



UMZIMVUBU
— LOCAL MUNICIPALITY —

**UMZIMVUBU LOCAL
MUNICIPALITY – EC 442**

**ANNUAL REPORT FOR
2023/2024 FINANCIAL YEAR**

TABLE OF CONTENTS

Chapter 1:	Mayor's Foreword and Executive Summary.....	6
Component A:	Mayor's Foreword.....	6
Component B:	Executive Summary.....	9
	Municipal Overview.....	10
	Municipal Functions and Population Overview.....	10
1.2	Service Delivery Overview.....	16
1.3	Financial Health Overview.....	16
1.4	Auditor General's Report.....	18
Chapter 2:	Governance.....	24
Component A:	Political and Administrative Governance.....	24
2.1	Political Governance.....	24
2.2	Administrative Governance.....	27
2.3	Audit Committee Report.....	30
Component B:	Intergovernmental Relations.....	37
2.4	IGR Structures and Participation.....	37
Component C:	Public Accountability and Participation.....	37
2.5	Public Meetings.....	37
2.6	Integrated Development and Alignment.....	40
Component D	Corporate Governance	
2.7	Risk Management.....	41
2.8	Anti-Corruption and Fraud Management.....	41
2.9	Municipal website.....	41
2.10	Supply Chain Management	42
2.11	Municipal Public Accounts Committee.....	43

Chapter 3:	Service Delivery Performance.....	60
Component A:	Basic Service Delivery.....	60
3.1	Electricity provision.....	60
3.2	Waste Management and Refuse Removal.....	62
3.3	Housing/Human settlement.....	67
3.4	Free Basic Services and Indigent Support.....	72
Component B:	Roads.....	74
3.5	Roads and Storm Water drainage.....	74
Component C:	Planning and development.....	82
3.6	Planning.....	82
3.7	Local Economic Development and Tourism.....	96
Component D:	Community and social Services.....	105
3.8	Libraries and Community Facilities.....	105
3.9	Cemeteries.....	105
3.10	Special Programmes.....	106
Component E:	Environmental Management and Signage Control.....	112
3.12	Pollution control, Biodiversity, Landscape and Coastal Protection.....	112
Component F:	Safety and Security	114
3.14	Fire and Disaster Management.....	114
3.15	Protection services.....	114
3.16	Driver's License Testing Centre.....	121
3.17	POUND SECTION.....	129
Component G:	Sport and Recreation.....	132
3.18	Sport Development.....	132
Component H:	Corporate Policy Offices and Other Services.....	134
3.19	Executive and Council Structures.....	134
3.20	Financial Services.....	135

3.21	Human Resources and Skills Management.....	140
3.22	Information and Communication Technology Services.....	141
3.23	Meetings and Administration and Registry Services.....	143
3.24	Employee health and well-being.....	135
Component I:	Annual Performance Report.....	146
Chapter 4:	Organisational Development Performance.....	186
Component A:	Introduction to Municipal Personnel.....	186
4.1	Employee Totals, Turnover and Vacancies.....	186
Component B:	Managing the Municipal Workforce.....	188
4.2	Policies.....	188
4.3	Suspensions.....	190
4.4	Performance Rewards.....	190
Component C:	Capacitating the Workforce.....	203
Chapter 5:	Financial Management.....	210
5.1	Statement of Financial Performance.....	210
5.2	Grants.....	211
5.3	Asset Management.....	213
5.4	Capital Expenditure	215
5.5	Sources of Finance.....	215
5.6	Capital expenditure on 5 biggest projects.....	216
5.7	Basic services and infrastructure backlogs.....	217
Component C:	Cash Flow Management and Investment.....	218
5.8	Cash flow.....	218
5.9	Borrowing and Investment.....	220
Component D:	Other Financial Matters.....	220
5.10	GRAP Compliance.....	220
Chapter Six:	Auditor General's Audit Findings.....	220
Component A:	Auditor's Opinion on the Finance Statement for Prior Year.....	220
6.2	Current Year.....	220

Appendices.....	221
ULM Councillors and Council Attendance.....	221
Municipal Committees.....	229
Third Tier Management Structure.....	246
Municipal Functions.....	247
Ward	
Reporting.....	248
Audit Corrective Action Plan.....	249
Audit Committee Recommendation.....	249
Revenue Collection Performance by Source.....	261
Volume 2: Annual Financial Statements.....	261
CoGta EC Standardised Performance Indicators.....	362
Oversight Report on the Annual Report.....	489

UMZIMVUBU MAYORS FOREWORD

Herworship – Cllr Zukiswa Ndevu | Financial Year: 2023/2024.

It is with great pleasure and pride that I present the Municipality's Annual Report for the 2023/2024 Financial Year. This Annual Report highlights the achievements, and vision of the municipality for the year under review. The municipality takes pride in serving the community as an extension of good governance and continued efforts will be placed in maintaining the existing municipal performance and as the Municipality, we remain cognisant on the path to deliver basic and quality services to our communities. The Council will continue to exercise its oversight role by monitoring the implementation of its developmental plans and strategic objectives while providing the community with required levels of service delivery, local economic development and sustainability of good governance.

