPGRADE | COMPLETED | WARD 3 |
| | B1030 NGWELEZANE | COMPLETED | WARD 25 |
| | CIVIC CENTRE OFFICE AMENDMENTS | COMPLETED | ALL WARDS |
| | CONNECTIONS (FEES) EXTENSIONS DOMESTIC | COMPLETED | ALL WARDS |
| | CONNECTIONS (FEES) EXTENSIONS INDUSTRIAL | COMPLETED | ALL WARDS |
| | ENERGY SAVING PROJECT - ROAD INTERSECTIONS | IN PROGRESS | ALL WARDS |
| | ESIKHALENI INFILLS | IN PROGRESS | WARD 16,17,20,21 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | COMPLETED | ALL WARDS |

| Function | Project Description | Works Completed (Y/N) | Ward Affected |
|--------------------------|---|-----------------------|---------------------------|
| | HERCULES SUBSTATION - POWER MONITORING EQUIPMENT | COMPLETED | ALL WARDS |
| | HYDRA SUBSTATION | IN PROGRESS | WARD 25 |
| | IMPROVEMENT TO ABULUTION FACILITY ELECTRICAL DEPT | IN PROGRESS | ALL WARDS |
| | METERING CALIBRATION AND VERIFICATION TOOL | COMPLETED | ALL WARDS |
| | MV SWITCHGEAR FAULT DETECTORS | COMPLETED | ALL WARDS |
| | NGWELEZANE MAIN | COMPLETED | ALL WARDS |
| | ORION 11KV SUBSTATION FENCING | COMPLETED | ALL WARDS |
| | PEGASUS 11 KV SUBSTATION | COMPLETED | ALL WARDS |
| | PLANT AND EQUIPMENT | COMPLETED | ALL WARDS |
| | RICHARDS BAY MINISUB - ENERGY LOSSES | IN PROGRESS | ALL WARDS |
| | RISI LOCKING MECHANISMS | COMPLETED | ALL WARDS |
| | TUCANA 11KV SUBSTATION GATE | COMPLETED | ALL WARDS |
| | | | |
| Health | Furniture And Other Office Equipment | Completed | Ward 2, 24 |
| | PLANT AND EQUIPMENT | COMPLETED | WARD 2, 24 |
| | | | |
| Housing | Esikhaleni Refurbish Hostels | In Progress | Ward 20,21 |
| | | | |
| Other | Airport | Completed | All Wards |
| | | | |
| Planning And Development | Furniture And Other Office Equipment | Completed | All Wards |
| | WELCOME SIGNAGE | COMPLETED | ALL WARDS |
| | | | |
| Public Safety | Furniture And Other Office Equipment | Completed | Ward 2,24 |
| | PLANT AND EQUIPMENT | COMPLETED | WARD 2,24 |
| | PORTABLE FIRE PUMP | COMPLETED | WARD 2,24 |
| | STREETLIGHTING EMPANGENI MAIN ROAD INTERSECTION | IN PROGRESS | ALL WARDS |
| | STREETLIGHTING FOR EMPANGENI - REPLACEMENT | COMPLETED | ALL WARDS |
| | STREETLIGHTING FOR MZINGAZI | COMPLETED | ALL WARDS |
| | STREETLIGHT POLES ESIKHALENI REPLACEMENT | COMPLETED | WARD 15,16,17,21,22 |
| | STREETLIGHTING JOHN ROSS | IN PROGRESS | WARD 2,9,23,26 |
| | | | |
| Road Transport | Bus And Taxi Laybye | Completed | Ward 1,2,21,28 |
| | CIVIL SERVICES INFILL AREAS J2 AND H2 AREA | IN PROGRESS | WARD 20,21 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | COMPLETED | |
| | NEW ROBOT - TUSK CASINO | IN PROGRESS | WARD 4,9,28 |
| | PEDESTRIAN BRIDGES MKHWANAZI NORTH | COMPLETED | WARD 1,5,6,11,13,18,24,25 |
| | PEDESTRIAN BRIDGES NSELENI | COMPLETED | WARD 1,5,6,11,13,18,24,25 |
| | PEDESTRIAN WALKWAYS - ESIKHALENI H | IN PROGRESS | WARD 2,6,8,9,16,23,28,30 |

| Function | Project Description | Works Completed (Y/N) | Ward Affected |
|------------------------|--|-----------------------|--|
| | PEDESTRIAN WALKWAYS - RBAY | IN PROGRESS | WARD 2,6,8,9,16,23,28,30 |
| | PLANT AND EQUIPMENT | COMPLETED | |
| | ROADS - B1030 NGWELEZANE | IN PROGRESS | WARD 28 |
| | SPEEDHUMPS | COMPLETED | WARD 1,2,3,4,6,7,8,9,14,16,17,19,20,21 |
| | UMHLATHUZE VILLAGE PHASE 7 | IN PROGRESS | WARD 9 |
| | | | |
| Sport And Recreation | Arboretum Pool - Filtration Plant | Completed | Ward 3,23 |
| | BAY POOL - FILTRATION PLANT | COMPLETED | WARD 3,23 |
| | BAY POOL UPGRADE | IN PROGRESS | WARD 32 |
| | BRACKENHAM POOL - FILTRATION PLANT | COMPLETED | WARD 3,23 |
| | EMPANGENI POOL - FILTRATION PLANT | COMPLETED | WARD 3,23 |
| | ESIKHALENI COLLEGE IRRIGATION SYSTEM | COMPLETED | WARD 17 |
| | ESIKHALENI POOL UPGRADE | COMPLETED | WARD 15 |
| | ESIKHALENI POOL UPGRADE - PARKHOME UNIT | COMPLETED | WARD 15 |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | COMPLETED | ALL WARDS |
| | GOAL POST AND GROUNDSKEEPER | COMPLETED | WARD 2,17 |
| | LEAK DETECTION UNIT - SWIMMING POOL | COMPLETED | WARD 1,3,8,23,17,28 |
| | MEERENSEE POOL - FILTRATION PLANT | COMPLETED | WARD 3,23 |
| | PLANT AND EQUIPMENT | COMPLETED | WARD 2,8,9,14,17,18,23,30 |
| | PLAY GROUND EQUIPMENT | COMPLETED | WARD 2,8,9,14,17,18,23,30 |
| | RBCC IMPROVEMENTS CLUB FACILITIES | IN PROGRESS | WARD 1,23 |
| | RECREATIONAL FACILITIES | COMPLETED | WARD 2 |
| | TOURISM DEVELOPMENT | COMPLETED | WARD 2 |
| | VELENVLEI SPORT COMPLEX - SECURITY BURGULAR GATE | COMPLETED | ALL WARDS |
| | VERTICLE BLINDS | COMPLETED | WARD 2 |
| | | | |
| Waste Management | Drop-Off Point Meerensee Fencing | Completed | All Wards |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | COMPLETED | WARD 2 |
| | OFFICE AMENDMENT AT CIVIC 2 | COMPLETED | WARD 2 |
| | PLANT AND EQUIPMENT | COMPLETED | WARD 2 |
| | | | |
| Waste Water Management | Alarm System – I of Pump station | Completed | All Wards |
| | EMPANGENI PUMPSTATION RELACEMENT BULK SEWER | IN PROGRESS | RURAL WARDS |
| | FINGER PRINT CLOCK MACHINE | COMPLETED | ALL WARDS |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | COMPLETED | ALL WARDS |
| | KHULEKA PUMPSTATION REFURBISHMENT | COMPLETED | RURAL WARDS |
| | KULEKA PUMPSTATION PUMP | COMPLETED | RURAL WARDS |
| | LAKE ECUBHU WATER | IN PROGRESS | RURAL WARDS |

| Function | Project Description | Works Completed (Y/N) | Ward Affected |
|----------|--|-----------------------|---------------|
| | TREATMENT WORKS STANDBY PUMPS | | |
| | LEAK FREE TOILET SYSTEM | COMPLETED | RURAL WARDS |
| | MZINGAZI VILLAGE SEWER RETICULATION | IN PROGRESS | WARD 1 |
| | OXYACELTELENE PORTA PACK WITH TROLLEY | COMPLETED | ALL WARDS |
| | PLANT AND EQUIPMENT | COMPLETED | RURAL WARDS |
| | PORTABLE SUBMERSIBLE PUMP | COMPLETED | ALL WARDS |
| | RURAL SANITATION | IN PROGRESS | RURAL WARDS |
| | SANITATION PROJECTS | IN PROGRESS | RURAL WARDS |
| | SCREEN PLANEL FELIXTON PUMPSTATION | COMPLETED | RURAL WARDS |
| | SEWERAGE PIPELINE REPLACEMENT AT VULINDLELA | COMPLETED | RURAL WARDS |
| | SOUTHERN PUMPSTATION REPLACE EXISTING BULK SEWER | IN PROGRESS | RURAL WARDS |
| | SUBMERSIBLE PUMP | COMPLETED | ALL WARDS |
| | UMHLATHUZE VILLAGE PHASE 7 | COMPLETED | WARD 9 |
| | VULINDLELA NETWORK REPLACEMENT | IN PROGRESS | RURAL WARDS |
| | | | |
| Water | Bulk Water Master | In Progress | All Wards |
| | CIVIC CENTRE OFFICE AMENDMENTS | COMPLETED | ALL WARDS |
| | COMPUTER HARDWARE | COMPLETED | ALL WARDS |
| | ESIKHALENI WATER SYSTEM | COMPLETED | ALL WARDS |
| | ESIKHALENI WATER TREATMENT PLANT | COMPLETED | WARD 13 |
| | ESIKHALENI WATER WORKS IMPROVEMENT | IN PROGRESS | RURAL WARDS |
| | FURNITURE AND OTHER OFFICE EQUIPMENT | COMPLETED | ALL WARDS |
| | JOJO TANK | COMPLETED | ALL WARDS |
| | ORION STAR A212 CONDUCTIVITY BECHTOP METER | COMPLETED | ALL WARDS |
| | PLANT AND EQUIPMENT | COMPLETED | ALL WARDS |
| | SCIENTIFIC SERVICES - OFFICE AMENDMENTS | COMPLETED | ALL WARDS |
| | UMHLATHUZE VILLAGE PHASE 7 - WATER | COMPLETED | WARD 7 |
| | WATER METERS - RURAL AREAS | COMPLETED | RURAL WARDS |
| | WATER SUPPLY - MIGVAT | COMPLETED | RURAL WARDS |
| | WATER SUPPLY - RURALSEMI URBAN AREAS | IN PROGRESS | RURAL WARDS |
| | WATER SUPPLY DUBE TRIBAL AREA | COMPLETED | RURAL WARDS |
| | WATER SUPPLY MKHWANAZI NORTH - RURAL AREA | IN PROGRESS | RURAL WARDS |

APPENDIX R: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

| Declaration of Loans and Grants made by the Municipality | | | |
|--|-------------------|--------------------------------|------------------|
| All organisations or Persons in receipt of Grants provided by the Municipality | Nature of Project | Conditions attached to funding | Value |
| Richards Bay Country Club | Grant- in - aid | None | 350 030 |
| Davulution Agriculture Primary | Grant- in - aid | None | 50 000 |
| SPCA | Grant- in - aid | None | 105 000 |
| Schools and uThungulu Community Forum | Grant- in - aid | None | 25 000 |
| Various grants in aid | Grant- in - aid | None | 267 664 |
| Property Rates Relief | Grant- in - aid | None | 705 365 |
| Dolos Festival | Grant- in - aid | None | 70 000 |
| uMhlathuze Rangers FC | Grant- in - aid | None | 70 000 |
| Mhlaucufest | Grant- in - aid | None | 70 000 |
| COSATU KwaZulu-Natal May day | Grant- in - aid | None | 60 000 |
| Ezemvelo KZN WILDLIFE | Grant- in - aid | None | 32 550 |
| Youth Summit | Grant- in - aid | None | 223 412 |
| World Aids Day | Grant- in - aid | None | 61 486 |
| | | | 2 090 507 |

APPENDIX S: DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

All returns submitted on time as required in terms of MFMA Section 71.

VOLUME II: AFS

CITY OF uMHLATHUZE



ANNUAL FINANCIAL STATEMENTS
for the year ended
30 JUNE 2014

ANNUAL FINANCIAL STATEMENTS

FOR

CITY OF uMHLATHUZE

30 JUNE 2014

Contact Information:

**Municipal
Manager:**

Dr NJ Sibeko

Chief Financial Officer:

Contact telephone number:

Contact e-mail address:

Mxolisi Kunene

(035) 907 5090

Mkunene@umhlathuze.[gov.za](mailto:Mkunene@umhlathuze.gov.za)

Contact at National treasury:

Contact telephone number:

Contact e-mail address:

Nomxolisi Mawulana

0123155460

Nomxolisi.Mawulana@treasury.gov.za

Relevant Auditor:

Contact telephone number:

Contact e-mail address:

AG(SA)

(033) 2647 616

ravindral@agsa.[co.za](mailto:ravindral@agsa.co.za)

REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND COUNCIL ON UMHLATHUZE MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the uMhlathuze Municipality set out on pages 286 to 354, which comprise, the statement of financial position as at 30 June 2014, the statement of financial performance, statement of changes in net assets, the cash flow statement and the statement of comparison of budget information with actual information for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Umhlathuze Municipality as at 30 June 2014, and its financial performance and cash flows for the

year then ended in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

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

Material losses

8. As disclosed in note 26 to the financial statements, material losses to the amount of R25,09 million (17,5 million kilolitres) were incurred as a result of water losses incurred at the municipality.

Material underspending of the capital budget

9. As disclosed in the statement of comparison of budget and actual amounts and note 43.2.4 to the financial statements, the municipality has materially underspent the capital budget to the amount of R213 million. This amount was made up of R120 million which related to a tender objection on a rural sanitation project and the balance of R93 million was attributable to poor planning and execution of capital projects.

Additional matters

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

Unaudited supplementary schedules

11. The supplementary information set out on pages 355 to 360 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Unaudited disclosure notes

12. In terms of section 125(2) (e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

14. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2014:
- Development priority 2: Basic service delivery and infrastructure on pages x to x
15. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
16. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information*.
17. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected development priorities.

Additional matters

19. Although no material findings concerning the usefulness and reliability of the performance information were identified in the annual performance report, I draw attention to the following matters below.

Achievement of planned targets

20. Refer to the annual performance report on pages XX to XX for information on the achievement of the planned targets for the year.

Unaudited supplementary schedules

21. The supplementary information set out on pages x to x does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not express a conclusion thereon.

Compliance with legislation

22. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Internal control

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. I did not identify any deficiencies in internal control which I considered sufficiently significant for inclusion in this report.

OTHER REPORTS

Investigations

24. One investigation into allegations of maladministration and corruption at uMhlathuze Municipality is currently being performed, relating to the 2012/13 financial year, by the Department of Co-operative Governance and Traditional Affairs (COGTA).

Auditor-General

Pietermaritzburg

28 November 2014



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

City of uMhlathuze
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for the year ended 30 June 2014

General Information

| Members of the Council: | Position | Status |
|--------------------------------|-------------------------------------|---------------|
| EF.F Mbatha | Mayor | Active |
| N.V Gumbi | Deputy Mayor | Active |
| M.S. Mnqayi | Speaker | Active |
| M. Lourens | Chief Whip | Active |
| Dr NJ Sibeko | Executive Committee | Active |
| D.A. Nxumalo | Executive Committee | Active |
| M.M. Mbokazi | Executive Committee | Active |
| L.C.M Fourie | Executive Committee | Active |
| S.G. Mkhize | Executive Committee | Active |
| S.S. Simmadhri | Executive Committee | Active |
| M. Sookrooo | Executive Committee | Active |
| P.N. Kwela | Executive Committee | Active |
| N.R Cele | Executive Committee | Active |
| A.H. Mthembu | Executive Committee | Active |
| A.S. Dawood | Chairperson of Section 79 Committee | Active |
| S.N. Hlophe | Chairperson of Section 79 Committee | Active |
| K. Sukreben | Chairperson of Section 79 Committee | Active |
| S.B. Xaba | Chairperson of Section 79 Committee | Active |

The comprehensive list of councillors is available on the website

| | |
|-------------------------------------|--|
| Municipal Manager: | Dr NJ Sibeko |
| Chief Financial Officer: | Mxolisi Kunene |
| Category of Local Authority: | B |
| Auditors: | Auditor-General of South Africa |
| Bankers | ABSA Bank |
| Registered Office: | 5 Mark Strasse, Civic Centre Richards Bay 3900 |
| Physical Address: | 5 Mark Strasse, Civic Centre Richards Bay 3900 |
| Postal Address: | P.Bag X1004 Richardsbay 3900 |

City of uMhlathuze
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STATEMENT OF THE MUNICIPAL MANAGER'S RESPONSIBILITY

The uMhlathuze Local Municipality, situated at 5 Mark Strasse, Richards Bay, is a category B municipality, established in terms of section 12(1) of the Municipal Structures Act, 1998 (Act No. 117 of 1998) and published in terms of the Provincial Government Notice 346 on 19 September 2000. The Local Government operations of the Municipality are assigned by section 156 and 229 of the Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996) and are defined specifically in terms of section 83 of the Municipal Structures Act.

I am responsible for the preparation of these annual financial statements, which are set out on pages 7 to 78, in terms of section 126(1) of the Municipal Finance Management Act, 2003 (Act No 56 of 2003) and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, as disclosed in note 21 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act, 1998 (Act No 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with this Act.

As required by Section 45 of the Municipal Systems Act and Section 121(4)(a) and (b) of the Municipal Finance Management Act, the Annual Financial Statements were submitted to the Auditor-General South Africa (AGSA) on 31 August 2014.



Dr N.J. Sibeko
CITY MANAGER

DATE 31 August 2014

City of uMhlathuze
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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

| | Notes | 2014 R | 2013 RESTATED R |
|--|-------|----------------------|-----------------------|
| NET ASSETS AND LIABILITIES | | | |
| ASSETS | | | |
| Non-current Assets | | 4 348 341 843 | 4 291 790 519 |
| Property, Plant and Equipment | 9 | 4 198 725 743 | 4 142 445 419 |
| Investment Property | 11 | 134 573 715 | 135 312 126 |
| Intangible Assets | 10 | 12 159 663 | 11 187 676 |
| Heritage Assets | 8 | 2 723 695 | 2 488 594 |
| Long-term Receivables | 13 | 159 027 | 356 704 |
| Current Assets | | 835 646 052 | 600 772 376 |
| Inventory | 7 | 72 999 497 | 75 503 288 |
| Trade Receivables | 12 | 316 529 263 | 239 462 934 |
| Other Receivables | 14 | 32 009 956 | 26 906 002 |
| VAT | 6 | 9 556 774 | 16 013 786 |
| Current portion of Long-term Receivables | 13 | 41 215 | 110 873 |
| Cash and Cash Equivalents | 15 | 404 509 347 | 242 775 493 |
| Total Assets | | 5 183 987 895 | 4 892 562 895 |
| NET ASSETS AND LIABILITIES | | | |
| Net Assets | | 3 727 401 344 | 3 529 495 812 |
| Housing Development Fund | 1 | 49 933 544 | 50 306 402 |
| Accumulated Surplus | | 3 677 467 800 | 3 479 189 410 |
| Non-current Liabilities | | 835 059 127 | 829 668 359 |
| Long-term Liabilities | 2 | 601 727 228 | 625 249 504 |
| Post-employment medical aid benefits | 30 | 233 331 899 | 204 418 855 |
| Current Liabilities | | 621 527 424 | 533 398 724 |
| Consumer Deposits | 3 | 44 908 275 | 39 779 079 |
| Trade and Other Payables | 4 | 339 257 657 | 250 275 664 |
| Provisions | 31 | 20 390 933 | 23 317 157 |
| Unspent Conditional Grants and Receipts | 5 | 92 231 417 | 113 802 638 |
| Current portion of Long-term Liabilities | 2 | 124 739 142 | 106 224 186 |
| Total Net Assets and Liabilities | | 5 183 987 895 | 4 892 562 895 |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2014

| | Notes | 2014 R | 2013 R |
|--|-------|----------------------|----------------------|
| REVENUE | | | |
| Non-exchange Revenue | | 758 615 577 | 517 853 135 |
| Property rates | 16 | 279 678 867 | 239 616 753 |
| Fines | | 59 985 915 | 10 549 626 |
| Government grants and subsidies | 18 | 357 615 705 | 253 530 276 |
| Public Contributions | 41 | 61 335 090 | 243 335 |
| Reduction of post-employment benefit obligations | 30 | - | 13 913 145 |
| Exchange Revenue | | 1 735 696 612 | 1 522 801 737 |
| Service charges | 17 | 1 617 726 163 | 1 369 809 756 |
| Rental of facilities and equipment | | 13 500 758 | 16 860 051 |
| Interest earned - external investments | | 21 060 123 | 14 498 748 |
| Interest earned - outstanding debtors | 41 | 52 402 | 168 322 |
| Licences and permits | | 1 744 063 | 1 932 878 |
| Income for agency services | | 6 630 263 | 6 093 399 |
| Other income | 19 | 67 452 930 | 112 869 933 |
| Gains on sale of land | | 7 529 910 | - |
| Gains on disposal of property, plant and equipment | | - | 568 650 |
| Total Revenue | | 2 494 312 189 | 2 040 654 872 |
| EXPENDITURE | | | |
| Employee-related costs | 20 | 480 990 214 | 437 125 880 |
| Remuneration of councillors | 21 | 21 408 271 | 17 147 836 |
| Bad debts | 12 | 67 968 747 | 3 646 893 |
| Collections costs | | 2 529 018 | 117 821 |
| Depreciation | 9,11 | 241 712 732 | 343 657 602 |
| Amortisation | 10 | 2 627 456 | 1 657 881 |
| Post-employment benefits expense | 30 | 28 913 044 | - |
| Conditional grant expenditure | | 14 715 691 | 9 060 384 |
| Repairs and maintenance | | 75 129 244 | 65 438 417 |
| Finance costs | 22 | 71 144 663 | 79 985 065 |
| Bulk purchases | 23 | 1 051 625 801 | 937 246 910 |
| Contracted services | 41 | 100 640 944 | 92 101 054 |
| Grants and subsidies paid | 24 | 3 021 511 | 2 090 507 |
| Loss on disposal of property, plant and equipment | | - | 469 904 |
| General expenses | 37 | 133 979 321 | 102 328 691 |
| Total Expenditure | | 2 296 406 657 | 2 092 074 844 |
| SURPLUS/ (DEFICIT) FOR THE YEAR | | 197 905 532 | (51 419 972) |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2014

| Notes | Housing Development Fund | Accumulated Surplus | Total |
|-------|-----------------------------|------------------------|-------|
| | R | R | R |