The Annual Report serves as a roadmap that guides our municipality's development over the coming years. It reflects the collective aspirations and needs of our residents, businesses, and stakeholders, and it embodies our commitment to building a sustainable, inclusive, and prosperous future for all.

Throughout the pages of this report, you will find a detailed account of the initiatives, projects, and strategies that have shaped our municipality's growth and transformation. From infrastructure improvements to social development programs, from environmental sustainability to economic empowerment, every aspect of our community's well-being is addressed within these pages.

The presentation of this report is done as a legislative requirement in line with section 121 of the Local Government Municipal Finance Management Act, 2003. Our specific mandate is drawn from the IDP road shows that we embark upon, which is our guiding document in our performance. Our resolve is based on servicing our communities and improving the status quo of our Municipality. This further provides us with an ideal opportunity to reflect on the impact of our interventions in pursuing our strategic objectives that are captured within our IDP that was informed by public participation strides such as Imbizos, Executive Committee IDP Roadshows, Intergovernmental Relations Forum meetings and IDP Representative Forum meetings to mention but a few. This was done to entrench community engagements that culminated in Ward-Based Plans that informed Umzimvubu Local Municipality's Integrated Development Plan for the preceding 2024/2025 financial year.

Furthermore, this report highlights the collaborative efforts of our dedicated municipal officials, staff, and stakeholders, as well as the invaluable input and support from our engaged citizens. Together, we have worked tirelessly to address challenges, seize opportunities, and make meaningful strides towards our shared objectives.

It is worth mentioning and acknowledging that Umzimvubu Local Municipality has attained a clean audit opinion for the 2023/2024 financial year without any material findings. This outcome is significant, and I can only be proud of all the officials that were involved in ensuring that we indeed achieve these results. We pledge that we will ensure continuous commitment in ensuring that we maintain clean administration and accountable governance. It was also found that the municipality is able to deliver basic services to its residents as key performance indicators and targets were achieved. We will continue in our concerted efforts to manage our cash flow and generate cash backed surpluses to fund future capital expenditure.

The Council will continue to exercise its oversight role by monitoring the implementation of its developmental plans and strategic objectives. Allow me to say "A new dawn is upon us" and we will make all the strides to maintain the

clean administration through collective commitment and continue to prioritise the needs and interests of our communities.

I encourage all members of our community to engage with this report, to provide feedback, and to actively participate in the ongoing dialogue about our municipality's future. Your input is essential as we strive to ensure that our development efforts align with the ever-evolving needs and aspirations of our diverse community.

In closing, I extend my sincere gratitude to all those who have contributed to the development of this report, and I reaffirm our municipality's unwavering dedication to creating a prosperous, inclusive, and sustainable community for generations to come.

Thank you for your continued support, and I look forward to our collective journey towards an even brighter future for our municipality.

MAYORS APPROVAL

I, Zukiswa Ndevu in my capacity as the Mayor of Umzimvubu Local Municipality (EC442), hereby approve the Annual Report for 2023-2024 Financial Year as submitted to me by the Municipal Manager.

The 2023/2024 financial year Annual Report has been compiled in accordance with the Local Government Municipal Systems Act, 32 of 2000, the Local Government Municipal Finance Management Act 56 of 2003, as well as National Treasury Circular No. 11, 63. and in compliance with the stipulated requirements as documented in the Local Government: Municipal Finance Management Act No. 56 of 2003, Local Government: Municipal Planning and Performance Management Regulations of 2001, the National Treasury's Framework for Managing Program Performance Information of 2007 and Umzimvubu Local Municipality's Performance Management System's Standard Operating Procedure of 2021.

Signed at..... on this.....day of 2025

Cllr. Z. Ndevu

Honourable Mayor – Umzimvubu Local Municipality

Component B: Executive Summary

Municipal Manager's Foreword

The 2023/2024 financial year Annual Report has been compiled in accordance with the Local Government Municipal Systems Act, 32 of 2000, the Local Government Municipal Finance Management Act 56 of 2003, as well as National Treasury Circular No. 11, 63. The report addresses the performance of Umzimvubu Municipality for the year ended 30 June 2024 and conforms to the relevant statutory requirements. This report records the progress made by the municipality in fulfilling its objectives as reflected in the Integrated Development Plan (IDP), the Budget and Service Delivery and Budget Implementation Plan (SDBIP).

As Local Government, we are mandated to ensure provision of services to our respective communities in an accountable and sustainable manner in line with basic needs of our people. In striving to achieve this mandate, the municipality amongst other things has directed various services to its community. To highlight some achievements for the year 2023/2024:-

Construction of Community Halls: Dutyini; Zwelitsha; Mtshazi; Butsheni and Gxaku. Construction of Multipurpose Centre Phase 6 (Multi-Year Project); Gubhuzi Access Road; Mqhokweni bridge; Ngqumane Access Road; Sinyaga via Mgodini to Sihlahleni AR.

The municipality has the Indigent support programme which in the past financial year subsidised a tune of 3007 Indigent beneficiaries excluding paraffin which will be distributed to a total of 2200 approved indigent households from 22 July 2024- 20 August 2024, 1,177 has been the highest number households that were subsidised with 50KHW electricity tokens and 1829 for solar have already benefited in past financial year. In terms of rates and refuse, the municipality reached 99% collection for the current year billing.

The Municipality in its IGR platform constantly engages Sector departments to present planned projects/programmes with the aim to align services planned for the community of Umzimvubu, and to avoid duplication of services. In the year under review, the municipality Strategic positions for Managers reporting directly to the Accounting Officer were all filled to ensure strategic guidance and functionality in all six departments within the municipality.

The municipality has maintained an Unqualified Audit Opinion, monitoring the implementation of the Audit Improvement Action Plan had a major contribution in maintaining the audit opinion. Operation Clean Audit Committee meetings that sat bi-weekly to iron out issues raised by the Office of the Auditor-General as well as the Internal Audit Unit also contributed much.

The Municipality is currently in a good financial state as we ensure that we plan and implement according to the approved budget. Monthly and quarterly reports on budget implementation were prepared and submitted to relevant structures to monitor financial management. In conclusion I wish to thank our honourable Mayor, Councillor Z. Ndevu for her guidance and support to our staff. I also wish to show gratitude to the Executive Committee and Council for their commitment and unwavering support to the administration of the municipality. To my Senior Managers, Managers and to the rest of the staff members I thank you for your selflessness and dedication to your work.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I TOBELA NOTA in my capacity as the Municipal Manager of Umzimvubu Local Municipality (EC442), hereby submit the Annual Report for 2023-2024 Financial Year for consideration and approval by the Mayor. The 2023/2024 financial year Annual Report has been compiled in accordance with the Local Government Municipal Systems Act, 32 of 2000, the Local Government Municipal Finance Management Act 56 of 2003, as well as National Treasury Circular No. 11, 63., Local Government: Municipal Planning and Performance Management Regulations of 2001, the National Treasury's Framework for Managing Program Performance Information of 2007 and Umzimvubu Local Municipality's Performance Management System's Standard Operating Procedure of 2021.

Signed at.....on this.....day of..... 2025.

GPT Nota

Municipal Manager

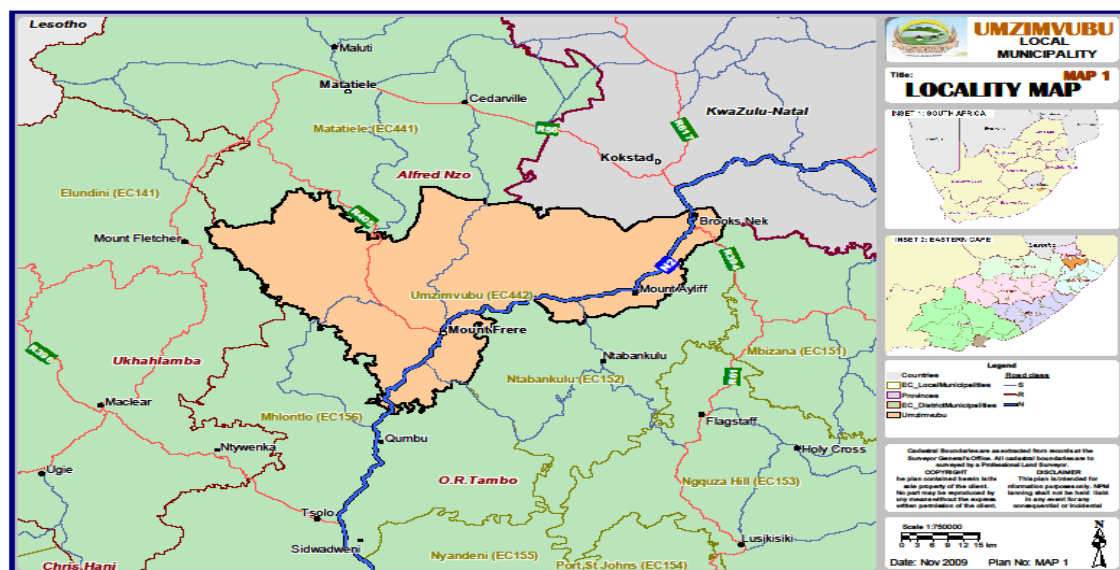
1.2. Municipal Functions and population Overview

Brief Description of the Municipal Area

Umzimvubu Local Municipality is a Category B municipality (Area: 2 506km²) situated within the Alfred Nzo District in the north-western part of the Eastern Cape Province. It adjoins KwaZulu-Natal to the north, the OR Tambo District Municipality to the south and east, and Matatiele to the west. It is one of four municipalities in the district.