2013

| | | | |
|---|-------------------|----------------------|----------------------|
| Balance at 30 June 2012 | 56 847 525 | 3 370 168 647 | 3 427 016 172 |
| Inventory land not brought into account previously | - | 240 000 | 240 000 |
| Prior year loss on disposal of council property | - | (1 788) | (1 788) |
| Change in accounting policy | - | 1 155 909 | 1 155 909 |
| Recognised council properties depreciation for 2012 | - | (61 752) | (61 752) |
| Correction of accumulated depreciation | - | 110 342 675 | 110 342 675 |
| Restated balance at 30 June 2012 | 56 847 525 | 3 481 843 691 | 3 538 691 216 |
| Surplus/ (Deficit) for the year | | (51 419 972) | (51 419 972) |
| Transfer to Housing Development Fund | (6 541 123) | 6 541 123 | - |
| Balance at 30 June 2013 | 50 306 402 | 3 436 964 842 | 3 487 271 244 |

2014

| | | | |
|--|-------------------|----------------------|----------------------|
| Balance at 30 June 2013 | 50 306 402 | 3 436 964 842 | 3 487 271 244 |
| Inventory land not brought into account previously | - | 800 000 | 800 000 |
| Correction of accumulated depreciation | - | 41 424 568 | 41 424 568 |
| Restated Balance at 30 June 2014 | 50 306 402 | 3 479 189 410 | 3 529 495 812 |
| Surplus/ (Deficit) for the year | - | 197 905 532 | 197 905 532 |
| Transfer to Housing Development Fund | (372 858) | 372 858 | - |
| Balance at 30 June 2014 | 49 933 544 | 3 677 467 800 | 3 727 401 344 |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

| | Notes | 2014 R | 2013 R |
|---|-----------|----------------------|----------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Cash receipts from ratepayers, government and other | | 2 353 937 433 | 2 020 925 727 |
| Cash paid to suppliers and employees | | (1 886 489 778) | (1 661 330 860) |
| Cash generated from operations | 25 | 467 447 655 | 359 594 867 |
| Interest received | | 21 060 123 | 14 498 748 |
| Interest paid | | (71 144 663) | (79 985 065) |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | | 417 363 115 | 294 108 550 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | | (250 889 276) | (115 036 478) |
| Proceeds on disposal of property, plant and equipment | | - | 2 192 983 |
| Decrease/ (Increase) in non-current receivables | | 267 335 | 135 579 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | | (250 621 941) | (112 707 916) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings | | 100 000 000 | - |
| Repayment of borrowings | | (105 007 318) | (95 838 873) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | | (5 007 318) | (95 838 873) |
| Net increase/ (decrease) in cash and cash equivalents | | 161 733 854 | 85 561 760 |
| Cash and cash equivalents at the beginning of the year | | 242 775 493 | 157 213 733 |
| Cash and cash equivalents at the end of the year | 15 | 404 509 347 | 242 775 493 |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2014

| | Note | Actual | Approved Budget | Final Budget | Variance | Variance |
|---|--------|----------------------|----------------------|----------------------|----------------------|----------------|
| | | R'000 | R'000 | R'000 | R'000 | % |
| STATEMENT OF FINANCIAL POSITION | | | | | | |
| | 43.2.1 | | | | | |
| Total current assets | | 835 646 052 | 606 201 000 | 721 166 000 | (114 480 052) | -16% |
| Total non-current assets | | 4 348 341 843 | 4 511 594 000 | 4 618 714 000 | 270 372 157 | 5.85% |
| Total Assets | | 5 183 987 895 | 5 117 795 000 | 5 339 880 000 | 155 892 105 | -10.02% |
| Total current liabilities | | 621 527 424 | 540 545 590 | 541 128 804 | (80 398 620) | -15% |
| Total non-current liabilities | | 835 059 127 | 952 454 100 | 957 363 513 | 122 304 386 | 13% |
| Total Liabilities | | 1 456 586 551 | 1 492 999 690 | 1 498 492 317 | 41 905 766 | (2.08%) |
| Total Net Assets | | 3 727 401 344 | 3 624 795 310 | 3 841 387 683 | 113 986 339 | 2.97% |
| Total Net Assets and Liabilities | | 5 183 987 895 | 5 117 795 000 | 5 339 880 000 | 155 892 105 | 0.88% |
| STATEMENT OF FINANCIAL PERFORMANCE | | | | | | |
| | 43.2.2 | | | | | |
| Property rates | | 279 678 867 | 275 000 000 | 281 600 000 | 321 133 | 0.68% |
| Service charges | | 1 617 726 163 | 1 439 643 800 | 1 594 534 400 | (23 191 763) | -1.45% |
| Rental of facilities and equipment | | 13 500 758 | 10 878 300 | 9 086 300 | (4 414 458) | -48.59% |
| Interest earned - external investments | | 21 060 123 | 4 151 700 | 10 100 00 | (10 960 123) | -108.51% |
| Interest earned - outstanding debtors | | 52 402 | 97 000 | 73 500 | 21 098 | 28.70% |
| Fines | | 59 985 915 | 10 102 200 | 9 302 200 | (50 683 715) | -544.87% |
| Licences and permits | | 1 744 063 | 2 747 000 | 1 846 000 | 101 937 | 5.52% |
| Income for agency fees | | 6 630 263 | 5 800 000 | 6 200 000 | (430 263) | -6.94% |
| Government grants and subsidies | | 357 615 705 | 313 332 400 | 479 646 300 | 122 030 596 | 25.44% |
| Public contributions | | 61 335 090 | - | - | (61 335 090) | 100.00% |
| Other income | | 67 452 930 | 28 201 300 | 29 117 000 | (38 335 930) | -131.66% |
| Reduction on post-employment benefits | | - | - | - | - | - |
| Gain on Sale of land | | 7 529 910 | - | - | (7 529 910) | 100% |
| Gain on Sale of Property, Plant and equipment | | - | - | - | - | - |
| Total Revenue | | 2 494 312 189 | 2 089 953 700 | 2 421 505 700 | (72 806 489) | -582% |
| Employee-related costs | | 480 990 214 | 508 764 400 | 499 490 000 | 18 499 000 | 3.70% |
| Remuneration of councillors | | 21 408 271 | 21 528 800 | 21 528 800 | 120 529 | 0.56% |
| Debt impairment | | 67 968 747 | 2 075 000 | 2 075 000 | (65 893 747) | -3175.61% |
| Collection costs | | 2 529 018 | 80 000 | 2 120 000 | (409 018) | -19.29% |
| Depreciation and amortisation | | 244 340 188 | 145 217 800 | 145 217 800 | (99 122 388) | -68.26% |
| Conditional grant expenditure | | 14 715 691 | 15 301 000 | 19 486 000 | 4 770 309 | 24.48% |
| Repairs and maintenance | | 75 129 244 | 57 720 100 | 69 029 800 | (6 099 444) | -8.84% |
| Finance costs | | 71 144 663 | 75 538 200 | 73 038 200 | 1 893 537 | 2.59% |
| Bulk purchases | | 1 051 625 801 | 928 881 400 | 1 057 967 400 | 6 341 599 | 0.60% |
| Contracted services | | 100 640 944 | 95 724 400 | 105 376 000 | 9 662 956 | 4.49% |
| Grants and subsidies paid | | 3 021 511 | 9 903 700 | 10 216 300 | 7 194 789 | 70.42% |
| Post-Employment benefits expenses | | 28 913 044 | - | - | (28 913) | 100.00% |
| General expenses | | 133 979 321 | 128 679 300 | 168 253 400 | 29 346 179 | 20.37% |
| Total Expenditure | | 2 296 406 657 | 1 989 414 100 | 2 173 798 700 | (122 607 957) | -3044% |
| Surplus/ (Deficit) for the year | | 197 905 532 | 100 539 600 | 247 707 000 | 49 801 468 | 20.10% |

City of uMhlathuze
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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2014

| | Note | Actual R'000 | Approved Budget R'000 | Final Budget R'000 | Variance R'000 | Variance % |
|--|--------|--------------------|-----------------------------|-----------------------|---------------------|---------------|
| CASH FLOW STATEMENT | 43.2.3 | | | | | |
| Net cash from (used) operating | | 417 363 115 | 231 995 000 | 406 782 000 | (10 581 115) | -3% |
| Net cash from (used) investing | | (250 621 941) | (227 742 000) | (305 248 000) | (54 626 259) | 18% |
| Net cash from (used) financing | | (5 007 318) | (9 092 000) | (9 092 000) | (4 084 682) | 45% |
| Net (decrease)/ increase in cash and cash equivalents | | 161 733 856 | (4 839 000) | 92 442 000 | (69 291 856) | 60% |
| CAPITAL EXPENDITURE | 43.2.4 | | | | | |
| Budget and Treasury Office | | 132 302 | 4 750 500 | 103 900 | (28 402) | -27% |
| Community and Social Services | | 12 846 834 | 16 572 100 | 19 492 900 | 6 646 066 | 34% |
| Corporate Services | | 30 853 000 | 37 027 100 | 44 625 400 | 13 772 400 | 30% |
| Electricity | | 47 249 000 | 58 818 000 | 81 351 200 | 19 744 484 | 42% |
| Executive and Council | | 352 161 | 375 000 | 449 900 | 97 739 | 22% |
| Health | | 773 177 | 6 193 100 | 5 932 100 | 5 158 923 | 87% |
| Housing | | 5 755 664 | - | 26 244 000 | 20 488 336 | 78% |
| Planning and Development | | 85 634 | 155 600 | 111 600 | 25 966 | 23% |
| Public Safety | | 3 604 000 | 13 697 200 | 14 742 200 | 11 138 200 | 75% |
| Road Transport | | 20 480 000 | 37 779 600 | 29 511 100 | 9 031 100 | 31% |
| Sport and Recreation | | 9 301 426 | 24 693 300 | 27 468 700 | 18 167 274 | 66% |
| Waste Management | | 1 307 283 | 11 021 100 | 6 203 400 | 4 896 117 | 79% |
| Waste Water Management | | 56 825 000 | 72 259 600 | 71 353 950 | 14 528 950 | 20% |
| Water | | 65 151 000 | 55 372 400 | 140 393 250 | 75 242 250 | 54% |
| Total | | 254 716 481 | 338 713 600 | 467 983 600 | 213 267 119 | 46% |

The actual capital expenditure amount does not include the contributed assets amount of R49,6 million.

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

1. BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention.

These annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003) with the exception of certain accounting policies adopted in accordance with International Accounting Standards (IAS).

The principal accounting policies adopted in the preparation of these annual financial statements are set out below:

| | |
|----------|---|
| GRAP 1 | Presentation of Financial Statements |
| GRAP 2 | Cash Flow Statements |
| GRAP 3 | Accounting Policies, Changes in Accounting Estimates and Errors |
| GRAP 5 | Borrowing Costs |
| GRAP 6 | Consolidated and Separate Financial Statements |
| GRAP 9 | Revenue from Exchange Transactions |
| GRAP 12 | Inventories |
| GRAP 13 | Leases |
| GRAP 14 | Events after the Reporting Date |
| GRAP 16 | Investment property |
| GRAP 17 | Property, Plant and Equipment |
| GRAP 19 | Provisions, Contingent Liabilities and Contingent Assets |
| GRAP 21 | Impairment of non-cash generating assets |
| GRAP 23 | Revenue from Non-exchange transactions |
| GRAP 24 | Presentation of budget information |
| GRAP 25 | Employee benefits |
| GRAP 26 | Impairment of cash generating assets |
| GRAP 31 | Intangible Assets |
| GRAP 100 | Non-Current Assets Held for Sale and Discontinued Operations |
| GRAP 103 | Heritage Assets |
| GRAP 104 | Financial Instruments |
| IPSAS 20 | Related Party Disclosure |

2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand. The figures are rounded off to the nearest Rand.

3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

4. OFFSETTING

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

5. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been adopted early by the Municipality:

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (continued)**

GRAP 18 Segment Reporting
GRAP 20 Related Party Disclosures
GRAP 108 Statutory Receivables

Management has considered all the of the above-mentioned GRAP standard issued but not yet effective and anticipates that the adoption of these standard will not have a significant impact on the financial position, financial performance or cash flows of the Municipality.

The following GRAP standards have been issued and effective but are not applicable to the Municipality:
GRAP 4 The Effects of Changes in Foreign Exchange Rates
GRAP 6 Consolidated and Separate Financial Statements
GRAP 7 Investment in Associate
GRAP 8 Interest in Joint Ventures
GRAP 10 Financial Reporting in Hyperinflationary Economies
GRAP 27 Agriculture

5.1. Significant accounting judgements, estimates and assumptions

The preparation of the Municipality's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Municipality's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements

Operating lease commitments – Municipality as lessor

The Municipality has entered into commercial property leases on its investment property portfolio. The Municipality has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Depreciation and impairment

The Municipality depreciates its assets over their estimated useful lives taking into account residual values, where appropriate. The appropriateness of its assets' estimated useful lives, residual values and their depreciation methods are re-assessed on an annual basis. The actual lives of these assets and their respective residual values may vary depending on a variety of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

Management used their judgement in applying the internal and external impairment indicators to its assets. No impairment indicators were identified and as such the recoverable amounts of the aforementioned assets was not calculated.

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Customer receivables

At year-end management makes an estimate of the amount of total outstanding customer debt that it expects to hand over to external debt collectors and the total subsequent receipts it expects to receive after year end. In addition, management estimates the amounts that it expects to recover from outstanding balances handed over based upon the age profile of debts handed over and based on prior experience and trends. A provision for impairment is raised based on these estimates. A detailed breakdown of the student fee receivable is provided in note 13.

6. COMPARATIVE INFORMATION

6.1. PRIOR YEAR COMPARATIVES

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed.

Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

7. PROPERTY, PLANT AND EQUIPMENT

7.1. INITIAL RECOGNITION

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

Infrastructure assets in particular are those that are part of a system or network, specialized in nature and do not have alternative uses, immovable and maybe subject to constraints on disposal.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and if the cost or fair value of the item can be measured reliably.

Property, plant and equipment are initially recognised at cost on its acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality.

Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the Municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

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The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets is measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the Municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

7.2. SUBSEQUENT MEASUREMENT

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured.

Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it de-recognises the part of the asset being replaced and capitalises the new component. Subsequently all property plant and equipment, are measured at cost (or deemed cost), less accumulated depreciation and accumulated impairment losses.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

7.3. DEPRECIATION

Land is not depreciated as it is regarded as having an infinite life. Depreciation on assets other than land is calculated on cost, using the straight-line method, to allocate their cost or revalued amounts to their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality.

Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciation rates are based on the following estimated useful lives. Depreciation only commences when the asset is available for use, unless stated otherwise.

The annual depreciation rates are based on the following estimated average asset lives:

| | Years | | Years |
|-------------------------|-------|------------------------------------|-------|
| Infrastructure | | Other | |
| Roads and Paving | 15-65 | Buildings | 30 |
| Pedestrian Malls | 30 | Specialised vehicles | 10 |
| Electricity | 20-30 | Other vehicles | 3-7 |
| Water | 15-65 | Office equipment | 3-5 |
| Sewerage | 15-50 | Furniture and fittings | 7 |
| Housing | 30 | Watercraft | 15 |
| Community | | Bins and containers | 5-10 |
| Buildings | 30 | Specialised plant and equipment | 10-15 |
| Recreational Facilities | 20-30 | Other items of plant and equipment | 2-5 |
| Security | 5 | | |

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DEPRECIATION (Continued)

The assets residual values, estimated useful lives and depreciation method are reviewed annually, and adjusted retrospectively if appropriate, at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The residual value and the useful life of each asset are reviewed at the end of each reporting date. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The depreciation method applied to an asset is reviewed at each reporting date.

7.4. DERECOGNITION

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

The gain or loss arising from de-recognition of an item of property, plant and equipment is included in surplus or deficit when the item is de-recognised. The gain or loss arising from de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

8. LEASES

The Municipality as Lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the Municipality. Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised.

The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease expenses are recognised on a straight-line basis over the lease term.

The Municipality as Lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Depreciation on leased assets has been calculated in accordance with GRAP 17 Property, plant and equipment.

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9. IMPAIRMENT OF NON-FINANCIAL ASSETS

In assessing whether there is any indication that an asset may be impaired, the following have been considered:

External sources of information

Cessation or near cessation, of the demand or need for services provided by the asset;
Significant long-term changes with an adverse effect on the entity that have taken place during the period will take place in the near future, in the technological, legal or government policy environment in which the municipality operates.

Internal sources of information

Evidence of physical damage of an asset;
Increased expenditure on repairs and maintenance on the asset.

Impairment of Cash generating assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount.

The recoverable amount is the higher of the assets Fair Value less cost to sell, or its value in use.

Impairment of Non-cash generating assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or circumstances indicate that the serviceable amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount exceeds the serviceable amount.

The serviceable amount is the higher of the assets Fair Value less cost to sell, or its value in use.

10. INTANGIBLE ASSETS

An asset is identified as an intangible asset when it:

- is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, assets or liability, or
- arises from contractual rights or other legal rights, regardless whether those rights are transferable or separate from the Municipality or from other rights and obligations.

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10.1. INITIAL RECOGNITION

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include computer software, licenses and development costs.

The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or the service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- the Municipality intends to complete the intangible asset for use or sale
- it is technically feasible to complete the intangible asset
- the Municipality has the resources to complete the project, and
- it is probable that the Municipality will receive future economic benefits or service potential

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Internally generated intangible assets are subject to strict recognition criteria before they are capitalised.

Intangible assets are initially recognised at cost. Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

10.2. SUBSEQUENT MEASUREMENT

Intangible assets are carried at its cost less any accumulated amortisation and any accumulated impairment losses.

10.3. AMORTISATION AND IMPAIRMENT

The cost of an intangible asset is amortised over the useful life of 3 years.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

10.4. DERECOGNITION

An intangible asset is derecognised when it is permanently withdrawn from use and no future economic benefit or service potential is derived from it. The gain or loss arising from the disposal of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It is recognised in surplus or deficit when the intangible asset is derecognised.

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11. INVESTMENT PROPERTIES

11.1. INITIAL RECOGNITION

Investment property is recognised as an asset, only where:

- It is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity; and
- The cost or fair value of the investment property can be measured reliably.

Investment properties have been initially measured at cost (Transaction costs which are costs directly attributable to the expenditure, legal fees, conveyancing fees etc shall be included in this initial measurement). If payment for investment property is deferred, its cost is the cash price equivalent. The difference between this amount and the total payments is recognised as interest expense over the period of credit.

Investment properties that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) are measured in accordance with GRAP 100, at the lower of its carrying amount or its fair value less costs to sell.

11.2. SUBSEQUENT MEASUREMENT

Subsequently investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on cost, using the straight-line method over the useful life of the property. Vacant land held under investment properties is not depreciated.

An investment property is derecognised upon disposal, or when it is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. Any gain or loss arising from the retirement or disposal of investment property is included in surplus or deficit in the period of the retirement or disposal.

12. INVENTORIES

Consumable stores, raw materials, work-in-progress and finished goods and land held for sale are valued at the lower of cost and net realisable value.

In general, the basis of determining cost is the first-in, first-out method.

Unsold water at year-end is valued at the lower of cost and net realizable value.

For the land component recognised in terms of GRAP 12 land is recognised at cost with the cost based on fair value at date of recognition. Assessing historical cost of land and then breaking it down into individual was impractical and inaccurate. The 2007/8 valuation of land in terms of the Municipality Property Rates Act, Act No 6 of 2004 (MPRA), which is very reliable, was used to determine cost.

Redundant and slow-moving inventories are identified and written down from cost to net realizable value with regard to their estimated economic or realisable values.

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13. REVENUE RECOGNITION

13.1. REVENUE FROM EXCHANGE TRANSACTIONS

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered/goods sold, the value of which approximates the consideration received or receivable.

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue in the period of consumption. Where meters cannot be read during a particular month, they are provisionally billed with the necessary adjustments made in the month in which they were read. Revenue from the sale of electricity prepaid meter cards is deferred and recognised as revenue on the consumption basis, commencing on date of purchase.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied.

Service charges from sewerage are based on the water consumption on each developed property using the tariffs approved from Council and are levied monthly.

Interest and rentals are recognised on a time apportionment basis. Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariffs. This includes the issuing of licences and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue from public contributions is recognised when all conditions associated with the contribution has been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts allowed by the Municipality,

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13.2. REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions refers to transactions where the Municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when it is accrued. There's uncertainty regarding full recoverability of outstanding fines and summons. Spot fines are usually not given directly to an offender. Further legal processes have to be undertaken before the spot fine is enforceable. In respect to summon, the Public Prosecutor can decide whether to waive the fine, reduce it or prosecute for non-payment by the offender.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use furthermore Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the Municipality. Where public contributions have been received but the Municipality has not met the related conditions, a deferred income (liability) is recognised.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible Councillors or officials is virtually certain

Contributed property, plant and equipment are recognised when such items or property, plant and equipment are brought into use.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognized.

The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

When an inflow of cash and cash equivalents is deferred the fair value of the consideration may be less than the nominal amount of cash received or receivable. The consideration is determined by discounting all future receipts using an imputed rate of interest.

The imputed rate of interest is the more clearly determinable of either:

- (a) the prevailing rate for a similar instrument of an issuer with a similar credit rating; or
- (b) a rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services. The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

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14. PROVISIONS AND CONTINGENCIES

Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting sheet date and adjusted to reflect the current best estimate. Contingent Liabilities and Assets are not recognized but disclosed.

The Municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

(a) The Municipality has a detailed formal plan for the restructuring identifying at least:
the business or part of a business concerned
the principal locations affected.
the location, function and approximate number of employees who will be compensated for terminating their services.
the expenditures that will be undertaken when the plan will be implemented; and

(b) The Municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

15. HOUSING DEVELOPMENT FUND

Housing selling schemes both complete and in progress at 1 April 1998, were also transferred to the Housing Development Fund. All proceeds from housing developments, which include rental income and sales of houses, is paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund are used to finance housing developments within the municipal area.

16. RETIREMENT BENEFITS

The Municipality provides post- retirement medical aid benefits to retired employees. The entitlement to these benefits is usually conditional on the employee remaining in employment up to retirement age.

The Expected costs of these benefits are accrued of the period of employment. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the statement of financial performance for the reporting period. The Defined benefit obligations are valued once in two years by independent qualified actuaries.

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17. BORROWING COSTS

The municipality capitalises borrowing costs incurred that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset only when the commencement date for capitalisation is on or after 1 July 2008, while all other borrowing costs incurred (including borrowing cost incurred on qualifying assets where the commencement date for capitalisation is prior to 1 July 2008) are recognised as an expense in the Statement of Financial Performance in accordance with the requirements of GRAP 5 and ASB Directive 3.

It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capital asset acquired cannot be adequately established - the municipality expenses borrowing costs when it is inappropriate to capitalise it. The municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete.

18. FINANCIAL INSTRUMENTS

18.1. CLASSIFICATION

The Municipality has types of financial instruments and these can be broadly categorised as either Financial Assets or Financial Liabilities.

18.1.1. Initial recognition

Financial Instruments are recognized when the Municipality becomes a party to the contractual provisions of the instrument, and are initially measured at fair value. The classification of financial instruments and purpose is determined at the time of initial recognition.

18.1.2. Subsequent measurement

Financial assets are categorised according to their nature as either financial assets at fair value through profit or loss, held to maturity, loans and receivables, or available for sale. Financial liabilities are categorized as either at fair value through profit or loss or financial liabilities carried at amortised cost ('other'). The subsequent measurement of financial assets and liabilities depends on this categorisation and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with GRAP 104.

Financial assets are categorised according to their nature as either financial assets at fair value through profit or loss, held to maturity, loans and receivables, or available for sale. Financial liabilities are categorized as either at fair value through profit or loss or financial liabilities carried at amortised cost ('other'). The subsequent measurement of financial assets and liabilities depends on this categorisation and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with GRAP 104.

18.1.3. Investments

All investments are considered to be available-for-sale investments as the intention is to grow the value of the investment portfolios over a long-term horizon.

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18.1.4. Trade and other receivables

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Trade and other receivables are categorised as financial assets: loans and receivables and are initially recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end. The fair value of Debtors is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off. Subsequent recoveries of amounts previously written off are credited against operating expenses in the Statement of Financial Performance.

18.1.5. Trade and other payables from exchange transactions

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest. The fair value of Creditors is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date

18.1.6. Borrowings and other financial liabilities

Borrowings are recognised initially at fair value, net transaction costs incurred. Borrowings are subsequently stated at amortised cost. Long-term borrowings are non-derivative financial loans and the Municipality does not hold financial loans for trading purposes. Long-term borrowings are utilised. Other financial liabilities are carried at amortised cost.

The interbank rate or prime lending rate is not the risk-free interest rate, however it has been used as a benchmark for determining the market related rate of interest which is not significantly different to the current rates on long-term loans, hence the fair value of these loans equates their amortised cost.

18.1.7. Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits).

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Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The Municipality categorises cash and cash equivalents as Financial assets: loans and receivables. The closing balance on the bank account is representative of its fair value of the monies held

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as Financial liabilities: other financial liabilities carried at amortised cost.

18.1.8. Retirement benefit obligations

The Municipality's future obligations in respect of its defined benefit pension plans and its post-employment medical benefit plan are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

18.2. INVESTMENTS

Investments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are categorized as financial instruments and are measured at amortised cost.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified. Impairments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows flowing from the instrument. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

18.3. TRADE AND OTHER RECEIVABLES

Trade and other receivables are categorized as financial assets: loans and receivables and recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end.

Significant financial difficulties of the debtor, probabilities that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off.

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18.4. TRADE PAYABLES FROM EXCHANGE TRANSACTIONS, BORROWINGS AND OTHER FINANCIAL LIABILITIES

18.4.1. Trade and other payables from exchange transactions

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest. Amounts that are payable within 12 months from the reporting date are classified as current.

18.4.2. Borrowings and other financial liabilities

Borrowings are recognised initially at fair value, net transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Long-term borrowings are non-derivative financial loans and the Municipality does not hold financial loans for trading purposes. Long-term borrowings are utilised. Other financial liabilities are carried at amortised cost.

18.5. CASH AND CASH EQUIVALENTS

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdraft.

Bank overdrafts are recorded based on the facility used. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as financial liabilities.

19. HERITAGE ASSETS

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance and is held and preserved indefinitely for the benefit of present and future generations.

19.1.1. Initial recognition

A heritage asset that qualifies for recognition as an asset shall be measured at its cost. Where a heritage asset is acquired through a non-exchange transaction, its cost is deemed to be its fair value as at the date of acquisition.

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (continued)**

19.1.2. Subsequent measurement

Heritage assets are not depreciated, since their long economic life and high residual value mean that any depreciation would be immaterial.

After recognition as an asset, heritage assets shall be carried at its cost less any accumulated impairment losses. The Municipality assesses at each reporting date whether there are any indicators of impairment of Heritage assets. Where there is an indication of impairment the assets are recorded at their recoverable amount or their recoverable service amount.

The fair value of the Heritage assets where they differ materially from their cost, or they are not materially different indicate that the fair value approximates their cost value.

19.1.3. De-recognition

A Heritage asset is de-recognised when it is disposed or where there is no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from de-recognition, is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognized.

20. POST RETIREMENT BENEFITS AND SHORT TERM BENEFITS

20.1.1. Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

20.1.2. Actuarial gains and losses

Actuarial gains and losses are recognised in full in the year that they occur in the statement of financial performance.

21. BUDGET INFORMATION

The budget is prepared on an accrual basis. The budget amounts are scheduled as a spate additional financial statement called the statement of comparison of budget and actual amounts.

Explanatory comments are provided in the notes to the annual financial statements, first stating reasons for changes from approved to final budget and secondly reasons for overspending or underspending on line items.

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (continued)**

22. UNAUTHORISED EXPENDITURE

Unauthorized expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003).

Unauthorized expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

23. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

24. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

25. TAX

25.1. Normal Tax Expense:

No provision has been made for taxation as the municipality is exempt from taxation in terms of section 10(1)(A) of the Income Tax Act.

25.2. VAT

The Municipality accounts for Value Added Tax on payments basis. This means that VAT is declared to the South African Revenue Services as input VAT or output VAT only when payments are made to suppliers or payments are received for goods or services. The net output VAT on debtors where money has not been received or creditors where payment has not been made is disclosed separately in the Statement of Financial Position in terms of GRAP 1.

26. COMPARATIVE INFORMATION

26.1. Current year comparatives:

Budgeted amounts have been included in the annual financial statements for the current financial year only.

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|---|--------------------|--------------------|
| | R | R |
| 1. HOUSING DEVELOPMENT FUND | | |
| The Housing Development Fund is represented by the following assets | | |
| Fixed Assets | 75 849 688 | 71 031 750 |
| Bank and cash | 12 183 994 | 32 123 792 |
| Accumulated surplus | (38 100 138) | (52 849 740) |
| Total Housing Development Fund Assets and Liabilities | 49 933 544 | 50 306 402 |
| 2. LONG-TERM LIABILITIES | | |
| Annuity Loans | 726 466 370 | 731 473 690 |
| Less: Current portion transferred to current liabilities | (124 739 142) | (106 224 186) |
| Total Long-Term Liabilities | 601 727 228 | 625 249 504 |

Refer to Appendix A for more detail on long-term liabilities

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)

2. LONG-TERM LIABILITIES (continued)

| | External Loans repayments - future years | | | | | | | | | | | | |
|------|--|------------------|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|-------------------|--------------------|--------------------|
| | DBSA | DBSA | INCA | Standard Bank | Nedbank | INCA | DBSA | DBSA | DBSA | Nedbank | Nedbank | Nedbank | Total |
| | 14 219 507 | 4 297 848 | 8 386 203 | 18 967 799 | 22 911 385 | 133 205 828 | 144 396 146 | 20 379 016 | 63 701 321 | 128 102 346 | 67 871 218 | 100 027 753 | 726 466 370 |
| | 12.00% | 14.50% | 13.95% | 7.59% | 5.75% | 8.75% | 11.70% | 6.75% | 11.57% | 11.26% | 9.59% | 10.13% | |
| | | | | | | | | | | | | | |
| 2015 | 5 347 477 | 1 403 464 | 2 570 621 | 13 868 896 | 12 337 728 | 33 473 084 | 42 207 733 | 4 871 725 | 17 142 868 | 31 894 160 | 12 302 863 | 19 878 832 | 197 299 450 |
| 2016 | 5 347 477 | 1 403 464 | 2 570 621 | 6 934 448 | 6 168 864 | 33 473 084 | 42 207 733 | 4 871 725 | 17 142 868 | 31 894 160 | 12 302 863 | 18 889 422 | 183 206 729 |
| 2017 | 5 347 477 | 1 403 464 | 2 570 621 | | | 33 473 084 | 42 207 733 | 4 871 725 | 17 142 868 | 31 894 160 | 12 302 863 | 17 851 444 | 169 065 439 |
| 2018 | 5 347 477 | 1 403 464 | 2 570 621 | | | 33 473 084 | 42 207 733 | 4 871 725 | 17 142 868 | 31 894 160 | 12 302 863 | 16 819 016 | 168 033 011 |
| 2019 | | | 1 298 842 | | | 33 473 084 | 21 103 724 | 4 871 725 | 17 142 868 | 31 894 160 | 12 302 863 | 15 812 955 | 137 900 221 |
| 2020 | | | | | | | | | | 15 947 080 | 12 302 863 | 14 854 074 | 43 104 017 |
| 2021 | | | | | | | | | | | 12 302 863 | 13 800 832 | 26 103 695 |
| 2022 | | | | | | | | | | | 12 302 863 | 12 787 832 | 25 090 695 |
| 2023 | | | | | | | | | | | | 11 773 444 | 11 773 444 |
| 2024 | | | | | | | | | | | | 10 757 668 | 10 757 668 |
| | 21 389 908 | 5 613 856 | 11 581 326 | 20 803 344 | 18 506 592 | 167 365 420 | 189 934 656 | 24 358 625 | 85 714 340 | 175 417 880 | 98 422 904 | 153 225 518 | 972 334 368 |

Disclosure about the Terms and Conditions of Financial Instruments - Borrowings

Future payments are based on the balances at 30 June 2014

- (i) The interest rate applicable to the Standard Bank and Nedbank loans is variable and yearly instalments are therefore subject to interest rate risk
- (ii) Lease liability has been settled in full
- (iii) Yearly instalments payable bi-annually, consist of capital redemption and interest due. No other requirements are attached.
- (iv) No early settlement options are available to Council.
- (v) Conversion options are not available.
- (vi) There is no security given against the loans
- (vii) Receipts or payments of the loans are in South African currency

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)

| | 2014 R | 2013 R |
|---|--------------------|--------------------|
| 3. CONSUMER DEPOSITS | | |
| Electricity and Water | 37 644 455 | 35 678 241 |
| Other | 7 263 820 | 4 100 838 |
| Total Deposits | 44 908 275 | 39 779 079 |
| Guarantees held in lieu of Electricity and Water Deposits | 52 819 433 | 52 089 633 |
| 4. TRADE AND OTHER PAYABLES | | |
| Trade payables | 86 182 250 | 60 931 142 |
| Other payables | 176 343 797 | 113 957 127 |
| Retentions | 17 723 430 | 10 482 128 |
| Amounts received in advance | 59 008 180 | 64 905 237 |
| Total Trade and Other Payables | 339 257 657 | 250 275 634 |
| 5. UNSPENT CONDITIONAL GRANTS AND RECEIPTS | | |
| Conditional Grants from other spheres of Government | | |
| Financial Management Grant | - | 1 489 726 |
| Restructuring Grant | 9 385 | 215 969 |
| Municipal Systems Improvement Grant | - | - |
| Infrastructure Skills Development Grant | (989 452) | (778 800) |
| Municipal Infrastructure Grant | 50 314 601 | 64 763 706 |
| Energy Efficiency and Demand Side Management Grant | 3 292 740 | 6 683 312 |
| Extended Public Works Programme Integrated Grant | - | (3 915) |
| Municipal Water Infrastructure Grants | 12 233 687 | - |
| Rural Household Infrastructure Grant | 4 000 000 | - |
| Provincial Local Government Grants | 3 179 230 | 11 255 977 |
| Provincial Development Planning Grants | 8 459 | 54 849 |
| Provincial Housing Grants | 25 291 978 | 28 101 143 |
| Provincial Library Services Subsidies | 421 375 | 215 729 |
| Provincial Community Development Workers Programme | 19 038 | 19 038 |
| Provincial Department of Transport Subsidy | - | 167 279 |
| Department of Sport and Recreation | 540 902 | 12 666 |
| Department of Water Affairs (DWAF) - Water Services Programme | 205 307 | 205 307 |
| DWAF - Refurbishment Grant | - | 70 |
| DWAF - Water Conservation and Demand Management Grant | 177 060 | 889 236 |
| Department of Agriculture and Environmental Affairs | 207 379 | 385 941 |
| uThungulu District Municipality - Capacity Building Grant | 1 771 | 3 513 |
| uThungulu District Municipality - Museum Operating Subsidy | 11 849 | 11 849 |
| uThungulu District Municipality - Hosting of Annual SMME Fair | - | 110 043 |
| Department of Minerals and Energy | (7 093 892) | - |
| Department of Economic Development and Tourism | 400 000 | - |
| | 92 231 417 | 113 802 638 |

Refer to Note 18 for reconciliation of grants from other spheres of government

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|------------------------------------|--------------------|---------------------|
| | R | R |
| 6. VAT | | |
| Output suspense | 20 585 182 | 12 010 918 |
| Input suspense | (26 827 952) | (15 530 057) |
| Output payable | (3 314 004) | (12 494 647) |
| VAT receivable/ (claimable) | (9 556 774) | (16 013 786) |

VAT is payable on the payment basis. Only once payment is made or received is VAT claimed or paid over to SARS. All VAT returns have been submitted by the due date throughout the year.

| | 2014 | 2013 RESTATED |
|---------------------------------------|-------------------|----------------------|
| | R | R |
| 7. INVENTORY | | |
| Consumables stores - at cost | 13 108 447 | 14 932 438 |
| Water - at cost | 336 050 | 255 850 |
| Land | 59 555 000 | 60 315 000 |
| Closing balance of inventories | 72 999 497 | 75 503 288 |

| 8. HERITAGE ASSETS | Buildings | Other | Paintings and Statues | Total |
|---------------------------|------------------|----------------|------------------------------|------------------|
| As at 30 June 2013 | | | | |
| Opening balance | 2 242 681 | - | 245 913 | 2 488 594 |
| Transfers/ Adjustments | - | - | - | - |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| Closing balance | 2 242 681 | - | 245 913 | 2 488 594 |
| As at 30 June 2014 | | | | |
| Opening balance | 2 242 681 | - | 245 913 | 2 488 594 |
| Transfers/ Adjustments | - | - | - | - |
| Additions | - | 235 101 | - | 235 101 |
| Disposals | - | - | - | - |
| Closing balance | 2 242 681 | 235 101 | 245 913 | 2 723 695 |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

9. PROPERTY, PLANT AND EQUIPMENT

30 June 2014

Reconciliation of carrying values

Carrying Values

At 1 July 2013

| | Land | Housing | Infrastructure | Community | Other | Total |
|--------------------------------------|--------------------|--------------------|-----------------------|---------------------|---------------------|----------------------|
| | 538 179 950 | 71 553 999 | 3 129 608 591 | 197 362 747 | 205 740 132 | 4 142 445 419 |
| Cost | 538 179 950 | 78 659 014 | 9 588 583 849 | 287 204 932 | 456 134 986 | 10 948 762 731 |
| Accumulated depreciation | - | (7 105 015) | (6 458 975 258) | (89 842 185) | (250 394 854) | (6 806 317 312) |
| Acquisitions | - | - | 99 113 311 | 10 956 701 | 40 551 500 | 150 621 512 |
| Capital under construction | - | 5 492 718 | 132 729 605 | 6 551 977 | 5 104 934 | 149 879 234 |
| Transfer to inventory land | (3 203 000) | - | - | - | - | (3 203 000) |
| Transfer from investment properties | - | - | - | - | - | - |
| Transfer of accumulated depreciation | - | - | - | - | - | - |
| Depreciation | - | (1 197 029) | (196 960 777) | (10 758 129) | (32 058 386) | (240 974 320) |
| Cost | - | (1 197 029) | (196 960 777) | (10 758 129) | (32 058 386) | (240 974 320) |
| Revaluation | - | - | - | - | - | - |
| Carrying value of disposals | - | - | - | - | (43 101) | (43 101) |
| Cost | - | - | - | - | (64 312) | (64 312) |
| Revaluation | - | - | - | - | - | - |
| Accumulated depreciation | - | - | - | - | 21 211 | 21 211 |
| Carrying Values | 534 976 950 | 75 849 688 | 3 164 490 730 | 204 113 296 | 219 295 080 | 4 198 725 743 |
| At 30 June 2014 | | | | | | |
| Cost | 534 976 950 | 84 151 732 | 9 820 426 765 | 304 713 610 | 501 727 108 | 11 245 996 165 |
| Accumulated depreciation | - | (8 302 044) | (6 655 936 035) | (100 600 314) | (282 432 029) | (7 047 270 422) |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

9. PROPERTY, PLANT AND EQUIPMENT (continued)

30 June 2013 RESTATED

Reconciliation of carrying values

Carrying Values

At 1 July 2012

| | Land | Housing | Infrastructure | Community | Other | Total |
|---|--------------------|-------------------|-----------------------|--------------------|--------------------|----------------------|
| | 545 330 950 | 66 104 239 | 3 339 184 675 | 205 092 713 | 191 567 664 | 4 347 280 241 |
| Cost | 545 330 950 | 72 613 358 | 9 513 658 738 | 283 577 376 | 435 468 886 | 10 850 649 308 |
| Accumulated depreciation | - | (6 509 119) | (6 174 474 063) | (78 484 663) | (243 901 222) | (6 503 369 067) |
| Acquisitions | - | - | 17 120 428 | 1 107 928 | 20 492 620 | 38 720 976 |
| Capital under construction | - | 6 045 656 | 57 804 683 | 2 519 628 | 2 263 616 | 68 633 583 |
| Transfer to inventory land | (7 151 000) | - | - | - | - | (7 151 000) |
| Transfer from investment properties | - | - | - | - | 272 | 272 |
| Transfer of accumulated depreciation | - | - | - | - | (272) | (272) |
| Depreciation | - | (1 118 145) | (288 324 225) | (12 477 129) | (41 605 406) | (343 524 905) |
| Cost | - | (1 118 145) | (288 324 225) | (12 477 129) | (41 605 406) | (343 524 905) |
| Revaluation | - | - | - | - | - | - |
| Carrying value of disposals | - | - | - | - | (140 523) | (140 523) |
| Cost | - | - | - | - | (2 090 408) | (2 090 408) |
| Revaluation | - | - | - | - | - | - |
| Accumulated depreciation | - | - | - | - | 1 949 885 | 1 949 885 |
| Correction of Accumulated Depreciation - prior year error | | 522 249 | 3 823 030 | 1 119 607 | 33 162 161 | 38 627 047 |
| Carrying Values | 538 179 950 | 71 553 999 | 3 129 608 591 | 197 362 747 | 205 740 132 | 4 142 445 419 |
| At 30 June 2013 | | | | | | |
| Cost | 538 179 950 | 78 659 014 | 9 588 583 848 | 287 204 932 | 456 134 986 | 10 948 762 731 |
| Accumulated depreciation | - | (7 105 015) | (6 458 975 258) | (89 842 185) | (250 394 854) | (6 806 317 312) |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | R |
|---|-------------------|
| 10. INTANGIBLE ASSETS | |
| As at 1 July 2012 | |
| Cost | 17 646 064 |
| Accumulated amortisation | (10 866 766) |
| Carrying value | 6 779 298 |
| Acquisitions | 4 374 224 |
| Disposals | - |
| Work-in-progress | 1 049 774 |
| Amortisation | (1 657 881) |
| Correction of accumulated depreciation - prior year | 642 261 |
| As at 30 June 2013 | |
| Cost | 23 070 062 |
| Accumulated amortisation | (11 882 386) |
| Carrying value | 11 187 676 |
| Acquisitions | 3 599 443 |
| Disposals | - |
| Amortisation | (2 627 456) |
| As at 30 June 2014 | |
| Cost | 26 669 505 |
| Accumulated amortisation | (14 509 842) |
| Carrying value | 12 159 663 |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