The municipality is predominantly rural and the majority of the population reside in rural areas. The majority of land is covered by dispersed low-density traditional settlements, with the exception of some areas around the two urban centres. There has been a significant migration towards the towns over the years, which is attributable to a preference by residents to live close to transport routes and urban centres. Both KwaBhaca and EmaXesibeni towns contribute about 8.7% of the total population and 91.3% consist of rural population.

Map 1: Umzimvubu Locality map showing ward boundaries



Population by Municipalities under ANDM

Umzimvubu Local Municipality has an estimated population of 214 477 within an area covering 2 506 km² with an estimated household average of 4, 1 persons per household (Census: 2022). Within the Alfred District, Umzimvubu has the second lowest population compared to other three municipalities under Alfred Nzo District Municipality, and it has the second lowest number of households. The table below demonstrates the total number of households, average household size and type of dwelling per municipality within the district.

Province, district and local municipality	MIIF CATEGORY	Government transfers and subsidies as a % of total revenue	Households				Type of main dwelling							
			2011		2022		2011				2022			
			Total households	Average household size	Total households	Average household size	Formal dwelling	Traditional dwelling	Informal dwelling	Other	Formal dwelling	Traditional dwelling	Informal dwelling	Other
Alfred Nzo	C2	94,7%	169 258	4,7	198 300	4,7	69 462	93 611	2 008	4 177	140 236	55 483	1 538	1 043
EC441 : Matatiele	B3	74,2%	49 527	4,1	55 757	4,0	24 594	21 410	697	2 826	42 281	12 892	401	183
EC442 : Umzimvubu	B4	82,8%	46 931	4,1	51 698	4,1	17 681	27 940	721	589	38 000	13 329	187	183
EC443 : Winnie Madikizela-	B4	80,1%	48 446	5,8	62 479	5,6	21 173	26 216	476	581	44 007	17 171	714	587
EC444 : Ntabankulu	B4	88,0%	24 355	5,1	28 365	5,2	6 014	18 045	115	181	15 948	12 092	236	89

StatsSA: 2022 Census

Total Population Distribution by race

The population of Umzimvubu municipal areas is predominantly African. African people constitute 99.8% of the population. The table below reflects the overall race breakdown of the population in the municipal area.