11. INVESTMENT PROPERTY

30 June 2014

| TOWN STAND # | STAND # | DEEDS # | NAME | LIFESPAN | CARRYING VALUES AS AT 01 JULY 2013 | COST | ACCUM DEPRECIATION | DEPRECIATION | CARRYING VALUES AS AT 30 JUNE 2014 | COST | ACCUM DEPRECIATION |
|--------------|---------|--------------|--|----------|--|--------------------|-----------------------|------------------|--|--------------------|-----------------------|
| EMPANGENI | 45 | T29874/1996 | Zululand Built-It | 0 | 1 000 | 1 000 | - | - | 1 000 | 1 000 | - |
| EMPANGENI | 56 | T2643/1933 | Manilall A | 0 | 4 300 000 | 4 300 000 | - | - | 4 300 000 | 4 300 000 | - |
| EMPANGENI | 63 | T2437/1970 | Y S Cellular CC | 0 | 2 000 000 | 2 000 000 | - | - | 2 000 000 | 2 000 000 | - |
| RICHARDS BAY | 67 | T40386/2001 | Van Rooyen K M | 0 | 1 350 000 | 1 350 000 | - | - | 1 350 000 | 1 350 000 | - |
| RICHARDS BAY | GV15825 | T12114/1976 | Richards Bay Airport Company (PTY) LTD | 25 | 21 524 120 | 25 315 591 | (3 791 471) | (617 359) | 20 906 760 | 25 315 591 | (4 408 831) |
| EMPANGENI | 246 | G93/1960 | Emanzini Leisure Resort | 0 | 1 100 000 | 1 100 000 | - | - | 1 100 000 | 1 100 000 | - |
| RICHARDS BAY | 617 | T22887/2000 | Meerensee Mall Scoonies Vier | 25 | 4 698 902 | 6 663 646 | (1 964 744) | (77 709) | 4 621 193 | 6 663 646 | (2 042 453) |
| RICHARDS BAY | 620 | T15638/1978 | Schoonies Vier (PTY) LTD | 0 | 4 500 000 | 4 500 000 | - | - | 4 500 000 | 4 500 000 | - |
| NGWELEZANE | 752 | T64286/2000 | Biyela A S | 0 | 47 000 | 47 000 | - | - | 47 000 | 47 000 | - |
| NSELENI | 1342 | TG65440/2003 | Gumede S M | 0 | 40 000 | 40 000 | - | - | 40 000 | 40 000 | - |
| EMPANGENI | 2015 | T5367/1980 | Mtshali D | 0 | 680 000 | 680 000 | - | - | 680 000 | 680 000 | - |
| RICHARDS BAY | 2305 | G128/1973 | Bundu Nursery | 0 | 250 000 | 250 000 | - | - | 250 000 | 250 000 | - |
| RICHARDS BAY | 5333 | T14569/1979 | Grindrod Terminals | 0 | 9 000 000 | 9 000 000 | - | - | 9 000 000 | 9 000 000 | - |
| RICHARDS BAY | 5333 | T6915/1993 | Benians B S Construction | 0 | 1 000 000 | 1 000 000 | - | - | 1 000 000 | 1 000 000 | - |
| RICHARDS BAY | 5333 | T6915/1993 | Benians B S Construction | 0 | 700 000 | 700 000 | - | - | 700 000 | 700 000 | - |
| RICHARDS BAY | 5333 | T6915/1993 | Lease Group 5 Civils | 0 | 860 000 | 860 000 | - | - | 860 000 | 860 000 | - |
| RICHARDS BAY | 5333 | T6915/1993 | Morganrite SA (PTY) LTD | 0 | 180 000 | 180 000 | - | - | 180 000 | 180 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Lease Foskor (Gypsum Dam) | 0 | 70 000 | 70 000 | - | - | 70 000 | 70 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Lease Foskor (Retention Dam) | 0 | 250 000 | 250 000 | - | - | 250 000 | 250 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Lease Foskor (Conveyer Beld) | 0 | 75 000 | 75 000 | - | - | 75 000 | 75 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Lease Foskor (Conveyer Beld) | 0 | 500 000 | 500 000 | - | - | 500 000 | 500 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Waste Site | 0 | 1 500 000 | 1 500 000 | - | - | 1 500 000 | 1 500 000 | - |
| RICHARDS BAY | 5333 | T19417/2001 | Lease Grindrod Terminals | 0 | 1 500 000 | 1 500 000 | - | - | 1 500 000 | 1 500 000 | - |
| RICHARDS BAY | 5333 | T19417/2001 | Green Africa Nursery | 0 | 150 000 | 150 000 | - | - | 150 000 | 150 000 | - |
| RICHARDS BAY | 5333 | T19417/2001 | Ribeiro L M R | 0 | 4 500 000 | 4 500 000 | - | - | 4 500 000 | 4 500 000 | - |
| RICHARDS BAY | 6364 | T4199/1980 | Checkers | 0 | 240 000 | 240 000 | - | - | 240 000 | 240 000 | - |
| EMPANGENI | 8436 | T37193/1995 | Neliswa Eating House | 0 | 6 100 000 | 6 100 000 | - | - | 6 100 000 | 6 100 000 | - |
| RICHARDS BAY | 9893 | T26939/1988 | Naicker V | 0 | 380 000 | 380 000 | - | - | 380 000 | 380 000 | - |
| RICHARDS BAY | 10033 | T28872/1991 | LOT 11161 (PTY) LTD | 0 | 530 000 | 530 000 | - | - | 530 000 | 530 000 | - |
| RICHARDS BAY | 11376 | T34219/1993 | Pulp United (PTY) LTD | 0 | 56 000 000 | 56 000 000 | - | - | 56 000 000 | 56 000 000 | - |
| RICHARDS BAY | 11377 | T21885/1993 | Mantis Properties CC | 0 | 1 600 000 | 1 600 000 | - | - | 1 600 000 | 1 600 000 | - |
| RICHARDS BAY | 2627 | T16212/1978 | Ferreira M S | 0 | 1 200 000 | 1 200 000 | - | - | 1 200 000 | 1 200 000 | - |
| RICHARDS BAY | GV16990 | T789/1999 | Imvubu Lodge/River Rock | 25 | 8 486 105 | 9 448 505 | (962 401) | (43 343) | 8 442 762 | 9 448 505 | (1 005 744) |
| | | | | | 135 312 126 | 142 030 742 | (6 718 616) | (738 411) | 134 573 715 | 142 030 742 | (7 457 027) |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

11. INVESTMENT PROPERTY (continued)

30 June 2013 RESTATED

| TOWN STAND # | STAND # | DEEDS # | NAME | LIFESPAN | CARRYING VALUES AS AT 01 JULY 2012 | COST | ACCUM DEP | TRANSFER COST | TRANSFER ACCUM DEP | ADDITION/ (DISPOSAL) | DEPRECIATION WRITE BACK | DEPRECIATION | CARRYING VALUES AS AT 30 JUNE 2013 | COST | ACCUM DEPRECIATION |
|--------------|---------|--------------|--|----------|------------------------------------|--------------------|--------------------|---------------|--------------------|----------------------|-------------------------|------------------|------------------------------------|--------------------|--------------------|
| RICHARDS BAY | 33 | T40385/2001 | Harvey J R | 0 | 1 500 000 | 1 500 000 | - | | | (1 500 000) | | - | - | - | - |
| EMPANGENI | 45 | T29874/1996 | Zululand Built-It | 0 | 1 000 | 1 000 | - | | | | | - | 1 000 | 1 000 | - |
| EMPANGENI | 56 | T2643/1933 | Manilall A | 0 | 4 300 000 | 4 300 000 | - | | | | | - | 4 300 000 | 4 300 000 | - |
| EMPANGENI | 63 | T2437/1970 | Y S Cellular CC | 0 | 2 000 000 | 2 000 000 | - | | | | | - | 2 000 000 | 2 000 000 | - |
| RICHARDS BAY | 67 | T40386/2001 | Van Rooyen K M | 0 | 1 350 000 | 1 350 000 | - | | | | | - | 1 350 000 | 1 350 000 | - |
| RICHARDS BAY | GV15825 | T12114/1976 | Richards Bay Airport Company (PTY) LTD | 25 | 18 250 012 | 23 057 941 | (4 807 929) | (272) | 272 | 2 257 921 | 1 123 743 | (107 557) | 21 524 119 | 25 315 590 | (3 791 471) |
| EMPANGENI | 246 | G93/1960 | Emanzini Leisure Resort | 0 | 1 100 000 | 1 100 000 | - | | | | | - | 1 100 000 | 1 100 000 | - |
| RICHARDS BAY | 617 | T22887/2000 | Meerensee Mall Scoonies Vier | 25 | 3 992 213 | 6 663 646 | (2 671 433) | | | | 721 071 | (14 381) | 4 698 903 | 6 663 646 | (1 964 743) |
| RICHARDS BAY | 620 | T15638/1978 | Schoonies Vier (PTY) LTD | 0 | 4 500 000 | 4 500 000 | - | | | | | - | 4 500 000 | 4 500 000 | - |
| NGWELEZANE | 752 | T64286/2000 | Biyela A S | 0 | 47 000 | 47 000 | - | | | | | - | 47 000 | 47 000 | - |
| NSELENI | 1342 | TG65440/2003 | Gumede S M | 0 | 40 000 | 40 000 | - | | | | | - | 40 000 | 40 000 | - |
| EMPANGENI | 2015 | T5367/1980 | Mtshali D | 0 | 680 000 | 680 000 | - | | | | | - | 680 000 | 680 000 | - |
| RICHARDS BAY | 2305 | G128/1973 | Bundu Nursery | 0 | 250 000 | 250 000 | - | | | | | - | 250 000 | 250 000 | - |
| RICHARDS BAY | 5333 | T14569/1979 | Grindrod Terminals | 0 | 9 000 000 | 9 000 000 | - | | | | | - | 9 000 000 | 9 000 000 | - |
| RICHARDS BAY | 5333 | T6915/1993 | Benians B S Construction | 0 | 1 000 000 | 1 000 000 | - | | | | | - | 1 000 000 | 1 000 000 | - |
| RICHARDS BAY | 5333 | T6915/1993 | Benians B S Construction | 0 | 700 000 | 700 000 | - | | | | | - | 700 000 | 700 000 | - |
| RICHARDS BAY | 5333 | T6915/1993 | Lease Group 5 Civils | 0 | 860 000 | 860 000 | - | | | | | - | 860 000 | 860 000 | - |
| RICHARDS BAY | 5333 | T6915/1993 | Morganrite SA (PTY) LTD | 0 | 180 000 | 180 000 | - | | | | | - | 180 000 | 180 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Lease Foskor (Gypsum Dam) | 0 | 70 000 | 70 000 | - | | | | | - | 70 000 | 70 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Lease Foskor (Conveyer Beld) | 0 | 250 000 | 250 000 | - | | | | | - | 250 000 | 250 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Lease Foskor (Conveyer Beld) | 0 | 75 000 | 75 000 | - | | | | | - | 75 000 | 75 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Lease Foskor (Conveyer Beld) | 0 | 500 000 | 500 000 | - | | | | | - | 500 000 | 500 000 | - |
| RICHARDS BAY | 5333 | T4097/2006 | Waste Site | 0 | 1 500 000 | 1 500 000 | - | | | | | - | 1 500 000 | 1 500 000 | - |
| RICHARDS BAY | 5333 | T19417/2001 | Lease Grindrod Terminals | 0 | 1 500 000 | 1 500 000 | - | | | | | - | 1 500 000 | 1 500 000 | - |
| RICHARDS BAY | 5333 | T19417/2001 | Green Africa Nursery | 0 | 150 000 | 150 000 | - | | | | | - | 150 000 | 150 000 | - |
| RICHARDS BAY | 5333 | T19417/2001 | Ribeiro L M R | 0 | 4 500 000 | 4 500 000 | - | | | | | - | 4 500 000 | 4 500 000 | - |
| RICHARDS BAY | 6364 | T4199/1980 | Checkers | 0 | 240 000 | 240 000 | - | | | | | - | 240 000 | 240 000 | - |
| EMPANGENI | 8436 | T37193/1995 | Neliswa Eating House | 0 | 6 100 000 | 6 100 000 | - | | | | | - | 6 100 000 | 6 100 000 | - |
| RICHARDS BAY | 9893 | T26939/1988 | Naicker V | 0 | 380 000 | 380 000 | - | | | | | - | 380 000 | 380 000 | - |
| RICHARDS BAY | 10033 | T28872/1991 | LOT 11161 (PTY) LTD | 0 | 530 000 | 530 000 | - | | | | | - | 530 000 | 530 000 | - |
| RICHARDS BAY | 11376 | T34219/1993 | Pulp United (PTY) LTD | 0 | 56 000 000 | 56 000 000 | - | | | | | - | 56 000 000 | 56 000 000 | - |
| RICHARDS BAY | 11377 | T21885/1993 | Mantis Properties CC | 0 | 1 600 000 | 1 600 000 | - | | | | | - | 1 600 000 | 1 600 000 | - |
| RICHARDS BAY | 2627 | T16212/1978 | Ferreira M S | 0 | 1 200 000 | 1 200 000 | - | | | | | - | 1 200 000 | 1 200 000 | - |
| RICHARDS BAY | GV16990 | T789/1999 | Imvubu Lodge/River Rock | 25 | 8 186 420 | 9 448 505 | (1 262 085) | | | - | 310 443 | (10 759) | 8 486 105 | 9 448 505 | (962 401) |
| | | | | | 132 531 645 | 141 273 092 | (8 741 447) | (272) | 272 | 757 921 | 2 155 257 | (132 697) | 135 312 126 | 142 030 741 | (6 718 615) |

City of uMhlathuze
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 R | 2013 R |
|---|--------------------|--------------------|
| 12. TRADE RECEIVABLES | | |
| From exchange transactions | 280 380 207 | 203 425 847 |
| Electricity | 116 881 680 | 42 094 275 |
| June consumption billed in July | 86 792 408 | 94 359 323 |
| Water | 44 759 759 | 35 266 002 |
| June consumption billed in July | 13 544 024 | 13 053 044 |
| June water surcharge billed in July | 191 757 | 214 699 |
| Sewerage | 11 302 677 | 11 390 973 |
| Special sewer charges | 219 997 | 241 850 |
| June sewer surcharge billed in July | 189 927 | 191 276 |
| Refuse | 6 497 978 | 6 614 404 |
| Rental | 13 991 261 | 10 488 375 |
| Sundry | 27 552 360 | 22 122 740 |
| From non-exchange transaction | 80 828 155 | 24 425 973 |
| Rates | 29 605 435 | 26 425 973 |
| Traffic fines | 51 222 720 | - |
| Gross Balance | 402 751 983 | 262 462 934 |
| Less: Provision for doubtful debts | (86 222 720) | (23 000 000) |
| Net Balance | 316 529 263 | 239 462 934 |
| Rates - Ageing | | |
| Current (0 - 30) days | 18 813 078 | 14 485 663 |
| 31 - 60 days | 1 793 539 | 2 038 909 |
| 61 - 90 days | 926 472 | 790 507 |
| 91 - 120 days | 621 356 | 655 271 |
| 121 - 360 days | 3 376 680 | 4 328 718 |
| 361+ days | 4 074 310 | 4 126 905 |
| Total | 29 605 435 | 26 425 973 |
| Electricity, Water, Sewerage and Refuse - Ageing | | |
| Current (0 - 30) days | 232 386 429 | 161 231 779 |
| 31 - 60 days | 6 946 391 | 8 277 109 |
| 61 - 90 days | 3 139 334 | 4 233 470 |
| 91 - 120 days | 5 064 203 | 2 346 183 |
| 121 - 360 days | 11 483 306 | 12 059 527 |
| 361+ days | 21 360 544 | 15 277 778 |
| Total | 280 380 207 | 203 425 847 |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|---|--------------------|--------------------|
| | R | R |
| 12. TRADE RECEIVABLES (continued) | | |
| Rental | | |
| Current (0 - 30) days | 740 577 | 131 604 |
| 31 - 60 days | 366 954 | 478 033 |
| 61 - 90 days | 344 537 | 389 577 |
| 91 - 120 days | 342 491 | 413 828 |
| 121 - 360 days | 3 889 497 | 5 525 287 |
| 361+ days | 8 307 205 | 3 550 046 |
| Total | 13 991 261 | 10 488 375 |
| Sundry | | |
| Current (0 - 30) days | 2 212 181 | (501 178) |
| 31 - 60 days | 1 141 460 | 2 223 012 |
| 61 - 90 days | 583 055 | 2 944 926 |
| 91 - 120 days | 3 324 288 | 25 299 |
| 121 - 360 days | 7 298 331 | 6 356 272 |
| 361+ days | 12 993 045 | 11 074 410 |
| Total | 27 552 360 | 22 122 740 |
| Traffic fines | | |
| Current (0 - 30) days | 5 587 750 | - |
| 31 - 60 days | 5 826 595 | - |
| 61 - 90 days | 5 047 200 | - |
| 91 - 120 days | 3 776 400 | - |
| 121 - 360 days | 30 984 775 | - |
| 361+ days | - | - |
| Total | 51 222 720 | - |
| Neither passed due or impaired | 285 855 550 | 196 723 412 |
| Past due and impaired | 86 222 720 | 23 000 000 |
| Past due and not impaired | 30 673 713 | 42 739 522 |
| | 402 751 983 | 262 462 934 |
| Reconciliation of the bad debt provision | | |
| Balance at beginning of the year | 23 000 000 | 19 500 000 |
| Contributions to the provision | 67 968 747 | 3 646 893 |
| Bad debts written off against the provision | (4 746 027) | (146 893) |
| Balance at end of the year | 86 222 720 | 23 000 000 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

12. TRADE RECEIVABLES (continued)

| Summary of debtors by customer classification | Residential | Industry/ Commercial | State | Other | Total |
|---|-------------------|-------------------------|-------------------|--------------|--------------------|
| 30 June 2014 | | | | | |
| Current (0 - 30) days | 41 081 411 | 214 610 101 | 8 702 882 | 5 587 750 | 269 982 144 |
| 31 - 60 days | 1 996 959 | 2 795 717 | 200 722 | 5 826 595 | 10 819 993 |
| 61 - 90 days | 1 562 563 | 8 063 056 | (273 282) | 5 047 200 | 14 399 537 |
| 91 - 120 days | 1 391 607 | 3 656 008 | 84 028 | 3 776 400 | 8 908 043 |
| 121+ days | 33 849 218 | 31 442 372 | 2 365 901 | 30 984 775 | 98 642 266 |
| sub-total | 79 881 758 | 260 567 254 | 11 080 251 | 51 222 720 | 402 751 983 |
| Less: Provision for bad debt | (22 571 880) | (10 920 634) | (1 507 486) | (51 222 720) | (86 222 720) |
| Total debtors by customer classification | 57 309 878 | 249 646 620 | 9 572 765 | - | 316 529 263 |
| 30 June 2013 | | | | | |
| Current (0 - 30) days | 42 347 179 | 124 601 065 | 14 582 282 | - | 181 530 526 |
| 31 - 60 days | 1 636 314 | 6 884 337 | 1 081 865 | - | 9 602 516 |
| 61 - 90 days | 1 555 952 | 1 568 713 | 294 569 | - | 3 419 234 |
| 91 - 120 days | 1 582 755 | 1 962 391 | 120 194 | - | 3 665 340 |
| 121+ days | 28 460 564 | 31 475 971 | 4 308 783 | - | 64 245 318 |
| sub-total | 75 582 764 | 166 492 477 | 20 387 693 | - | 262 462 934 |
| Less: Provision for bad debt | (6 629 376) | (14 582 416) | (1 788 208) | - | (23 000 000) |
| Total debtors by customer classification | 68 953 388 | 151 910 061 | 18 599 485 | - | 239 462 934 |

City of uMhlathuze
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|---|----------------|----------------|
| | R | R |
| 13. LONG-TERM RECEIVABLES | | |
| Housing loans to staff | 46 008 | 265 570 |
| Study loans | 154 234 | 202 007 |
| Bursaries | - | - |
| Sub-total | 200 242 | 467 577 |
| Less: Current portion transferred to current assets | (41 215) | (110 873) |
| Total Long-Term Receivables | 159 027 | 356 704 |

Housing loans, car loans and bursaries were made in terms of council policies on these schemes. No new housing or car loans have been granted since the effective implementation date of the MFMA. There are no significant terms or conditions that will affect the timeous recovery of these amounts.