Population by Race

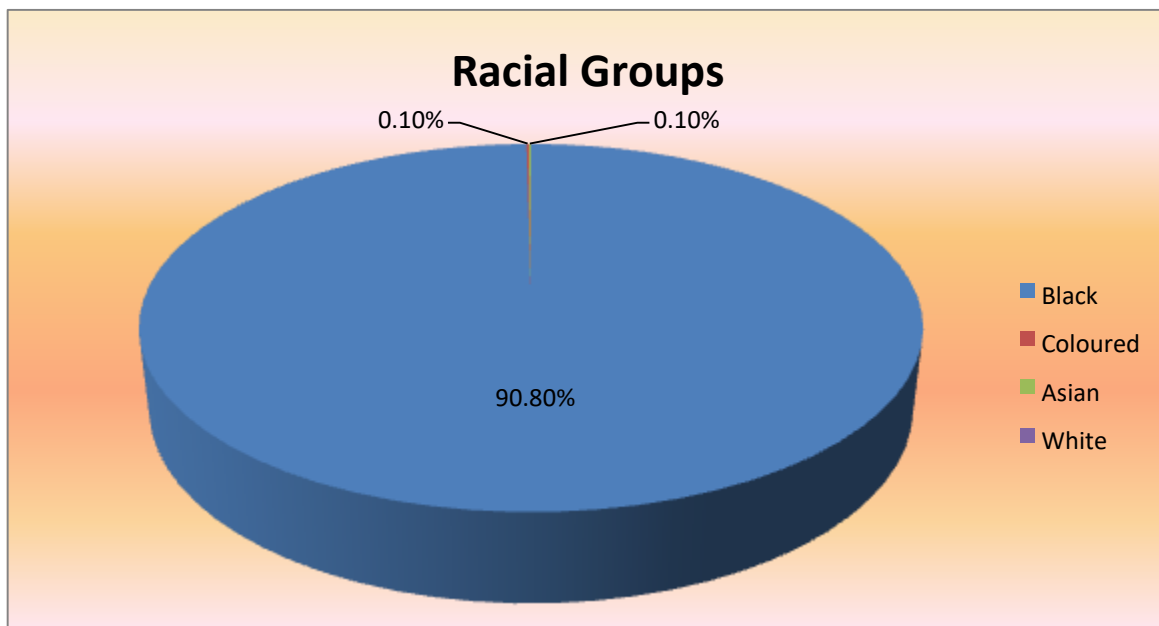


Figure3.3.3 Racial Groups

Population by gender

Province, district and local municipality	Government transfers and subsidies as a % of total revenue	CENSUS 2011					CENSUS 2022					Growth Rate
		Total population			School attendance (5-24 years)	Sex Ratio	Total population			School attendance (5-24 years)	Sex Ratio	
		Male	Female	Total			Male	Female	Total			
Alfred Nzo	94,7%	366 488	434 857	801 344	308 115	84,3	439 455	497 006	936 462	308	88,4	1,5
EC441 : Matatiele	74,2%	93 675	110 168	203 843	74 310	85,0	105 977	119 585	225 562	69	88,6	1,0
EC442 : Umzimvubu	82,8%	88 013	103 762	191 775	69 889	84,8	100 626	113 850	214 477	65	88,4	1,1
EC443 : Winnie	80,1%	128 332	153 573	281 905	115 157	83,6	163 889	186 111	350 000	124	88,1	2,1
EC444 : Ntabankulu	88,0%	56 467	67 354	123 821	48 759	83,8	68 964	77 459	146 423	48	89,0	1,6

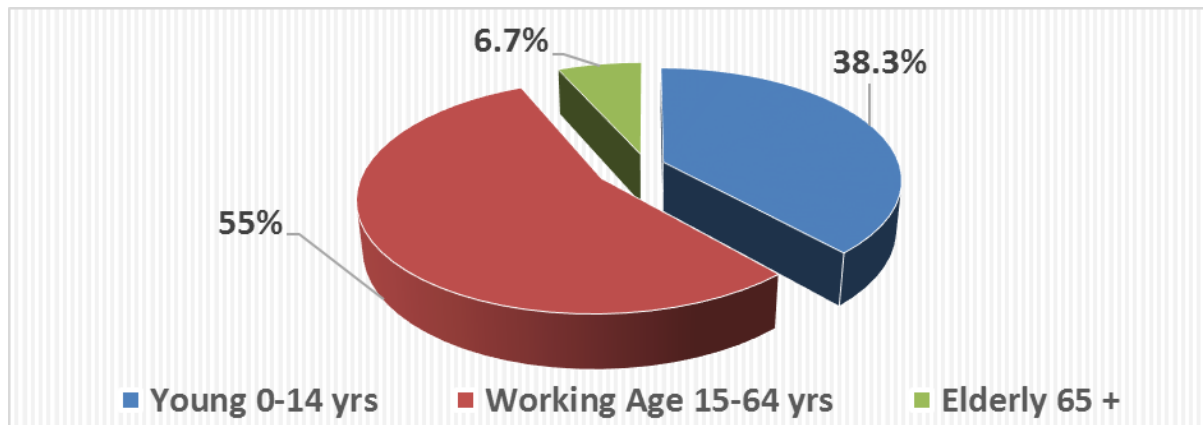
POPULATION BY GENDER

Umzimvubu Local Municipality's male/female split in population was 87.8 males per 100 females in 2022. The Umzimvubu Local Municipality has significantly more females (53.26%) than males, when compared to a typical stable population. This is most probably an area with high male out migration to look for work elsewhere. In total there were 110 000 (53.26%) females and 96 700 (46.74%) males. This is different from the Alfred Nzo District Municipality as a whole where the female population counted 488 000 which constitutes 53.75% of the total population of 936 462

Population by population group, gender and age

In 2022, the Umzimvubu Local Municipality's population consisted of 99.27% African (205 000), 0.14% White (290), 0.39% Coloured (811) and 0.19% Asian (403) people.

The largest share of population is within the babies and kids (0-14 years) age category with a total number of 71 500 or 34.6% of the total population. The age category with the second largest number of people is the young working age (25-44 years) age category with a total share of 28.4%, followed by the teenagers and youth (15-24 years) age category with 39 400 people. The age category with the least number of people is the retired / old age (65 years and older) age category with only 14 200 people, as reflected in the population pyramids below.



StatsSA: 2016 Community Survey

Working age population in Umzimvubu

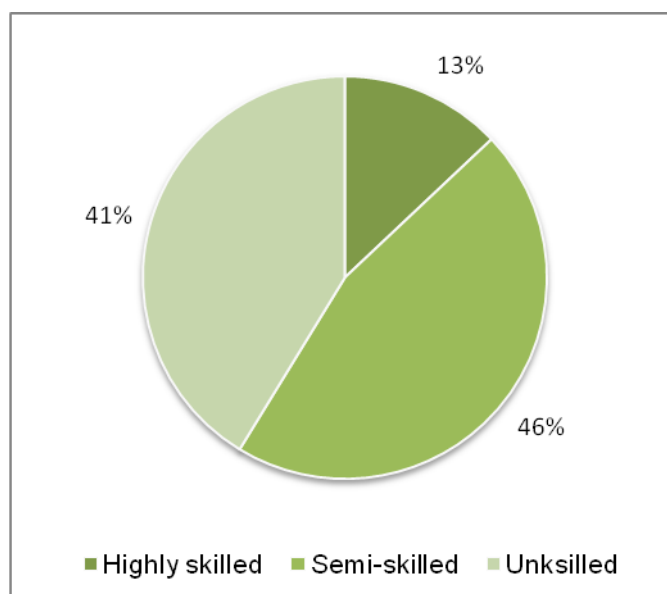
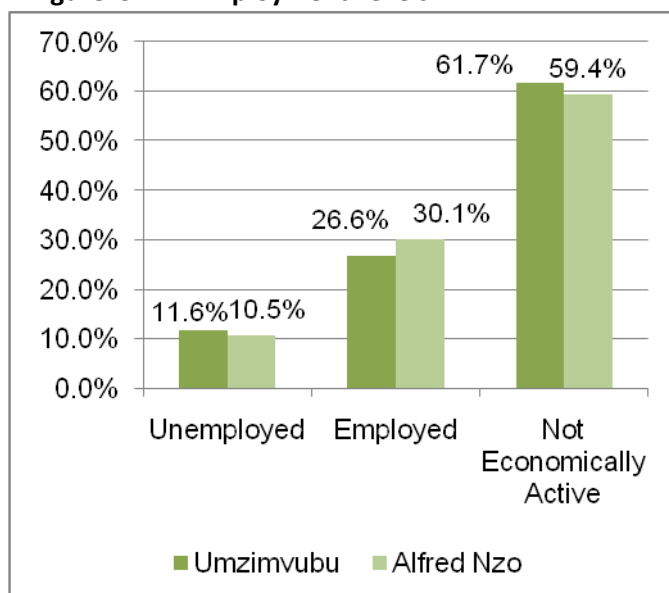
- The working age population in Umzimvubu in 2022 was 121 000, increasing at an average annual rate of 0.87% since 2012. For the same period the working age population for Alfred Nzo District Municipality increased at 1.12% annually, while that of Eastern Cape Province increased at 1.18% annually. South Africa's working age population has increased annually by 1.51% from 34.5 million in 2012 to 40 million in 2022.
- Breaking down the total population of Umzimvubu Local Municipality (**207 000**) into working age and non-working age, the number of people that are of working age is about **121 000**. As per definition, those that are of age 0 - 19 (youth) or age 65 and up (pensioners) are part of the non-working age population. Out of the working age group, **46.5%** are participating in the labour force, meaning **56 400 residents** of the local municipality forms currently part of the economically active population (EAP). Comparing this with the non- economically active population (NEAP) of the local municipality: fulltime students at tertiary institutions, disabled people, and those choosing not to work, sum to **64 700 people**. Out of the economically active population, there are **30 800** that are unemployed, or when expressed as a percentage, an unemployment rate of **54.5%**.

	Umzimvubu		Alfred Nzo		Eastern Cape		National Total	
	2012	2022	2012	2022	2012	2022	2012	2022

15-19	24,800	22,700	109,000	106,000	744,000	699,000	5,010,000	5,100,000
20-24	22,200	16,700	90,300	70,400	761,000	591,000	5,410,000	4,580,000
25-29	16,400	17,200	66,600	72,300	634,000	672,000	5,220,000	5,210,000
30-34	11,200	18,400	43,300	71,700	441,000	690,000	4,220,000	5,600,000
35-39	7,350	14,300	28,600	56,200	315,000	577,000	3,470,000	5,220,000

40-44	5,850	8,780	23,200	34,800	273,000	404,000	2,950,000	4,060,000
45-49	5,850	5,830	23,600	25,000	268,000	288,000	2,590,000	3,240,000
50-54	6,150	4,890	24,400	20,800	269,000	249,000	2,240,000	2,710,000
55-59	5,870	5,320	21,700	20,400	234,000	242,000	1,850,000	2,340,000
60-64	5,410	6,950	20,300	25,700	195,000	237,000	1,490,000	1,970,000
Total	111,000	121,000	451,000	504,000	4,130,000	4,650,000	34,500,000	40,000,000

Figure 3.4.2: Employment Levels



StatsSA: 2016 Community Survey

Education

	Umzimvubu	Alfred Nzo	Eastern Cape	National Total	Umzimvubu as % of district municipality	Umzimvubu as % of province	Umzimvubu as % of national
No	2,860	22,400	184,000	1,420,000	12.8%	1.55%	0.20%
schooling							
Grade 0-2	2,260	11,300	82,700	415,000	20.1%	2.73%	0.55%
Grade 3-6	15,500	67,400	453,000	2,510,000	23.0%	3.42%	0.62%
Grade 7-9	32,000	120,000	969,000	5,790,000	26.8%	3.30%	0.55%
Grade 10-11	30,700	119,000	1,240,000	9,890,000	25.7%	2.49%	0.31%
Certificate / diploma	216	1,210	11,800	140,000	17.8%	1.83%	0.15%
without matric							
Matric only	19,200	76,800	1,110,000	13,400,000	25.0%	1.73%	0.14%
Matric certificate / diploma	5,060	18,100	249,000	2,690,000	27.9%	2.03%	0.19%
Matric Bachelors degree	2,240	8,940	136,000	1,790,000	25.1%	1.64%	0.12%
Matric Postgrad	770	2,960	53,600	909,000	26.0%	1.44%	0.08%