14. OTHER RECEIVABLES

| | | |
|--------------------------------|-------------------|-------------------|
| Payments made in advance | 5 758 608 | 479 845 |
| Other receivables | 26 251 349 | 26 426 158 |
| Total Other Receivables | 32 009 956 | 26 906 003 |

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts:

| | | |
|-------------------------------------|--------------------|--------------------|
| Bank balances and cash | 364 509 347 | 202 775 493 |
| Call investment deposits | 40 000 000 | 40 000 000 |
| Total bank balances and cash | 404 509 347 | 242 775 493 |

Bank Accounts

The municipality has the following bank accounts:

Current Account (Primary Account)

ABSA Bank - Richards Bay

Current/ Cheque account number: 2150 000 028

| | | |
|--|--------------|--------------|
| Cash book balance at beginning of the year | (22 308 662) | (30 057 643) |
| Cash book balance at end of the year | 9 678 944 | (22 308 662) |

| | | |
|---|------------|------------|
| Bank statement balance at beginning of the year | 15 959 441 | 2 563 073 |
| Bank statement balance at end of the year | 8 289 830 | 15 959 441 |

City of uMhlathuze
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|--|-------------|-------------|
| | R | R |
| 15. CASH AND CASH EQUIVALENTS (continued) | | |
| Deposit Account | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 2150 000 095 | | |
| Cash book balance at beginning of the year | 22 671 751 | 6 825 965 |
| Cash book balance at end of the year | 61 163 093 | 22 671 751 |
| Bank statement balance at beginning of the year | 21 069 963 | 5 673 566 |
| Bank statement balance at end of the year | 57 250 974 | 21 069 963 |
| Hostel Account | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 90 8291 6767 | | |
| Cash book balance at beginning of the year | 1 621 397 | 4 007 144 |
| Cash book balance at end of the year | 4 128 984 | 1 621 397 |
| Bank statement balance at beginning of the year | 1 618 259 | 4 007 144 |
| Bank statement balance at end of the year | 4 117 052 | 1 618 259 |
| Hostel Account - Phase 2 | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 90 3367 4990 | | |
| Cash book balance at beginning of the year | 8 872 875 | 8 501 419 |
| Cash book balance at end of the year | 9 267 014 | 8 872 875 |
| Bank statement balance at beginning of the year | 8 850 204 | 8 501 419 |
| Bank statement balance at end of the year | 9 241 947 | 8 850 204 |
| Hostel Account - Phase 3 | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 92 8322 1999 | | |
| Cash book balance at beginning of the year | 20 245 048 | - |
| Cash book balance at end of the year | 21 228 774 | 20 245 048 |
| Bank statement balance at beginning of the year | 20 209 133 | - |
| Bank statement balance at end of the year | 21 188 950 | 20 209 133 |

City of uMhlathuze
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|--|-------------|-------------|
| | R | R |
| 15. CASH AND CASH EQUIVALENTS (continued) | | |
| Housing Account - Brackenham | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 91 2361 5121 | | |
| Cash book balance at beginning of the year | 4 945 013 | 4 741 652 |
| Cash book balance at end of the year | 5 085 612 | 4 945 013 |
| Bank statement balance at beginning of the year | 4 927 799 | 4 741 652 |
| Bank statement balance at end of the year | 5 082 521 | 4 927 799 |
| Housing Account - Ngwelezane | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 91 7137 3496 | | |
| Cash book balance at beginning of the year | 2 083 770 | 1 996 534 |
| Cash book balance at end of the year | 2 114 062 | 2 083 770 |
| Bank statement balance at beginning of the year | 2 076 516 | 1 996 534 |
| Bank statement balance at end of the year | 2 142 549 | 2 076 516 |
| Housing Account - Pionierhof | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 90 9224 7889 | | |
| Cash book balance at beginning of the year | 4 849 961 | 12 424 301 |
| Cash book balance at end of the year | 4 984 320 | 4 849 961 |
| Bank statement balance at beginning of the year | 4 842 451 | 12 424 301 |
| Bank statement balance at end of the year | 4 981 639 | 4 842 451 |
| Conditional Grants | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 91 7137 3917 | | |
| Cash book balance at beginning of the year | 107 697 729 | 38 350 228 |
| Cash book balance at end of the year | 122 798 934 | 107 697 729 |
| Bank statement balance at beginning of the year | 107 322 834 | 38 350 228 |
| Bank statement balance at end of the year | 122 289 548 | 107 322 834 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|---|-----------------------|-----------------------|
| | R | R |
| 15. CASH AND CASH EQUIVALENTS (continued) | | |
| Capital Replacement Reserve | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 92 7206 8005 | | |
| Cash book balance at beginning of the year | 52 061 052 | 30 386 158 |
| Cash book balance at end of the year | 123 993 050 | 52 061 052 |
| Bank statement balance at beginning of the year | 52 037 979 | 30 386 158 |
| Bank statement balance at end of the year | 123 931 932 | 52 037 979 |
| Petty Cash | | |
| Balance at beginning of the year | 32 550 | 32 550 |
| Balance at end of the year | 33 550 | 32 550 |
| Deposit Account | | |
| ABSA Bank - Richards Bay | | |
| Current/ Deposit account number: 40 7928 6548 | | |
| Cash book balance at beginning of the year | 3 010 | 5 425 |
| Cash book balance at end of the year | 3 010 | 3 010 |
| Bank statement balance at beginning of the year | 633 461 | 5 425 |
| Bank statement balance at end of the year | 761 907 | 633 461 |
| 16. PROPERTY RATES | | |
| Actual | | |
| Residential | 105 455 053 | 93 413 650 |
| Commercial | 154 614 602 | 133 920 860 |
| State | 18 179 137 | 10 672 228 |
| Total Property Rates | 278 248 792 | 238 006 738 |
| Property rates - penalties imposed and collection charges | 1 430 075 | 1 610 015 |
| Total Assessment Rates | 279 678 867 | 239 616 753 |
| Property Valuations | | |
| Residential | 18 524 212 310 | 15 397 716 899 |
| Commercial | 12 404 496 000 | 10 768 444 700 |
| State | 2 910 240 100 | 1 657 085 100 |
| Municipal | 1 758 416 450 | 1 489 942 500 |
| Total Property Valuations | 35 597 364 860 | 29 313 189 199 |

The first valuation in terms of the Property Rates Act, 2004 (Act No 6 of 2004) came into effect on 1 July 2008. Valuations were performed on land and buildings together. Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2013. Two supplementary valuations and objections were processed in terms of the Act. Three supplementary valuations and objections in terms of the new Act were processed during the financial year. The following rate randage and ratio to residential tariff were applied:

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

16. PROPERTY RATES (continued)

| Predominant Use | Rate Randage | Ratio to Residential Tariff |
|---|--------------|--------------------------------|
| Residential Properties | 0.00721 | 1:1 |
| Business, Commercial and Industrial properties and Mining | 0.01515 | 1:2,1 |
| Agricultural Properties | 0.00180 | 1:0,25 |
| Agricultural Properties (business) | 0.01515 | 1:2,1 |
| State Trust Land | 0.00674 | 1:1 |
| State Owned Properties | 0.00721 | 1:1 |
| State Owned properties (all other) | 0.00829 | 1:1,15 |
| Public Service Infrastructure | 0.00180 | 1:0,25 |
| Public Benefit Organisations | 0.00180 | 1:0,25 |

Subject to the provisions contained in the Rates Policy and upon application,
the following rebates were applied:

Agricultural Properties - 5%

Public Benefit Organisations - 100%

Sporting Bodies - 100%

Pensioners - R150 000 Valuation Reduction on primary developed property

In additional to the statutory R15 000 reduction in the valuation on residential properties, a further reduction of R95 000 of the valuation on all developed residential properties with >R400 000 was made.

Rates are levied on a monthly basis but upon request can be levied annually. The final date for payment of rates that are levied on an annual basis is 30 September of each year, and 30 June for monthly ratepayers. Interest of prime plus 1% per annum is levied on outstanding rates.

| | 2014 R | 2013 R |
|---------------------------------|-------------------------|-------------------------|
| 17. SERVICE CHARGES | | |
| Sale of electricity | 1 311 518 791 | 1 091 706 337 |
| Sale of water | 171 515 804 | 154 005 569 |
| Surcharge on water | 5 036 274 | 4 631 718 |
| Refuse removal | 58 413 911 | 52 519 701 |
| Sewerage and sanitation charges | 71 241 383 | 66 946 431 |
| Total Service Charges | 1 617 726 163 | 1 369 809 756 |

An amount of R8 559 837.89 (2013: R7 796 113.17) received in respect of prepaid electricity sales has been deferred and transferred to amounts received in advance.

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| | 2014 R | 2013 R |
|--|--------------------|--------------------|
| 18. GOVERNMENT GRANTS AND SUBSIDIES | | |
| Equitable share | 190 384 000 | 179 139 000 |
| Financial Management Grant | 2 665 726 | 1 500 005 |
| Restructuring Grant | 206 584 | - |
| Municipal Systems Improvement Grant | 890 000 | 375 131 |
| Infrastructure Skills Development Grant | 7 210 652 | 3 778 800 |
| Municipal Infrastructure Grant | 89 493 495 | 39 283 176 |
| Energy Efficiency and Demand Side Management Grant | 3 390 572 | 1 316 688 |
| Expanded Public Works Programme Integrated Grant | 996 085 | 1 003 915 |
| Municipal Water Infrastructure Grant | 5 313 313 | - |
| Provincial Health Subsidies | 9 644 800 | 4 842 400 |
| Provincial Local Government Grants | 8 076 747 | 5 151 188 |
| Provincial Development Planning Grants | 46 390 | - |
| Provincial Housing Grants | 12 267 824 | 7 543 232 |
| Provincial Library Services Subsidies | 6 360 354 | 3 314 759 |
| Provincial Museum Services Subsidies | 284 000 | 134 000 |
| Provincial Department of Transport Subsidy | 167 279 | - |
| Dept of Water Affairs - Refurbishment Grant | 7 210 070 | |
| Dept of Water Affairs - Water Conservation and Demand Management Grant | 712 175 | 836 656 |
| Dept of Water Affairs - Accelerated Infrastructure Programme Grant | - | 75 700 |
| Dept of Agriculture and Environmental Affairs | 178 562 | 364 751 |
| Dept of Minerals and Energy | 7 093 892 | - |
| uThungulu District Municipality - Environmental Health Service | 4 856 400 | 4 603 259 |
| uThungulu District Municipality - Capacity Building Grant | 1 742 | 121 772 |
| uThungulu District Municipality - Hosting of Annual SMME Fair | - | 48 503 |
| uThungulu District Municipality Beach Festival | 55 000 | - |
| uThungulu District Municipality - Bus Shelters and Laybys | 110 043 | 97 341 |
| | 357 615 705 | 253 530 276 |

18.1 Equitable Share

In terms of the Constitution, this allocation is to provide for an equitable sharing of National Revenue. It is primarily for the provision of basic services.

18.2 Financial Management Grant

| | | |
|---|-------------|------------------|
| Balance unspent at beginning of year | 1 489 726 | 2 085 731 |
| Current year receipts | 1 176 000 | 904 000 |
| Conditions met - transferred to revenue | (2 665 726) | (1 500 005) |
| Conditions still to be met - transferred to liabilities | - | 1 489 726 |

National Conditional Grants are allocated in terms of the Division of Revenue Act. The Financial Management Grant is used to promote and support reforms in financial management by building capacity in municipalities to implement the MFMA. An amount of R374 000 was withdrawn by National Treasury for the 2011/2012 unspent allocation.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 R | 2013 R |
|---|--------------|----------------|
| 18. GOVERNMENT GRANTS AND SUBSIDIES (continued) | | |
| 18.3 Restructuring Grant | | |
| Balance unspent at beginning of year | 215 969 | 215 969 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | (206 584) | - |
| Conditions still to be met - transferred to liabilities | <u>9 385</u> | <u>215 969</u> |

National Conditional Grant are allocated in terms of the Division of Revenue Act. The Restructuring Grant received in 2002, 2003 and 2004 from National Treasury has been earmarked for certain projects that will improve the local economy.

18.4 Municipal Systems Improvement Grant

| | | |
|---|-----------|-----------|
| Balance unspent at beginning of year | - | 364 131 |
| Current year receipts | 890 000 | 11 000 |
| Conditions met - transferred to revenue | (890 000) | (375 131) |
| Conditions still to be met - transferred to liabilities | <u>-</u> | <u>-</u> |

National Conditional Grant are allocated in terms of the Division of Revenue Act. The Municipal Systems Improvement Grant is used to assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislation.

18.5 Infrastructure Skills Development Grant

| | | |
|---|------------------|------------------|
| Balance unspent at beginning of year | (778 800) | - |
| Current year receipts | 7 000 000 | 3 000 000 |
| Conditions met - transferred to revenue | (7 210 652) | (3 778 800) |
| Conditions still to be met - transferred to liabilities | <u>(989 452)</u> | <u>(778 800)</u> |

National Conditional Grants are allocated in terms of the Division of Revenue Act. The Infrastructure and Skills Development Grant is used to strengthen the capacity of local government, to effectively and efficiently deliver quality infrastructure by increasing the pool of skills available, to facilitate lifelong learning and the transfer of knowledge and skills to municipalities and to sustain infrastructure related management capacity in local government.

18.6 Municipal Infrastructure Grant (MIG)

| | | |
|---|-------------------|-------------------|
| Balance unspent at beginning of year | 64 763 706 | 22 800 333 |
| Current year receipts | 86 733 000 | 86 617 000 |
| Conditions met - transferred to revenue | (89 493 495) | (39 283 174) |
| Conditions met - transferred to own revenue | (11 688 610) | (5 370 453) |
| Conditions still to be met - transferred to liabilities | <u>50 314 601</u> | <u>64 763 706</u> |

National Conditional Grant are allocated in terms of the Division of Revenue Act. This grant is used to construct water and sewerage infrastructure as part of the upgrading of informal settlement areas. No funds have been withheld.

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| | 2014 | 2013 |
|--|-------------------------|-------------------------|
| | R | R |
| 18. GOVERNMENT GRANTS AND SUBSIDIES (continued) | | |
| 18.7 Energy Efficiency and Demand Side Management Grant | | |
| Balance unspent at beginning of year | 6 683 312 | - |
| Current year receipts | - | 8 000 000 |
| Conditions met - transferred to revenue | (3 390 572) | (1 316 688) |
| Conditions still to be met - transferred to liabilities | <u>3 292 740</u> | <u>6 683 312</u> |

National Conditional Grant are allocated in terms of the Division of Revenue Act. This grant is used to implement energy efficiency and demand-side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.

18.8 Expanded Public Works Programme (EPWP) Integrated Grant

| | | |
|---|-----------------|-----------------------|
| Balance unspent at beginning of year | (3 915) | - |
| Current year receipts | 1 000 000 | 1 000 000 |
| Conditions met - transferred to revenue | (996 085) | (1 003 915) |
| Conditions still to be met - transferred to liabilities | <u>-</u> | <u>(3 915)</u> |

National Conditional Grants are allocated in terms of the Division of Revenue Act. The grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in compliance with EPWP Guidelines

18.9 Municipal Water Infrastructure grant

| | | |
|---|--------------------------|-----------------|
| Balance unspent at beginning of year | - | - |
| Current year receipts | 17 547 000 | - |
| Conditions met - transferred to revenue | (5 313 313) | - |
| Conditions still to be met - transferred to liabilities | <u>12 233 687</u> | <u>-</u> |

National Conditional Grants are allocated in terms of the Division of Revenue Act. The grant is to facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not" receiving a water supply service. This Grant was received on 07 March 2014.

18.10 Rural Household Infrastructure Grant

| | | |
|---|-------------------------|-----------------|
| Balance unspent at beginning of year | - | - |
| Current year receipts | 4 000 000 | - |
| Conditions met - transferred to revenue | - | - |
| Conditions still to be met - transferred to liabilities | <u>4 000 000</u> | <u>-</u> |

National Conditional Grants are allocated in terms of the Division of Revenue Act. The grants is to provide specific capital funding for the reduction of rural sanitation backlogs and to target existing households where bulk-dependent services are not viable. This grant was received on 11 March 2014 and 18 March 2014.

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| | 2014 R | 2013 R |
|---|-------------|-------------|
| 18. GOVERNMENT GRANTS AND SUBSIDIES (continued) | | |
| 18.11 Provincial Health Subsidies | | |
| Balance unspent at beginning of year | - | - |
| Current year receipts | 9 644 800 | 4 842 400 |
| Conditions met - transferred to revenue | (9 644 800) | (4 842 400) |
| Conditions still to be met - transferred to liabilities | <u>-</u> | <u>-</u> |

The municipality renders health services on behalf of the Provincial Government and is refunded approximately 35% of total expenditure incurred. This grant has been used exclusively to fund clinic services. The conditions of the grant have been met. There was no delay or withholding of the grant.

| | | |
|---|-------------------------|--------------------------|
| 18.12 Provincial Local Government Grants | | |
| Balance unspent at beginning of year | 11 255 977 | 5 143 536 |
| Current year receipts | - | 11 263 629 |
| Conditions met - transferred to revenue | (8 076 747) | (5 151 188) |
| Conditions still to be met - transferred to liabilities | <u>3 179 230</u> | <u>11 255 977</u> |

Provincial Local Government grants are used to implement the administrative and financial framework and to provide a municipal infrastructure framework. The grants are spent in accordance with a business plan approved by the Provincial Government.

| | | |
|---|---------------------|----------------------|
| 18.13 Provincial Development Planning Grants | | |
| Balance unspent at beginning of year | 54 849 | 54 849 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | (46 390) | - |
| Conditions still to be met - transferred to liabilities | <u>8 459</u> | <u>54 849</u> |

Provincial Development Planning grants are used to promote integrated planning and development in the province. The grants are spent in accordance with an approved business plan.

| | | |
|---|--------------------------|--------------------------|
| 18.14 Provincial Housing Grants | | |
| Balance unspent at beginning of year | 28 101 143 | 12 080 063 |
| Current year receipts | 7 779 080 | 22 803 555 |
| Conditions met - transferred to revenue | (12 267 824) | (7 543 232) |
| Interest received | 1 679 579 | 760 757 |
| Conditions still to be met - transferred to liabilities | <u>25 291 978</u> | <u>28 101 143</u> |

Provincial Housing grants were allocated to assist in the refurbishment of various hostels. The grants are spent in accordance with a business plan approved by the Provincial Government. Funds were provided for the housing operating accounts and funds were also provided for the implementation of the Enhanced Extended Discount Benefit Scheme. No funds were withheld.

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| | 2014 | 2013 |
|---|-----------------------|-----------------------|
| | R | R |
| 18. GOVERNMENT GRANTS AND SUBSIDIES (continued) | | |
| 18.15 Provincial Library Services Subsidies | | |
| Balance unspent at beginning of year | 215 729 | 126 688 |
| Current year receipts | 6 566 000 | 3 403 800 |
| Conditions met - transferred to revenue | (6 360 354) | (3 314 759) |
| Conditions still to be met - transferred to liabilities | <u>421 375</u> | <u>215 729</u> |

Provincial Library Grants were allocated to subsidise the purchase of equipment for various libraries as well as the construction of the Empangeni Library Study hall and to refurbish the community hall at Felixton into a library.

Further funding was received for the installation of computer hardware and software for public internet access, the cost of the internet connectivity, furniture to house these computers and salaries for the employment of "cyber-cadets". The subsidies are spent in accordance with an approved business plan. No funds were withheld.

18.16 Provincial Museum Services Subsidies

| | | |
|---|-----------|-----------|
| Balance unspent at beginning of year | - | - |
| Current year receipts | 284 000 | 134 000 |
| Conditions met - transferred to revenue | (284 000) | (134 000) |
| Conditions still to be met - transferred to liabilities | <u>-</u> | <u>-</u> |

Office of the Premier allocates a subsidy to assist in the daily running of the Empangeni Museum. No funds were withheld.

18.17 Provincial Community Development Workers Programme

| | | |
|---|----------------------|----------------------|
| Balance unspent at beginning of year | 19 038 | 19 038 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | - | - |
| Conditions still to be met - transferred to liabilities | <u>19 038</u> | <u>19 038</u> |

Department of Co-operative Governance and Traditional Affairs allocated funds to Council for the administration of the Community Development Workers Programme. No funds have been withheld.

18.18 Provincial Department of Transport

| | | |
|---|-----------|-----------------------|
| Balance unspent at beginning of year | 167 279 | 167 279 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | (167 279) | - |
| Conditions still to be met - transferred to liabilities | <u>-</u> | <u>167 279</u> |

Provincial Department of Transport provided for a subsidy for a Pedestrian Safety project.

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| | 2014 R | 2013 R |
|---|----------------|----------------|
| 18. GOVERNMENT GRANTS AND SUBSIDIES (continued) | | |
| 18.19 DWAF - Water Services Program | | |
| Balance unspent at beginning of year | 205 307 | 205 307 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | - | - |
| Conditions still to be met - transferred to liabilities | <u>205 307</u> | <u>205 307</u> |

Department of Water Affairs Sector Institutional Support and Capacity Building Initiative in support of Water Services Authority and Water Service Provider functions. The grants are spent in accordance with an approved business proposal.

18.20 DWAF - Refurbishment Grant

| | | |
|---|--------------------|-----------|
| Balance unspent at beginning of year | 70 | 70 |
| Current year receipts | 7 210 000 | - |
| Conditions met - transferred to revenue | <u>(7 210 070)</u> | - |
| Conditions still to be met - transferred to liabilities | <u>-</u> | <u>70</u> |

Department of Water Affairs Refurbishment Grant and Subsidy for Water Services Works. The grants are spent in accordance with an approved business plan.

18.21 DWAF - Water Conservation and Demand Management

| | | |
|---|------------------|------------------|
| Balance unspent at beginning of year | 889 237 | 1 725 893 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | <u>(712 177)</u> | <u>(836 656)</u> |
| Conditions still to be met - transferred to liabilities | <u>177 060</u> | <u>889 237</u> |

Department of Water Affairs - Water Conservation and Demand Management grant in respect of capacity building and institutional support. The grant is spent in accordance with an approved business plan

18.22 DWAF - Accelerated Infrastructure Programme

| | | |
|---|----------|-----------------|
| Balance unspent at beginning of year | - | 75 700 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | <u>-</u> | <u>(75 700)</u> |
| Conditions still to be met - transferred to liabilities | <u>-</u> | <u>-</u> |

Department of Water Affairs Infrastructure Programme grant in support of the refurbishment and upgrade at the Esikhaleni Waste Water Treatment Plant. The grant is spent in accordance with an approved business plan.

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| | 2014 | 2013 |
|---|-------------|-------------|
| | R | R |
| 18. GOVERNMENT GRANTS AND SUBSIDIES (continued) | | |
| 18.23 DWAF - Regional Bulk Water Projects | | |
| Balance unspent at beginning of year | - | 1 500 000 |
| Current year receipts | - | (1 500 000) |
| Conditions met - transferred to revenue | - | - |
| Conditions still to be met - transferred to liabilities | - | - |

Department of Water Affairs Regional Bulk Water projects grant in support of the installation of bulk pipelines to supply areas where there is a lack of water supply

18.24 uThungulu District Municipality Environmental Health Costs

| | | |
|---|-------------|-------------|
| Balance unspent at beginning of year | - | - |
| Current year receipts | 4 856 400 | 4 603 259 |
| Conditions met - transferred to revenue | (4 856 400) | (4 603 259) |
| Conditions still to be met - transferred to liabilities | - | - |

The function to provide environmental health services was transferred to the district municipality. Council is still performing this function on behalf of the district. In terms of the Service Level Agreement, the district allocates Council a portion of their Equitable Share allocation.

18.25 uThungulu District Municipality Capacity Building Grant

| | | |
|---|--------------|--------------|
| Balance unspent at beginning of year | 3 513 | 125 285 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | (1 742) | (121 772) |
| Conditions still to be met - transferred to liabilities | 1 771 | 3 513 |

uThungulu District Council allocates funds for capacity building. No funds have been withheld.

18.26 Uthungulu District Municipality Museum Operating Subsidy

| | | |
|---|---------------|---------------|
| Balance unspent at beginning of year | 11 849 | 11 849 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | - | - |
| Conditions still to be met - transferred to liabilities | 11 849 | 11 849 |

uThungulu District Council allocated a subsidy to assist in the daily running of the Empangeni Museum. No funds have been withheld.

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| | 2014 R | 2013 R |
|--|-----------|-----------|
| 18. GOVERNMENT GRANTS AND SUBSIDIES (continued) | | |
| 18.27 uThungulu District Municipality Hosting of Annual SMME fair | | |
| Balance unspent at beginning of year | - | 48 503 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | - | (48 503) |
| Conditions still to be met - transferred to liabilities | - | - |

uThungulu District Council donated funds for the hosting of the Annual SMME fair by Council in partnership with business stakeholders.

18.28 uThungulu District Municipality - Beach Festival

| | | |
|---|----------|---|
| Balance unspent at beginning of year | - | - |
| Current year receipts | 55 000 | - |
| Conditions met - transferred to revenue | (55 000) | - |
| Conditions still to be met - transferred to liabilities | - | - |

uThungulu District Council donated funds for the Beach festival

18.29 uThungulu District Municipality Bus Shelters and Laybys

| | | |
|---|-----------|----------------|
| Balance unspent at beginning of year | 110 043 | - |
| Current year receipts | - | 207 384 |
| Conditions met - transferred to revenue | (110 043) | (97 341) |
| Conditions still to be met - transferred to liabilities | - | 110 043 |

uThungulu District Council donated funds for Bus Shelters and Laybys

18.30 Department of Agriculture and Environmental Affairs

| | | |
|---|----------------|----------------|
| Balance unspent at beginning of year | 385 941 | 750 692 |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | (178 562) | (364 751) |
| Conditions still to be met - transferred to liabilities | 207 379 | 385 941 |

Department of Agriculture and Environmental Affairs provided a subsidy for a recycling project. The grants are spent in accordance with an approved business plan.

18.31 Department of Minerals and Energy

| | | |
|---|--------------------|---|
| Balance unspent at beginning of year | - | - |
| Current year receipts | - | - |
| Conditions met - transferred to revenue | (7 093 892) | - |
| Conditions still to be met - transferred to liabilities | (7 093 892) | - |

Department of Minerals and Energy provided a grant in support of electrification projects. The grants are spent in accordance with an approved business plan.

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| | 2014 R | 2013 R |
|--|----------------|---------------|
| 18. GOVERNMENT GRANTS AND SUBSIDIES (continued) | | |
| 18.32 Department of Sport and Recreation | | |
| Balance unspent at beginning of year | 12 666 | 12 666 |
| Current year receipts | 528 236 | - |
| Conditions met - transferred to revenue | - | - |
| Conditions still to be met - transferred to liabilities | 540 902 | 12 666 |

Funds were received from the Department of Sport and Recreation for the upgrade of the Vulindlela Sport Facility. The grants are spent in accordance with an approved business plan.

18.33 Department of Economic Development and Tourism

| | | |
|--|----------------|---|
| Balance unspent at beginning of year | - | - |
| Current year receipts | 400 000 | - |
| Conditions met - transferred to revenue | - | - |
| Conditions still to be met - transferred to liabilities | 400 000 | - |

Funds were received from the Department of Economic and Development Tourism for the upgrade of Alkandstrad Beach. The grants are spent in accordance with an approved business plan.

19. OTHER INCOME

| | | |
|--|-------------------|--------------------|
| Building plans | 1 372 103 | 1 216 309 |
| Extension fees and Engineering contributions | 24 335 625 | 70 867 967 |
| Connection fees | 2 952 779 | 2 369 887 |
| MIG VAT revenue | 11 688 610 | 5 370 426 |
| Reconnection fees | 4 865 419 | 3 983 391 |
| Licence Drivers | 2 130 358 | 2 022 735 |
| Commissions | 8 391 404 | 5 486 930 |
| Skills Levy fees | 992 354 | 1 755 382 |
| Discounts received | 1 891 611 | 1 174 958 |
| Sundries | 8 832 667 | 18 621 948 |
| Total Other income | 67 452 930 | 112 869 933 |

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| | 2014 | 2013 |
|--|--------------------|--------------------|
| | R | R |
| 20. EMPLOYEE-RELATED COSTS | | |
| Employee-related cost - salaries and wages | 293 080 279 | 261 817 933 |
| Employee-related cost - contributions to UIF, pensions and medical aid | 83 993 001 | 77 160 039 |
| Travel, motor car, accommodation, subsistence and other allowances | 55 981 626 | 50 397 588 |
| Housing benefits and allowances | 3 269 873 | 3 672 236 |
| Overtime payments | 35 601 587 | 30 158 237 |
| Leave payments | 6 721 473 | 12 538 218 |
| Cellphone allowances | 1 410 112 | 1 206 883 |
| Pensioners' medical aid contributions | 3 351 433 | 3 008 656 |
| Less: Employee costs capitalised to Property, plant and equipment | (2 419 170) | (2 833 910) |
| Total Employee-related costs | 480 990 214 | 437 125 880 |

There were no advances to employees. Loans to employees are set out in note 13.

Remuneration of the Municipal Manager

| | | |
|---|------------------|------------------|
| Annual Remuneration | 853 952 | 796 140 |
| Annual Bonus | - | 66 345 |
| Performance Bonus | 87 366 | 99 315 |
| Travel Allowance | 287 988 | 216 643 |
| Contributions to UIF, Medical and Pension funds | 233 050 | 290 387 |
| Total | 1 462 356 | 1 468 830 |

**Remuneration of Senior Managers and Managers
30 June 2014**

| | Dep M Manager: Infra & Technical Services | Dep M Manager: Community Services |
|---|--|--|
| Annual Remuneration | 665 249 | 825 792 |
| Annual Bonus | - | 68 816 |
| Performance Bonus | - | 81 668 |
| Travel Allowance | 187 900 | 193 104 |
| Contributions to UIF, Medical and Pension funds | 302 232 | 170 857 |
| Total | 1 155 381 | 1 340 237 |

30 June 2013

| | | |
|---|------------------|------------------|
| Annual Remuneration | 757 160 | 770 400 |
| Annual Bonus | - | 64 200 |
| Performance Bonus | 76 325 | 25 442 |
| Travel Allowance | 264 892 | 193 104 |
| Contributions to UIF, Medical and Pension funds | 241 058 | 160 738 |
| Total | 1 339 435 | 1 213 884 |

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20. EMPLOYEE-RELATED COSTS (continued)

30 June 2014

| | R | R | R |
|---|---|---|---------------------------------------|
| | Dep M Manager: Financial Services - CFO | Dep M Manager: Corporate Services | Dep M Manager: City Development |
| Annual Remuneration | 952 694 | 834 709 | 761 032 |
| Annual Bonus | 74 904 | 69 559 | - |
| Performance Bonus | 128 335 | 93 335 | 81 668 |
| Travel Allowance | 204 600 | 183 125 | 409 199 |
| Contributions to UIF, Medical and Pension funds | 51 565 | 220 644 | 103 179 |
| Total | 1 412 098 | 1 401 372 | 1 355 078 |

30 June 2013

| | | | |
|---|------------------|------------------|------------------|
| Annual Remuneration | 888 078 | 834 318 | 693 989 |
| Annual Bonus | 74 006 | - | - |
| Performance Bonus | 109 036 | 87 229 | 87 229 |
| Travel Allowance | 204 600 | 186 089 | 410 904 |
| Contributions to UIF, Medical and Pension funds | 45 092 | 210 036 | 102 216 |
| Total | 1 320 812 | 1 317 672 | 1 294 338 |

30 June 2014

| | Head: Financial Services Expenditure | Head: Transport & Roads | Head: Water & Sanitation |
|---|--|----------------------------|-----------------------------|
| Annual Remuneration | 523 339 | 699 283 | 523 339 |
| Annual Bonus | 43 612 | - | 43 612 |
| Entertainment | 1 400 | - | 1 400 |
| Housing subsidy | 5 736 | - | - |
| Travel Allowance | 228 020 | 246 666 | 228 020 |
| Contributions to UIF, Medical and Pension funds | 314 978 | 226 786 | 158 588 |
| Total | 1 117 084 | 1 172 735 | 954 959 |

30 June 2013

| | | | |
|---|----------------|------------------|----------------|
| Annual Remuneration | 488 616 | 652 886 | 488 616 |
| Annual Bonus | 40 820 | - | 40 616 |
| Entertainment | 1 400 | - | 1 400 |
| Housing subsidy | 6 000 | - | - |
| Travel Allowance | 212 682 | 233 627 | 212 682 |
| Contributions to UIF, Medical and Pension funds | 214 879 | 199 917 | 116 368 |
| Total | 964 397 | 1 086 430 | 859 682 |

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20. EMPLOYEE-RELATED COSTS (continued)

| | R | R | R |
|---|------------------------------|---|---|
| 30 June 2014 | Head: HR services | Head: Corporate Services | Head: Electrical Services |
| Annual Remuneration | 528 994 | 32 049 | 523 339 |
| Annual Bonus | 43 612 | - | 43 612 |
| Entertainment | 1 050 | - | 1 400 |
| Travel Allowance | 230 036 | 13 835 | 228 020 |
| Contributions to UIF, Medical and Pension funds | 133 468 | - | 162 304 |
| Total | 937 159 | 45 884 | 958 674 |
| 30 June 2013 | | | |
| Annual Remuneration | 57 008 | 52 562 | 453 325 |
| Annual Bonus | - | - | - |
| Entertainment | - | - | 1 267 |
| Travel Allowance | 6 319 | 6 436 | 192 656 |
| Contributions to UIF, Medical and Pension funds | - | - | 114 039 |
| Total | 63 327 | 58 998 | 761 287 |
| 30 June 2014 | | Head: Health & Public Safety | Head: Parks, Sports & Recreation |
| Annual Remuneration | | 523 339 | 523 339 |
| Annual Bonus | | 43 612 | 43 612 |
| Entertainment | | 1 400 | 1 400 |
| Housing subsidy | | - | - |
| Travel Allowance | | 228 020 | 228 020 |
| Contributions to UIF, Medical and Pension funds | | 202 531 | 236 175 |
| Total | | 998 901 | 1 032 545 |
| 30 June 2013 | | | |
| Annual Remuneration | | 488 616 | 488 616 |
| Annual Bonus | | 40 616 | 40 820 |
| Entertainment | | 1 400 | 1 400 |
| Housing subsidy | | - | - |
| Travel Allowance | | 212 682 | 212 689 |
| Contributions to UIF, Medical and Pension funds | | 215 079 | 213 714 |
| Total | | 958 393 | 957 239 |

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20. EMPLOYEE-RELATED COSTS (continued)

30 June 2014

| | Head: Financial Services Revenue | Head: Economic Development | Head: Engineering Services |
|---|---|---|---|
| Annual Remuneration | 523 339 | - | 511 467 |
| Annual Bonus | 43 612 | - | 43 612 |
| Entertainment | 1 750 | - | 933 |
| Housing subsidy | 4 780 | - | 5 736 |
| Travel Allowance | 228 020 | - | 223 675 |
| Contributions to UIF, Medical and Pension funds | 147 115 | - | 157 555 |
| Total | 948 616 | - | 942 978 |

30 June 2013

| | | | |
|---|----------------|----------------|----------------|
| Annual Remuneration | 215 429 | 204 098 | 488 616 |
| Annual Bonus | - | 16 775 | 53 457 |
| Entertainment | 467 | 583 | 1 400 |
| Housing subsidy | - | - | 6 000 |
| Travel Allowance | 71 196 | 88 949 | 212 682 |
| Contributions to UIF, Medical and Pension funds | 77 474 | 62 040 | 229 966 |
| Total | 364 566 | 372 445 | 992 121 |

21. REMUNERATION OF COUNCILLORS

| | | |
|--|-------------------|-------------------|
| Mayor | 754 481 | 631 565 |
| Deputy Mayor | 622 265 | 509 785 |
| Speaker | 624 777 | 512 061 |
| Chief Whip | 562 112 | 460 616 |
| Executive Committee Members | 4 525 123 | 3 836 272 |
| Chairpersons of Section 79 Committees Exco | 190 083 | - |
| Chairpersons of S79 Committees | 1 143 401 | 997 104 |
| Councillors | 10 967 085 | 8 564 917 |
| Councillors' pension contributions | 2 018 945 | 1 635 516 |
| Total Councillors Remuneration | 21 408 271 | 17 147 836 |

The Speaker, Chief Whip and Executive Committee members are full-time. Each is provided with an office and secretarial support at the cost of the Council. The Mayor is also provided with a vehicle for business use at the cost of the Council.

22. FINANCE COSTS

| | | |
|--|-------------------|-------------------|
| Long-term liabilities | 71 144 663 | 79 985 065 |
| Total interest on external borrowings | 71 144 663 | 79 985 065 |

An amount of R505 366.52 (2013: R929 247.92) relating to finance costs for 2013/2014 was capitalised to work-in-progress with 9.59% being the weighted average cost of funds borrowed by the municipality.

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| | 2014 | 2013 |
|---|----------------------|--------------------|
| | R | R |
| 23. BULK PURCHASES | | |
| Electricity | 969 539 822 | 854 691 471 |
| Water | 82 085 979 | 82 555 439 |
| Total Bulk Purchases | 1 051 625 801 | 937 246 910 |
| 24. GRANTS AND SUBSIDIES PAID | | |
| Richards Bay Country Club | 309 792 | 350 030 |
| Davulution Agriculture Primary | - | 50 000 |
| Early Childhood Development | 300 000 | - |
| SPCA | 333 300 | 105 000 |
| Isigugu Samanxamalala Matomela Trust | 100 000 | - |
| Schools and uThungulu Community Forum | 60 000 | 25 000 |
| MTA Invitation | 61 514 | - |
| Children | 74 360 | - |
| Sundries | 394 767 | 267 664 |
| Property rates relief | 1 227 502 | 705 365 |
| Dolos Festival | 50 000 | 70 000 |
| uMhlathuze Rangers FC | (70 000) | 70 000 |
| Mhlacufest | - | 70 000 |
| COSATU Kwa-Zulu Natal - May Day | - | 60 000 |
| Ezemvelo KZN Wildlife | - | 32 550 |
| Youth Summit | 133 254 | 223 412 |
| World Aids Day | 47 022 | 61 486 |
| Total Grants and Subsidies Paid | 3 021 511 | 2 090 507 |
| 25. CASH GENERATED FROM OPERATIONS | | |
| Surplus/ (Deficit) for the year | 197 905 532 | (51 419 972) |
| Adjustment for: | | |
| Depreciation | 241 712 732 | 343 657 602 |
| Amortisation | 2 627 456 | 1 657 881 |
| Post-employment benefit expenses | 28 913 044 | (13 913 145) |
| Other grants received (excluded as non-cash) | (49 658 470) | - |
| (Gain)/ Loss on disposal of property, plant and equipment | 43 101 | (568 650) |
| Grant in aid (excluded as non-cash) | (584 541) | 16 189 |
| Movement in bad debt provision | 63 222 720 | 3 500 000 |
| Investment income | (21 060 123) | (14 498 748) |
| Interest paid | 71 144 663 | 79 985 065 |
| Operating surplus before working capital changes | 534 266 114 | 348 416 222 |
| (Increase)/ Decrease in inventories | 2 503 788 | (1 887 641) |
| (Increase)/ Decrease in trade receivables | (140 289 049) | (57 212 682) |
| (Increase)/ Decrease in other receivables | (5 103 954) | (4 182 788) |
| (Decrease)/ Increase in unspent conditional grants and receipts | (21 571 221) | 66 287 039 |
| (Decrease)/ Increase in creditors | 86 055 769 | 15 611 967 |
| (Decrease)/ Increase in VAT claimable | 6 457 012 | (8 297 070) |
| (Decrease)/ Increase in consumer deposits | 5 129 196 | 859 822 |

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Cash generated from operations

467 447 655

359 594 869

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| | 2014 | 2013 |
|---|--------------------------|--------------------------|
| | R | R |
| 26. ELECTRICITY AND WATER LOSSES | | |
| Water losses for the City of uMhlathuze calculated at a variable cost per kilolitre amounts to: | | |
| Total produced and purchased (KL) | 45 700 751 | 43 774 028 |
| Total sold (KL) | 28 197 051 | 29 428 624 |
| Water Loss (KL) | 17 503 700 | 14 345 404 |
| % Loss | 38.30% | 32.77% |
| Variable cost/ KL | R 1.43 | R 1.42 |
| | <u>25 087 109</u> | <u>20 370 474</u> |

Water losses are attributable to the following reasons:

Non-technical reasons

Included in these losses is measured water through bulk meters supplying the Traditional Areas of Mkhwanazi South, North and Dube. However individual households are not metered yet hence not billed and therefore recorded as lost at this stage.

Technical reasons

Aged reticulation without sufficient replacement, refurbishment and maintenance. Incorrectly calibrated meters

Electricity losses for the City of uMhlathuze calculated at a unit cost per kilowatt amounts to:

| | | |
|-----------------------|--------------------------|--------------------------|
| Total purchases (KW) | 1 600 621 423 | 1 434 018 166 |
| Total sold (KW) | 1 440 934 507 | 1 289 135 067 |
| Electricity Loss (KW) | 159 686 916 | 144 883 099 |
| % Loss | 9.977% | 10.103% |
| Unit cost/ KW | 0.58 | R 0.59 |
| | <u>93 101 990</u> | <u>85 481 028</u> |

Electricity losses are attributable to the following reasons:

Non-technical reasons

Theft, unmetered supply and error in metering.

Technical reasons

Electrical resistivity in the network.

Ageing of network without sufficient replacement, refurbishment and maintenance.

Incorrect meter calibration and monitoring.