degree

EDUCATION

The number of people without any schooling in Umzimvubu Local Municipality accounts for 12.76% of the number of people without schooling in the district municipality, 1.55% of the province and 0.20% of the national. In 2022, the number of people in Umzimvubu Local Municipality with a matric only was 19,200 which is a share of 25.04% of the district municipality's total number of people that has obtained a matric. The number of people with a matric and a Postgrad degree constitutes 25.07% of the district municipality, 1.64% of the province and 0.12% of the national.

Distribution of Households by Income

	Umzimvubu	Alfred Nzo	Eastern Cape	National Total	Umzimvubu as % of district municipality	Umzimvubu as % of province	Umzimvubu as % of national
0-2400	4	15	128	1,140	24.3%	2.8%	0.31%
2400-6000	57	224	2,050	16,700	25.5%	2.8%	0.34%
6000-12000	464	1,800	15,900	122,000	25.8%	2.9%	0.38%
12000-18000	992	3,830	33,600	253,000	25.9%	3.0%	0.39%
18000-30000	4,300	16,400	137,000	991,000	26.3%	3.1%	0.43%
30000-42000	5,980	22,800	191,000	1,340,000	26.2%	3.1%	0.45%
42000-54000	5,940	22,500	187,000	1,310,000	26.5%	3.2%	0.45%
54000-72000	7,680	28,900	254,000	1,840,000	26.6%	3.0%	0.42%
72000-96000	6,870	25,500	237,000	1,840,000	26.9%	2.9%	0.37%
96000-132000	5,910	21,700	217,000	1,850,000	27.3%	2.7%	0.32%
132000-192000	5,100	18,600	204,000	1,860,000	27.5%	2.5%	0.27%
192000-360000	4,630	16,700	219,000	2,260,000	27.8%	2.1%	0.20%
360000-600000	2,170	7,900	132,000	1,550,000	27.5%	1.6%	0.14%
600000-1200000	1,010	3,780	92,300	1,240,000	26.8%	1.1%	0.08%
1200000-2400000	342	1,240	42,400	596,000	27.5%	0.8%	0.06%
2400000+	25	107	7,740	116,000	23.3%	0.3%	0.02%
Total	51,500	192,000	1,970,000	17,200,000	26.8%	2.6%	0.30%

Households by income category

In 2022 11.31% of all the households in the Umzimvubu Local Municipality, were living on R30,000 or less per annum. In comparison with 2012's 31.74%, the number is more than half. The 54000-72000 income category has the highest number of households with a total number of 7 680, followed by the 72000-96000 income category with 6 870 households. Only 3.6 households fall within the 0-2400 income category.

1.2. Service Delivery Overview

In the 2023/2024 financial year the municipality received. A MIG Allocation of R52 785 996. A total of 1,5 km of new access road was constructed in Manxiweni to the tune of R1 398 888,37. An amount of R 12 749 616,25 was spent on the maintenance of 40,4 km's of access roads. A further R5 792 728.54 was spent towards the completion of Phepheni sport facility Phase Two. A tune of R19 324 105 was spent on the construction of Butsheni and Mpemba Bridges. A further amount of R2 000 000,00 was spent towards the construction completion of Silindini bridge. During 2023/2024 financial year, we further saw the construction and Completion of three community halls in Ntshakeni and Badibanise at a cost of R 8 250 000,00.

The municipality further received an Integrated National Electrification Programme (INEP) Grant of about R2 300 000.00 and Electricity backlog has been a challenge in our municipality, however with the Integrated National Electrification Programme (INEP) Grant the rural electrification programme has been rolled out wherein 261 households in Dinana and is awaiting outage from Eskom for energization. The municipality further constructed through the Human Settlements Grant 56 housing units in both Nkungwini and Dundee villages.