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| | 2014 | 2013 |
|---|---------------------------|---------------------------|
| | R | R |
| 27. ADDITIONAL DISCLOSURES IN TERMS OF THE MFMA | | |
| 27.1 Contributions to SALGA | | |
| Council subscriptions | 4 169 187 | 3 632 664 |
| Amount paid | <u>(4 169 187)</u> | <u>(3 632 664)</u> |
| 27.2 Audit fees | | |
| Amount paid - current year | 2 126 265 | 3 681 503 |
| 27.3 PAYE, SDL and UIF | | |
| Opening balance | 5 119 721 | 4 223 351 |
| Current year payroll deductions | 74 624 035 | 64 705 627 |
| Amount paid - current year | (68 903 613) | (59 585 906) |
| Amount paid - prior year | (5 119 721) | (4 223 351) |
| Balance unpaid (included in creditors) | <u>5 720 422</u> | <u>5 119 721</u> |
| The balance represents June's contribution paid over in July. | | |
| 27.4 Pension and Medical Aid Deductions | | |
| Opening balance | 5 500 400 | 4 819 134 |
| Current year payroll deductions | 123 461 737 | 109 090 834 |
| Amount paid - current year | (117 220 060) | (103 590 434) |
| Amount paid - prior year | (5 500 401) | (4 819 134) |
| Balance unpaid (included in creditors) | <u>6 241 676</u> | <u>5 500 400</u> |
| The balance represents continued members contributions received in advance. | | |

27.5 Councillor's Arrear Consumer Accounts

The following councillors had arrear accounts outstanding for more than 90 days as at 30 June.

| 2014 | Total | < 90 days | > 90 days |
|-------------|-------------------|---------------------|---------------------|
| Khoza M | 923 | 380 | 543 |
| Total | <u>923</u> | <u>380</u> | <u>543</u> |
| 2013 | Total | < 90 days | > 90 days |
| None | - | - | - |
| Total | <u>-</u> | <u>-</u> | <u>-</u> |

During the year the following Councillors' had arrear accounts outstanding for more than 90 days. The following represents the highest amount outstanding:

| 2014 | Highest Amount Outstanding | Ageing |
|-------------|-----------------------------------|---------------|
| Khoza M | 543 | 90+ days |
| 2013 | Highest Amount Outstanding | Ageing |
| None | - | - |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|---|---------------------------|---------------------------|
| | R | R |
| 28. CAPITAL COMMITMENTS | | |
| Commitments in respect of capital expenditure | | |
| Approved and contracted for | 273 479 565 | 29 077 646 |
| Approved but not yet contracted for | 146 382 235 | 309 636 354 |
| Total capital commitments | <u>419 861 800</u> | <u>338 714 000</u> |
| This expenditure will be financed from | | |
| Internal sources | 106 720 900 | 108 898 000 |
| External loans | 144 738 000 | 136 119 000 |
| Grants and subsidies | 168 402 900 | 93 697 000 |
| | <u>419 861 800</u> | <u>338 714 000</u> |
| 29. CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS | | |
| Guarantees by City of uMhlathuze in respect of building society and commercial bank housing loans to officials. | 43 500 | 43 500 |
| Guarantee by City of uMhlathuze in respect of postal services. | 200 000 | 200 000 |
| Cosmic Gold submitted a claim against Council regarding the cancellation of a property sale agreement. Cosmic Gold is claiming the costs of constructing the tennis court in the property as well as interest and professional fees to the value of R1 673 513.50. The matter is still ongoing. | | |
| Motla Engineers (Pty) Ltd submitted a claim against council regarding a dispute in in amounts due that relates to tenders awarded for services rendered to the sum of R1 087 860.60. This matter is still ongoing. | | |
| 30. POST-EMPLOYMENT MEDICAL BENEFITS (defined benefit obligation) | | |
| The municipality operates on five (5) accredited medical aid schemes, namely Bonitas. Hosmed, Keyhealth, LA Health and Samwumed..Pensioners continue on the option they belonged to on the day of their retirement. The independent valuers, ARCH Actuarial Consulting, carried out statutory valuation for the year ended 30 June 2014. There are no planned assets. | | |
| The principal actuarial assumptions used were as follows: | | |
| Discount rate p.a. | 9.16% | 9.16% |
| Health care cost inflation rate | 7.75% | 7.75% |
| Net effective discount rate | 1.31% | 1.13% |
| Average retirement age | 55 | 55.00 |
| Proportion continuing membership at retirement | 80.00% | 80.00% |
| Proportion of retiring members who are married | 90.00% | 90.00% |

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City of uMhlathuze
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| | 2014 R | 2013 R |
|--|---------------------------|----------------------------|
| 30. POST-EMPLOYMENT MEDICAL BENEFITS (defined benefit obligation) | | |
| The amounts recognised in the Statement of Financial Position were determined as follows: | | |
| Present Value of the obligation | 233 331 899 | 204 418 855 |
| Liability in the Balance Sheet | <u>233 331 899</u> | <u>204 418 855</u> |
| Movements in the defined benefit obligation is as follows: | | |
| Balance at the beginning of the year | 204 418 855 | 218 332 000 |
| Current service cost | 13 480 221 | 18 777 000 |
| Interest cost | 18 584 035 | 16 186 000 |
| Benefits paid | (3 151 212) | (2 383 000) |
| Actuarial (gain)/ loss on obligation | - | (46 493 145) |
| | <u>233 331 899</u> | <u>204 418 855</u> |
| The amounts recognised in the Statement of Financial Performance were as follows: | | |
| Current service cost | 13 480 221 | 18 777 000 |
| Interest cost | 18 584 035 | 16 186 000 |
| Actuarial (gain)/ loss on obligation | - | (46 493 145) |
| Benefits paid | (3 151 212) | (2 383 000) |
| Net amount recognised | <u>28 913 044</u> | <u>(13 913 145)</u> |

31. PROVISIONS

| | Staff Leave | Staff Bonuses | Total |
|--------------------------------------|--------------------------|--------------------------|--------------------------|
| 30 June 2014 | | | |
| Amount at beginning of year | 13 204 076 | 10 113 045 | 23 317 121 |
| Increase/ (Decrease) during the year | (4 047 193) | 1 120 968 | (2 926 225) |
| Carrying amount at end of the year | <u>9 156 883</u> | <u>11 234 013</u> | <u>20 390 896</u> |
| 30 June 2013 | | | |
| Amount at beginning of year | 11 100 744 | 9 982 132 | 21 082 876 |
| Increase/ (Decrease) during the year | 2 103 332 | 130 913 | 2 234 245 |
| Carrying amount at end of the year | <u>13 204 106</u> | <u>10 113 051</u> | <u>23 317 157</u> |

Staff leave

Annual leave accrues to employees on a monthly basis, subject to certain conditions. The provision is an estimate of the amount payable to staff as at year-end, based on the value of statutory and non-statutory leave.

Staff bonuses

Bonuses accrue to staff on an annual basis based on their anniversary month. The provision is an estimate of the amount payable to staff for the following year on a pro-rata basis.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

City of uMhlathuze
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32. EVENTS AFTER THE REPORTING DATE

No material facts and circumstances have occurred between the accounting date and the date of this report that would have an impact on the financial statements.

| | 2014 R | 2013 R |
|--|-----------|----------------------|
| 33. PRIOR PERIOD ERROR | | |
| Restatement of Property, plant and equipment (accumulated depreciation) | | |
| In the prior year the municipality discovered that the depreciation on property, plant and equipment assets was overcharged. | | |
| Council properties were recognised and therefore prior year depreciation was provided. | | |
| The impact of this adjustment is as follows: | - | 6 844 944 359 |
| Amount as previously stated in the Financial statements | - | (38 627 047) |
| Correction of accumulated depreciation | - | 6 806 317 312 |
| Restated Property, plant and equipment (accumulated depreciation) at 30 June 2013 | | |

Restatement of Investment Properties (Accumulated depreciation)

During the year, the municipality discovered that the depreciation on investment properties was overcharged due to lifespans not reviewed in prior periods.

| | | |
|--|---|------------------|
| Amount as previously stated in the Financial statements | - | 8 873 872 |
| Correction of accumulated depreciation | - | (2 155 257) |
| Restated Investment Properties (Accumulated depreciation) at 30 June 2013 | - | 6 718 615 |

Restatement of Intangible assets (Accumulated Amortisation)

During the year, the municipality discovered that the depreciation on intangible assets was overcharged due to lifespans not reviewed in prior periods.

The impact of this adjustment is as follows:

| | | |
|--|---|-------------------|
| Amount as previously stated in the Financial statements | - | 12 524 647 |
| Correction of accumulated amortisation | - | (642 261) |
| Restated Intangible assets (accumulated depreciation) at 30 June 2013 | - | 11 882 386 |

Restatement of Inventory Land

During the year, the municipality discovered inventory land previously not accounted for in the accounting records.

The impact of this error is as follows:

| | | |
|--|---|-------------------|
| Balance as previously stated in the Financial statements | - | 59 515 000 |
| Inventory land not previously recognised | - | 800 000 |
| Restated Inventory Land at 30 June 2013 | - | 60 315 000 |

City of uMhlathuze
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33. PRIOR PERIOD ERROR (Continued)

Restatement of Accumulated Surplus

| | | |
|---|----------|----------------------|
| Balance as previously stated in the Financial statements | - | 3 436 964 841 |
| Inventory land not previously recognised | - | 800 000 |
| Correction of accumulated depreciation/amortisation | - | 41 424 568 |
| Restated Accumulated Surplus Balance at 30 June 2013 | - | 3 479 189 409 |

34. DEVIATION FROM PROCUREMENT PROCESSES

Section 37(2) of Supply Chain Management Policy has been complied with.

The total amount of deviations recorded for 2013/2014 financial year is R38 186 577 (2013: R4 246 647.85)

35. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

There was no unauthorised, irregular, or fruitless and wasteful expenditure incurred during the year.

| | 2014 | 2013 |
|---|------------------|------------------|
| | R | R |
| 36. OPERATING LEASES | | |
| The municipality as a lessee | | |
| At the reporting date, the municipality has outstanding commitments under operating leases which fall due as follows: | | |
| Buildings | | |
| Within one year | 2 400 | 2 400 |
| In the second to fifth year inclusive | 9 600 | 9 600 |
| After five years | - | - |
| Total | 12 000 | 12 000 |
| IT Equipment | | |
| Within one year | 3 482 681 | 1 063 668 |
| In the second to fifth year inclusive | 2 007 257 | 1 772 780 |
| After five years | - | - |
| Total | 5 489 938 | 2 836 448 |

Operating lease payments represents rentals payable by the municipality for certain of its offices. The municipality also has current lease arrangements for three years for printers and PABX equipment. No contingent rent is payable.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|---|--------------------|--------------------|
| | R | R |
| 37. GENERAL EXPENSES | | |
| Included as part of general expenses are the following: | | |
| Uniforms | 2 256 238 | 3 035 793 |
| Bank charges | 2 847 203 | 1 329 647 |
| Community facilitation | 4 816 842 | 4 332 507 |
| External audit fees | 2 129 265 | 3 681 503 |
| Fuel and oil | 17 228 174 | 14 554 794 |
| Insurance | 4 229 739 | 5 175 394 |
| Indigent services rendered | 6 064 166 | 4 785 389 |
| Legal fees | 13 487 768 | 1 588 783 |
| Licences and permits | 1 853 186 | 1 571 994 |
| Membership fees | 4 680 167 | 3 827 982 |
| Postage | 1 525 332 | 1 274 670 |
| Printing and stationery | 5 532 454 | 3 808 796 |
| Programming material | 6 928 995 | 4 159 428 |
| Publicity | 771 046 | 1 650 994 |
| Rental of equipment and vehicles | 14 794 945 | 8 082 419 |
| Waste disposal | 3 729 884 | 3 285 861 |
| Skills levy | 4 129 803 | 3 686 647 |
| Telephone | 1 960 572 | 1 789 645 |
| Research fund | 781 913 | 1 337 451 |
| Sport development | 1 005 298 | 1 152 367 |
| Stores and materials | 1 145 494 | 1 120 981 |
| Subsistence and travelling | 2 172 532 | 1 714 048 |
| Valuation roll | 1 335 172 | 5 142 299 |
| Advertisements | 2 467 882 | 1 618 941 |
| Small tools | 778 800 | 1 197 712 |
| Bursaries | 871 003 | 941 153 |
| Consultancy | 3 715 721 | 6 763 512 |
| Sundries | 20 739 727 | 9 717 981 |
| Total | 133 979 321 | 102 328 691 |

38. RELATED PARTY TRANSACTIONS

There were no related party transactions that occurred during the year.

39. CHANGE IN ACCOUNTING ESTIMATE

A change in the estimated useful lives of certain property, plant and equipment, intangible assets and investment properties that were reaching their estimated useful lives has resulted in the following change in depreciation.

| | | |
|--|-------------|-----------|
| Depreciation according to initial estimated useful lives | 103 534 131 | 8 280 529 |
| Depreciation according to re-estimated useful lives | 12 546 141 | 1 697 856 |
| Reduction in depreciation | 90 987 990 | 6 582 674 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | 2014 | 2013 |
|---------------------------------|-------------------|----------------|
| 40. PUBLIC CONTRIBUTIONS | | |
| John Ross Interchange | 49 658 470 | - |
| IDZ | 10 877 362 | - |
| Other | 799 258 | 243 335 |
| | 61 335 090 | 243 335 |

| | | |
|--------------------------------|--------------------|-------------------|
| 41. CONTRACTED SERVICES | | |
| Cleaning Services | 2 397 455 | 1 876 985 |
| Meter reading | 8 205 380 | 6 769 650 |
| Security | 24 975 304 | 20 901 872 |
| Sewerage and Waste Disposal | 8 343 993 | 8 063 454 |
| Outsourcing | 56 718 812 | 54 489 093 |
| Total | 100 640 944 | 92 101 054 |

| | | |
|-----------------------------|-------------|-------------|
| 41. Reclassification | 2014 | 2013 |
| | R | R |

Property rates and interest earned on outstanding debtors

An amount of R1 610 015 was re classified from Interest Earned - Outstanding debtors to Property Rates - Penalties imposed and collection charges . There was no overall effect on surplus/deficit.

| | |
|---|--------------------|
| Interest Earned | 1 778 337 |
| Reclassification of Property Rates - Penalties imposed and collection charges | (1 610 015) |
| Interest earned Outstanding debtors | 168 322 |
| Property rates | 238 006 738 |
| Reclassification of Property Rates - Penalties imposed and collection charges | 1 610 015 |
| Property rates | 239 616 753 |

Contracted services and general expenses

The municipality previously classified consultancy fees under contracted services. These costs are now included under general expenses. There is no overall effect on surplus/deficit.

| | |
|----------------------------|--------------------|
| General expenses | 95 565 179 |
| Consultancy fees | 6 763 512 |
| General expenses | 102 328 691 |
| Contracted services | 98 864 566 |
| Consultancy fees | (6 763 512) |
| Contracted services | 92 101 054 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

42. FINANCIAL RISK MANAGEMENT

Exposure to interest rate, credit risk and liquidity risks arise in the normal course of the municipality's operations.

Financial Risk Management

The municipality has exposure to the following risks from its use of Financial Instruments:

Liquidity Risk

Interest Rate Risk

Credit Risk

This note presents information about the municipality's exposure to each of the above risks and the municipality's objectives, policies and processes for measuring and managing those risks. Further quantitative disclosures are included throughout these financial statements.

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by it, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

| | 2014 | 2013 |
|---|------------------------|--------------------|
| | R | R |
| Categories of Financial Instruments | | |
| Financial Assets | | |
| Investments and Receivables | | |
| Call Investments | 40 000 000 | 40 000 000 |
| Cash and cash equivalents | 364 509 347 | 202 775 493 |
| Long-term receivables | 159 027 | 356 704 |
| Trade receivables | 316 529 263 | 239 462 934 |
| Other receivables | 32 009 956 | 26 493 585 |
| | 753 207 593 | 509 088 716 |
| Liabilities and Creditors | | |
| Long-term liabilities | 601 727 228 | 731 473 690 |
| Trade and Other payables | 339 257 657 | 185 067 011 |
| | 940 984 885 | 916 540 701 |
| Fair Values versus Carrying Amounts | | |
| The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows: | | |
| | Carrying Amount | Fair Value |
| | 2014 | 2014 |
| Long-term receivables | 159 027 | 356 704 |
| Call investments | 40 000 000 | 40 000 000 |
| Cash | 364 509 347 | 202 775 493 |
| Trade receivables | 316 529 263 | 239 462 934 |
| | 32 009 956 | 26 493 585 |
| Total | 753 207 593 | 509 088 716 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

| | | |
|--------------------------|--------------------|--------------------|
| Long-term liabilities | 601 727 228 | 731 473 690 |
| Trade and other payables | 339 257 657 | 185 067 011 |
| Total | 940 984 885 | 916 540 701 |

42.1 Liquidity Risk

Liquidity risk is the risk that the municipality will not be able to meet its obligations as they fall due. The municipality's approach is to ensure that sufficient liquidity is available to meet its liabilities when due. The municipality uses cash flow forecasts to ensure that sufficient cash is available to meet expected operating expenses. This is guided by working capital and revenue enhancement policy

The debtors collection rate of the municipality also ensures that sufficient cash is available to cover working capital. The average collection rate of the municipality is 99.17% (2013: 99.17%).

The following are contractual liabilities of which interest is included in borrowings:

| | Up to one year | 1 - 5 years | > 5 years |
|--------------------------|-----------------------|--------------------|---------------------|
| Borrowings | 197 299 450 | 855 504 850 | 116 829 519 |
| Trade and Other payables | 278 555 247 | - | - |
| | 475 854 697 | 855 504 850 | 116 829 519 |

42.2 Interest rate risk

The municipality's policy is to manage interest rate risk so that fluctuations in variable costs do not have a material impact on surplus. All long-term debt are at fixed rates.

42.3 Credit Risk

Credit risk is the risk of financial loss to the municipality if customers or counterparties to financial instruments fail to meet their contractual obligations. Credit risk consists mainly of cash deposits, cash equivalents and trade debtors.

Investments

The municipality limits its exposure to credit risk by investing with only reputable financial institutions and within specific guidelines set in accordance with Council's approved investment policy.

Receivables

Receivables are amounts owing by consumers and are presented net of impairment loss. The municipality has a credit control policy in place and the exposure to credit risk is monitored continuously. The municipality establishes an allowance for doubtful debts that represents its estimate of anticipated losses in respect of receivables. Payments of accounts of consumer debtors who are unable to pay, are negotiated in line with the 'credit control policy and terms of payments are agreed upon with the consumer.

Cash and cash equivalents

The municipality limits its exposure to credit risk by investing with only reputable financial institutions and within specific guidelines set in accordance with Council's approved investment policy. The municipality does not consider there to be any significant exposure to credit risk.

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The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk as at 30 June was:

| | 2014 | 2013 |
|---------------------------|--------------------|--------------------|
| | R | R |
| Call investments | 40 000 000 | 40 000 000 |
| Cash and cash equivalents | 364 509 347 | 202 775 493 |
| Long-term receivables | 159 027 | 356 704 |
| Trade receivables | 316 529 263 | 239 462 934 |
| Other receivables | 32 009 956 | 26 493 585 |
| | 753 207 593 | 509 088 716 |

43. Budget Information

43.1 Explanation of variances between approved and final budget amounts

The reason for the variance between approved and final budget is mainly due to the adjustments budget approved by Council on 25 February 2014.

43.2 Explanation of variances greater than 10%: final budget and actual amounts

43.2.1 Statement of financial position

CURRENT ASSETS

The cash available was much higher than anticipated due to underspending of capital as well as conditional grants

CURRENT LIABILITIES

The increase in actual amount is due to high amount of unspent conditional grants at year-end.

43.2.2 Statement of financial performance

REVENUE

Rental of facilities equipment

Revenue increased due to delay in sales of some properties hence leasing continued.

Interest Earned - external investments

The variance is the result of increased in funds surplus funds available for investments during the year.

Interest Earned - outstanding debtors

The variance is due to property rates penalties being included under interest on outstanding debtors on the budget whilst in the financial statements it is reflected under property rates.

Government Grant and Subsidies

The variance is the result of underspending in grant funded projects and therefore revenue could not be recognised due to conditions not being met.

City of uMhlathuze
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43. Budget Information (continued)

Fines

The variance is due to the initial recognition of all traffic fines in line with the requirements of IGRAP1.

Public Contributions

The variance is mainly due to the infrastructure handed at the John Ross Interchange that was handed to council during the year.

Other Income

The variance is the result of high revenue received on extension fees for engineering contribution during the year.

EXPENDITURE

Debt impairment

The variance is the result of an increase in the allowance for doubtful debts during the year.

**Depreciation and
amortisation**

This material difference can not be a charge against Rates and General as per Municipal Finance Management Act Circular number 58 section 4.3 read together with Directive 7 of GRAP 17. Therefore it can not be a budgeted cost, but instead is a charge against the Statement of Financial Performance which in effect reduces "Surplus" and charged against Revaluation Reserve which is included in Net Asset (Equity).

Collection costs

The variance is due to decreased spending on operational grants during the year.

Conditional grant expenditure

The variance is due to increased spending on operational conditional grants during the year.

**Grant and
subsidies paid**

The variance is due to less grant in aid paid that anticipated at budget stage.

43.2.3 Cash flow statement

The variance is mainly due to increase in revenue due to engineering contributions and also underspending of capital expenditure which led to increase in cash and cash equivalents.

43.2.4 Capital expenditure

The variance is the result of underspending in capital mainly due to delays in awarding of tenders and also contract award objection processes. The bulk of the projects have been carried forward to the next financial year.

City of uMhlathuze
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APPENDIX A: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2014

| EXTERNAL LOANS | Interest Rate | Loan # | Redeemable | Balance at 30/06/2013 | Received during the year | Redeemed/ Written off during the year | Balance at 30/06/2014 |
|-----------------------------|---------------|--------------|------------|--------------------------|-----------------------------|---|--------------------------|
| | | | | R | R | R | R |
| LONG-TERM LOANS | | | | | | | |
| Development Bank of SA | 12.00% | 10593 | 2018/03/31 | 3 884 343 | | 607 365 | 3 276 978 |
| Development Bank of SA | 12.00% | 10594 | 2017/03/31 | 1 606 673 | | 334 461 | 1 272 212 |
| Development Bank of SA | 12.00% | 10595 | 2017/03/31 | 6 032 318 | | 1 255 745 | 4 776 573 |
| Development Bank of SA | 12.00% | 10596 | 2017/03/31 | 1 403 740 | | 292 216 | 1 111 524 |
| Development Bank of SA | 14.50% | 10597 | 2018/03/31 | 5 046 390 | | 748 542 | 4 297 848 |
| Development Bank of SA | 12.00% | 10600 | 2017/03/31 | 2 737 708 | | 569 908 | 2 167 800 |
| Development Bank of SA | 12.00% | 10601 | 2017/03/31 | 1 627 232 | | 338 740 | 1 288 492 |
| Development Bank of SA | 12.00% | 10602 | 2017/03/31 | 411 614 | | 85 686 | 325 928 |
| | | | | 22 750 018 | - | 4 232 663 | 18 517 355 |
| INCA | 13.95% | UMHL | 2019/06/30 | 9 652 565 | - | 1 266 362 | 8 386 203 |
| Development Bank of SA | 16.16% | 11665 | 2010/12/31 | - | - | - | - |
| Standard Bank | 7.59% | 357636 | 2015/03/31 | 30 498 359 | - | 11 530 560 | 18 967 799 |
| Nedbank | 5.75% | 05/7831 | 2016/06/30 | 33 472 656 | - | 10 561 271 | 22 911 385 |
| INCA | 8.75% | | 2019/06/28 | 153 665 299 | - | 20 459 471 | 133 205 828 |
| Development Bank of SA | 11.70% | 103170 | 2018/12/31 | 167 636 054 | - | 23 239 908 | 144 396 146 |
| Development Bank of SA | 6.75% | 103494 | 2019/06/30 | 23 704 818 | - | 3 325 802 | 20 379 016 |
| Development Bank of SA | 11.57% | 103494 | 2019/06/30 | 72 683 184 | - | 8 981 863 | 63 701 321 |
| Nedbank | 11.26% | 05/7831/2 | 2019/12/31 | 144 098 661 | - | 15 996 315 | 128 102 346 |
| Nedbank | 9.59% | 7831003878/3 | 2022/06/17 | 73 312 074 | - | 5 440 856 | 67 871 218 |
| Nedbank | 10.13% | 7831003878/4 | 2024/06/28 | - | 100 000 000 | (27 753) | 100 027 753 |
| | | | | 708 723 670 | 100 000 000 | 100 774 655 | 707 949 015 |
| TOTAL EXTERNAL LOANS | | | | 731 473 688 | 100 000 000 | 105 007 318 | 726 466 370 |

City of uMhlathuze
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APPENDIX B: ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2014

| | Cost/ Revaluation | | | | | Accumulated Depreciation | | | | | | |
|-----------------------|-------------------|-------------|------------|--------------------|-----------|--------------------------|-----------------|-------------|-----------|-----------|-----------------|----------------|
| | Opening Balance | Transfers | Additions | Under construction | Disposals | Closing Balance | Opening balance | Additions | Transfers | Disposals | Closing balance | Carrying Value |
| Land | 538 179 950 | (3 203 000) | - | - | - | 534 976 950 | - | | | | - | 534 976 950 |
| | 538 179 950 | (3 203 000) | - | - | - | 534 976 950 | - | - | - | - | - | 534 976 950 |
| Infrastructure | | | | | | | | | | | | |
| Electricity | 560 547 816 | - | 28 490 576 | 29 302 119 | | 618 340 511 | 206 528 279 | 23 217 849 | | | 229 446 127 | 388 594 383 |
| Roads | 3 260 874 516 | - | 27 093 019 | 7 223 886 | | 3 295 191 421 | 2 150 076 749 | 70 196 897 | | | 2 220 273 646 | 1 074 917 776 |
| Sewerage | 1 390 292 161 | - | 16 231 445 | 44 931 236 | | 1 451 709 822 | 777 691 748 | 38 058 136 | | | 815 749 884 | 635 704 958 |
| Water | 4 335 408 016 | - | 26 913 885 | 51 272 363 | | 4 413 339 284 | 3 292 209 659 | 62 656 821 | | | 3 354 866 480 | 1 058 727 784 |
| Security measures | 17 621 956 | - | 161 375 | - | | 17 783 331 | 13 180 646 | 2 258 465 | | | 15 439 111 | 2 344 221 |
| Pedestrian Malls | 23 478 790 | - | 223 009 | - | | 23 701 799 | 19 052 838 | 554 593 | | | 19 607 431 | 4 094 368 |
| Airport- taxiways | 360 591 | - | - | - | | 360 591 | 235 338 | 18 017 | | | 253 354 | 107 237 |
| | 9 588 583 845 | - | 99 113 311 | 132 729 605 | - | 9 820 426 760 | 6 458 975 257 | 196 960 776 | - | - | 6 655 936 034 | 3 164 490 727 |
| Community Assets | | | | | | | | | | | | |
| Beach development | 32 453 404 | | 32 897 | 2 302 610 | | 34 788 911 | 11 874 183 | 1 069 072 | | | 12 943 255 | 21 845 657 |
| Cemeteries | 17 454 035 | | 675 423 | - | | 18 129 458 | 3 224 991 | 639 621 | | | 3 864 612 | 14 264 846 |
| Clinics | 259 212 | | 147 900 | - | | 407 112 | 95 706 | 18 741 | | | 114 447 | 292 665 |
| Community centres | 13 825 489 | | 934 252 | 2 181 629 | | 16 941 370 | 6 702 277 | 669 097 | | | 7 371 375 | 9 569 996 |
| Fire stations | 2 535 790 | | 734 450 | 1 149 397 | | 4 419 637 | 786 176 | 92 147 | | | 878 323 | 3 541 314 |
| Land Main Investments | 54 541 111 | | - | - | | 54 541 111 | 8 228 472 | 1 367 407 | | | 9 595 880 | 44 945 231 |
| Libraries | 9 952 206 | | 239 808 | 342 395 | | 10 534 409 | 6 564 094 | 395 197 | | | 6 959 291 | 3 575 118 |
| Museum | - | | - | - | | - | 2 755 | - | | | 2 755 | (2 755) |
| Parks & Gardens | 11 124 100 | | 1 941 239 | - | | 13 065 339 | 10 383 465 | 102 577 | | | 10 486 042 | 2 579 297 |
| Public Conveniences | 8 057 133 | | - | - | | 8 057 133 | 6 200 075 | 551 430.78 | | | 6 751 070 | 1 305 627 |
| Recreation facilities | 51 211 391 | | 6 110 382 | 465 480 | | 57 787 253 | 25 887 990 | 2 419 936 | | | 28 307 926 | 29 479 327 |
| Stadiums | 85 791 063 | | 140 350 | 110 466 | | 86 041 879 | 9 892 001 | 3 432 902 | | | 13 324 903 | 72 716 976 |
| | 287 204 934 | - | 10 956 701 | 6 551 977 | - | 304 713 612 | 89 842 185 | 10 758 129 | - | - | 100 600 313 | 204 113 297 |

City of uMhlathuze
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APPENDIX B: ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2014 (continued)

| | Cost/ Revaluation | | | | | Accumulated Depreciation | | | | | | |
|---------------------------|-------------------|-------------|-------------|--------------------|-----------|--------------------------|-----------------|-------------|-----------|-----------|-----------------|----------------|
| | Opening Balance | Transfers | Additions | Under construction | Disposals | Closing Balance | Opening balance | Additions | Transfers | Disposals | Closing balance | Carrying Value |
| Housing | 78 659 014 | | | 5 492 718 | | 84 151 732 | 7 105 015 | 1 197 030 | | | 8 302 044 | 75 849 688 |
| | 78 659 014 | - | - | 5 492 718 | - | 84 151 732 | 7 105 015 | 1 197 030 | - | - | 8 302 044 | 75 849 688 |
| | | | | | | | | | | | | |
| Other Assets | | | | | | | | | | | | |
| Bins & Containers | 4 888 697 | | 1 128 049 | - | - | 6 016 746 | 3 868 652 | 354 580 | | - | 4 223 232 | 1 793 515 |
| Buildings | 176 065 515 | | 7 876 343 | 5 104 934 | - | 189 046 792 | 80 327 665 | 8 315 176 | | - | 88 642 841 | 100 403 950 |
| Emergency equipment | 1 183 439 | | 135 041 | - | - | 1 318 480 | 201 713 | 120 643 | | - | 322 356 | 996 123 |
| Furniture and fittings | 10 528 193 | | 1 968 967 | - | - | 12 497 160 | 7 366 175 | 1 005 393 | | - | 8 371 461 | 4 125 591 |
| Land Main Investments | 69 169 075 | | - | - | - | 69 169 075 | 27 957 404 | 1 925 839 | | - | 29 883 243 | 39 285 832 |
| Motor vehicles | 114 670 477 | | 11 281 812 | - | - | 125 952 289 | 77 963 588 | 12 800 239 | | - | 90 763 827 | 35 188 463 |
| Office equipment | 31 379 413 | | 5 453 831 | - | (56 085) | 36 777 159 | 19 169 258 | 3 552 534 | | (14 579) | 22 707 212 | 14 069 948 |
| Plant and equipment | 47 897 621 | | 12 707 457 | - | (8 226) | 60 596 851 | 33 258 605 | 3 921 704 | | (6 631) | 37 173 677 | 23 423 174 |
| Watercraft | 352 552 | | - | - | - | 352 552 | 281 793 | 62 277 | | | 344 070 | 8 482 |
| | 456 134 982 | - | 40 551 500 | 5 104 934 | (64 311) | 501 727 105 | 250 394 853 | 32 058 385 | - | (21 211) | 282 432 028 | 219 295 077 |
| Total | 10 948 762 725 | (3 203 000) | 150 621 511 | 149 879 234 | (64 311) | 11 245 996 159 | 6 806 317 310 | 240 974 319 | - | (21 211) | 7 047 270 419 | 4 198 725 743 |
| | | | | | | | | | | | | |
| Heritage Assets | | | | | | | | | | | | |
| Paintings & Art galleries | 2 488 594 | | 235 100 | | | 2 723 694 | - | | | | - | 2 723 694 |
| Total | 2 488 594 | - | 235 100 | - | - | 2 723 694 | - | - | - | - | - | 2 723 694 |

City of uMhlathuze
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APPENDIX C: SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2014

| 2013 Actual Income | 2013 Actual Expenditure | 2013 Surplus/ (Deficit) | | 2014 Actual Income | 2014 Actual Expenditure | 2014 Surplus/ (Deficit) |
|-----------------------|----------------------------|-------------------------|-----------------------------|-----------------------|----------------------------|----------------------------|
| R | R | R | | R | R | R |
| 227 912 | 66 703 037 | (66 475 125) | Executive and Council | 1 032 846 | 88 714 641 | (87 681 7811) |
| 19 916 190 | 166 946 833 | (147 030 643) | Corporate Services | 30 166 557 | 194 689 090 | (164 522 533) |
| 317 161 102 | 60 856 308 | 256 304 794 | Budget & Treasury Office | 322 143 168 | 96 190 988 | 225 952 170 |
| 2 439 002 | 28 148 918 | (25 709 916) | Planning & Development | 2 271 244 | 37 809 949 | (35 538 705) |
| 9 243 777 | 28 015 986 | (18 772 209) | Health | 14 505 985 | 35 592 824 | (21 086 839) |
| 6 270 166 | 69 288 891 | (63 018 725) | Community & Social Services | 14 979 092 | 84 605 864 | (69 626 772) |
| 9 042 400 | 7 613 699 | 1 428 701 | Housing | 12 161 228 | 9 050 975 | 3 110 253 |
| 12 599 882 | 87 118 022 | (74 518 140) | Public Safety | 62 501 202 | 157 883 279 | (95 382 077) |
| 6 025 839 | 128 491 879 | (122 466 040) | Sport & Recreation | 8 429 929 | 154 892 722 | (146 462 793) |
| 69 353 066 | 85 715 460 | (16 362 394) | Waste Management | 88 036 747 | 95 420 491 | (7 383 744) |
| 145 765 860 | 171 637 301 | (25 871 441) | Waste Water Management | 163 509 025 | 172 576 518 | (9 067 493) |
| 11 194 227 | 224 631 916 | (213 437 689) | Road Transport | 23 518 190 | 255 225 298 | (231 707 108) |
| 340 215 099 | 420 795 711 | (80 580 612) | Water | 394 412 320 | 392 000 206 | 2 412 114 |
| 1 163 895 102 | 1 034 275 558 | 129 619 544 | Electricity | 1 402 627 672 | 1 137 757 973 | 264 869 699 |
| 2 755 260 | 344 956 | 2 410 304 | Other | 538 473 | 660 446 | (121 973) |
| 2 116 104 884 | 2 580 584 475 | (464 479 591) | Sub-total | 2 540 833 678 | 2 913 071 289 | (372 237 611) |
| (43 339 917) | (456 399 536) | 413 059 619 | Less: inter-dep charges | (46 521 448) | (616 664 631) | 570 143 183 |
| 2 072 764 967 | 2 124 184 939 | (51 419 972) | Total | 2 494 312 230 | 2 296 406 658 | 197 905 532 |

City of uMhlathuze
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APPENDIX D: DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grants and Subsidies Received

| Name of Grant | Name of organ of state | Quarterly Receipts | | | | Total 2013/14 as per AFS | Quarterly Expenditure | | | | Total 2013/14 as per AFS | Grants and Subsidies delayed/ withheld | | | | Total 2013/14 as per AFS | Reason for delay/ withholding of funds | Compliance with grant conditions in terms of grant frameworks | Reason for non-compliance |
|--|---|--------------------|-----------|-----------|-----------|--------------------------|-----------------------|-----------|-----------|-----------|--------------------------|--|----------|----------|----------|--------------------------|--|---|---------------------------|
| | | Sep 2013 | Dec 2013 | Mar 2014 | Jun 2014 | | Sep 2013 | Dec 2013 | Mar 2014 | Jun 2014 | | Sep 2013 | Dec 2013 | Mar 2014 | Jun 2014 | | | | |
| Museum subsidy | KZN - Dept of Education and Culture | - | - | 284 000 | - | 284 000 | 340 421 | 297 906 | 384 396 | 369 716 | 1 392 439 | - | - | - | - | - | None | Yes | |
| Primary health subsidy | KZN - Dept of Health | - | 3 438 800 | 1 719 400 | 4 486 600 | 9 644 800 | 5 093 223 | 5 427 250 | 5 974 362 | 7 575 622 | 24 070 456 | - | - | - | - | - | None | Yes | |
| Esikhwini Hostel Refurbishment | KZN - Dept of Housing | 305 465 | 334 464 | 344 373 | 393 563 | 1 377 865 | 531 069 | 754 539 | 2 200 542 | 1 586 970 | 5 073 120 | - | - | - | - | - | None | Yes | |
| Housing Operational Account | KZN - Dept of Housing | 2 941 552 | 1 471 830 | 3 498 505 | 40 996 | 7 952 883 | 899 855 | 1 017 104 | 2 466 232 | 2 811 513 | 7 194 704 | - | - | - | - | - | None | Yes | |
| Public Internet Access - libraries | KZN - Dept of Library Services | 720 000 | - | - | - | 720 000 | 131 807 | 154 141 | 120 028 | 108 377 | 514 354 | - | - | - | - | - | None | Yes | |
| Library subsidies | KZN - Dept of Library Services | 5 846 000 | - | - | - | 5 846 000 | 3 780 077 | 4 114 502 | 4 694 693 | 6 906 793 | 19 496 066 | - | - | - | - | - | None | Yes | |
| Sport and Recreation | KZN - Dept of Sport and Recreation | - | - | - | 528 236 | 528 236 | - | - | - | - | - | - | - | - | - | - | None | Yes | |
| Upgrade of Alkandstrand Beach | KZN - Dept of Economic Development and Tourism | - | - | 400 000 | - | 400 000 | - | - | - | - | - | - | - | - | - | - | None | Yes | |
| Traffic Calming | KZN - Dept of Transport | - | - | - | - | - | - | - | 123 010 | 44 269 | 167 279 | - | - | - | - | - | None | Yes | |
| Land Use Management | KZN - Dept of Co-Operative Governance and Traditional Affairs | - | - | - | - | - | 34 967 | - | 11 423 | - | 46 390 | - | - | - | - | - | None | Yes | |
| Corridor Development | KZN - Dept of Co-Operative Governance and Traditional Affairs | - | - | - | - | - | 39 680 | 58 593 | - | - | 98 273 | - | - | - | - | - | None | Yes | |
| Urban Development Framework Plan | KZN - Dept of Co-Operative Governance and Traditional Affairs | - | - | - | - | - | - | 166 500 | 55 419 | 15 124 | 237 043 | - | - | - | - | - | None | Yes | |
| Extension to Richards Bay Airport | KZN - Dept of Co-Operative Governance and Traditional Affairs | - | - | - | - | - | - | - | 53 390 | - | 53 390 | - | - | - | - | - | None | Yes | |
| Tourism Development | KZN - Dept of Co-Operative Governance and Traditional Affairs | - | - | - | - | - | - | 45 740 | - | 2 149 924 | 2 195 664 | - | - | - | - | - | None | Yes | |
| New and Upgrading of Informal Trading Stalls | KZN - Dept of Co-Operative Governance and Traditional Affairs | - | - | - | - | - | 219 467 | 1 111 627 | 1 320 083 | 2 728 652 | 5 379 829 | - | - | - | - | - | None | Yes | |
| Massification Grant | KZN - Dept of Co-Operative Governance and Traditional Affairs | - | - | - | - | - | - | 112 548 | - | - | 112 548 | - | - | - | - | - | None | Yes | |

City of uMhlathuze
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APPENDIX D: DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

| Name of Grant | Name of organ of state | Quarterly Receipts | | | | Total 2013/14 as per AFS | Quarterly Expenditure | | | | Total 2013/14 as per AFS | Grants and Subsidies delayed/ withheld | | | | Total 2013/14 as per AFS | Reason for delay/ withholding of funds | Compliance with grant conditions in terms of grant frameworks |
|--|---------------------------------|--------------------|------------|------------|-----------|--------------------------|-----------------------|------------|------------|------------|--------------------------|--|-----------|----------|----------|--------------------------|--|---|
| | | Sep 2013 | Dec 2013 | Mar 2014 | Jun 2014 | | Sep 2013 | Dec 2013 | Mar 2014 | Jun 2014 | | Sep 2013 | Dec 2013 | Mar 2014 | Jun 2014 | | | |
| Institutional Support (Water conservation and demand management project) | Nat - Dept of Water Affairs | - | - | - | - | - | 264 800 | 175 888 | 133 559 | 137 928 | 712 175 | - | - | - | - | - | None | Yes |
| Cleanest Town Award | Nat - Dept of Water Affairs | - | - | - | - | - | 26 619 | 29 818 | 84 266 | 37 859 | 178 562 | - | - | - | - | - | None | Yes |
| Water Services Operating Subsidy | Nat - Dept of Water Affairs | 937 000 | 1 250 000 | 5 023 000 | - | 7 210 000 | 2 613 330 | 2 632 338 | 1 964 402 | 7 210 070 | - | - | - | - | - | - | None | Yes |
| Municipal Infrastructure Grant | National Treasury | 22 620 000 | 38 068 000 | 26 045 000 | - | 86 733 000 | 14 206 676 | 10 890 616 | 11 345 943 | 64 738 870 | 101 182 105 | - | - | - | - | - | None | Yes |
| Financial Management Grant | National Treasury | 1 550 000 | (374 000) | - | - | 1 176 000 | 326 462 | 784 762 | 566 369 | 988 133 | 2 665 726 | - | (374 000) | - | - | (374 000) | Grant unspent as at 2011/2012 | Yes |
| Municipal Systems Improvement Grant (MSIG) | National Treasury | 890 000 | - | - | - | 890 000 | 29 027 | 220 659 | 221 252 | 419 063 | 890 000 | - | - | - | - | - | None | Yes |
| Equitable Share | National Treasury | 78 953 000 | 63 835 000 | 47 596 000 | - | 190 384 000 | - | - | - | - | - | - | - | - | - | - | None | Yes |
| Extended Public Works Programme | National Treasury | 400 000 | - | 600 000 | - | 1 000 000 | 908 | 1 347 | 803 316 | 190 514 | 996 085 | - | - | - | - | - | None | Yes |
| Infrastructure Skills Development Grant | National Treasury | 2 000 000 | - | 5 000 000 | - | 7 000 000 | 1 423 790 | 1 406 842 | 2 530 151 | 1 849 870 | 7 210 652 | - | - | - | - | - | None | Yes |
| Energy Management | National Treasury | - | - | - | - | - | 815 412 | 349 345 | 21 934 | 2 203 881 | 3 390 572 | - | - | - | - | - | None | Yes |
| Rural Household Infrastructure | National Treasury | - | - | 4 000 000 | - | 4 000 000 | - | - | - | - | - | - | - | - | - | - | None | Yes |
| Municipal Water Infrastructure | National Treasury | - | - | 17 547 000 | - | 17 547 000 | - | 527 387 | 4 254 985 | 530 942 | 5 313 313 | - | - | - | - | - | None | Yes |
| Electrification - Mandlazini, Mzingazi and Dumisani Makhaye Village | National Treasury | - | - | - | - | - | - | - | 2 377 674 | 4 716 217 | 7 093 892 | - | - | - | - | - | None | Yes |
| Restructuring Grant | National Treasury | - | - | - | - | - | 60 000 | 91 645 | 45 595 | 9 344 | 206 584 | - | - | - | - | - | None | Yes |
| Bus Shelters and Laybys | uThungulu District Municipality | - | - | - | - | - | - | - | - | 110 043 | 110 043 | - | - | - | - | - | None | Yes |
| Capacity Building | uThungulu District Municipality | - | - | - | - | - | - | 1 742 | - | - | 1 742 | - | - | - | - | - | None | Yes |
| Beach Festival | uThungulu District Municipality | - | 55 000 | - | - | 55 000 | - | - | 55 000 | - | 55 000 | - | - | - | - | - | None | Yes |
| Environmental Health Services | uThungulu District Municipality | - | - | - | 4 856 400 | 4 856 400 | 2 517 092 | 2 613 579 | 2 971 157 | 3 420 540 | 11 522 368 | - | - | - | - | - | None | Yes |