1.3. Financial Health Overview

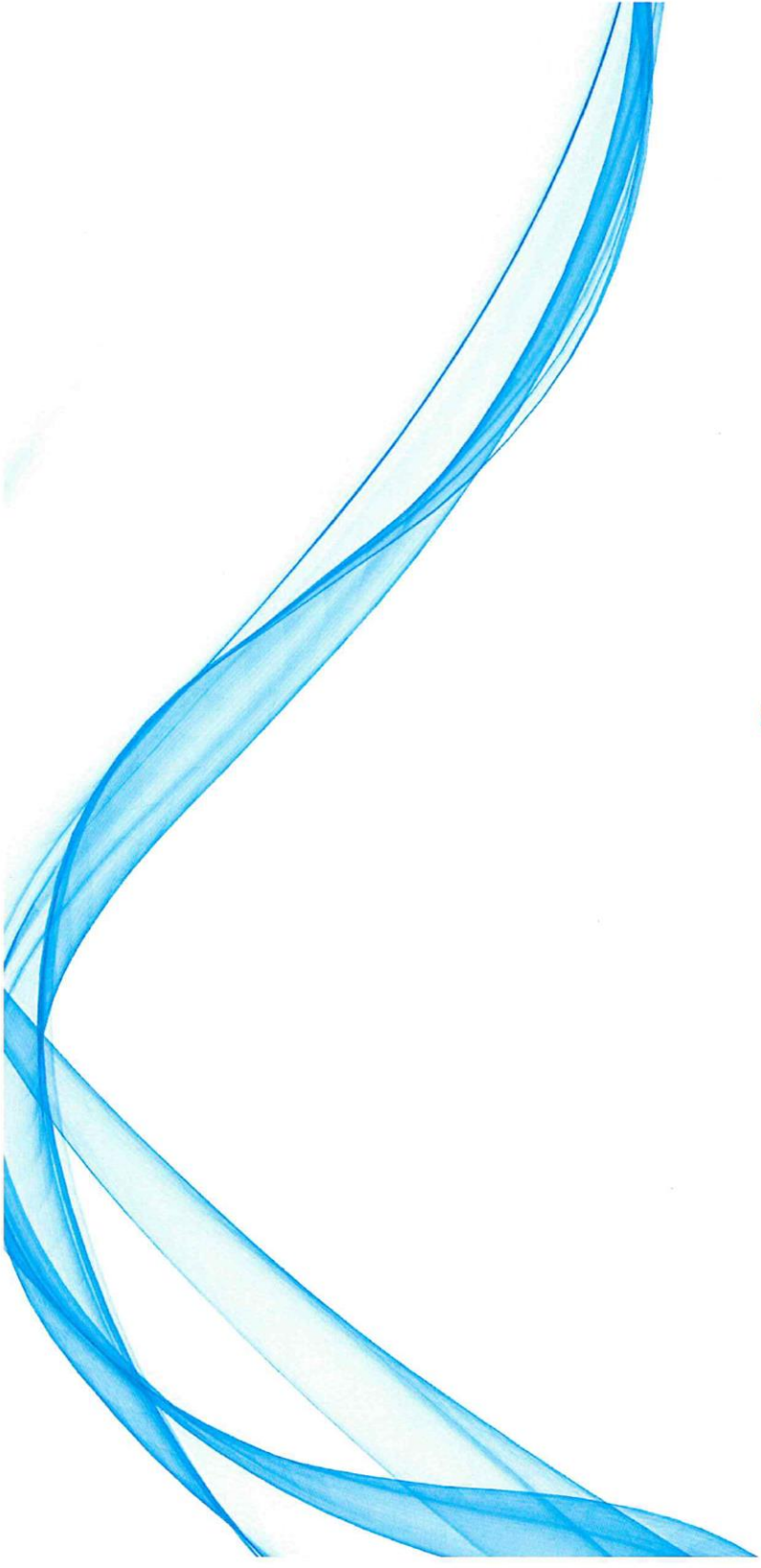
For the 2023/24 financial year, the municipal cash coverage ratio dropped to 2 months and that forced the municipality to take strides to recover by implementing strict measures to contain the operational costs.

The cash and cash equivalent also dropped from R79m to R66m as a result the municipality utilised its reserves to fund expenditure

1.4 Revenue Trends of the Municipality

The municipality has shown a decline of 17% in its current year billing collection with 76% compared to 93% in the previous year (2022-2023).

1.5 Auditor General's Report.



UMZIMVUBU LOCAL MUNICIPALITY

Audit Report

For the year ended 30 June 2024



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the auditor-general to Eastern Cape Provincial Legislature on Umzimvubu Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Umzimvubu Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Umzimvubu Local Municipality as at 30 June 2024 and its financial performance and separate cash flows for the year then ended, in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) the Division of Revenue Act 5 of 2023 (Dora).

Context for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Material impairments – receivables

7. As disclosed in note 5 and 6 to the financial statements, material cumulative allowance for impairment losses of R36, 3 million (2023: R43, 0 million) and R47, 4 million (2023: R55, 2 million) was incurred as a result of a provision for impairment of consumer debtors.

Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes (MFMA 125)

9. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA 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.
11. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description forms part of our auditor's report.

Report on the audit of the annual performance report

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programme in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
15. I selected the following programme presented in the annual performance report for the year ended 30, June 2024 for auditing. I selected a programme that measure the municipality's

performance on its primary mandated functions and that is of significant national, community or public interest.

Programme	Page numbers	Strategic objective
Basic service delivery and infrastructure	XX	To provide access to improved, sustainable, and modernized infrastructure to the community

16. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the Municipality's planning and delivery on its mandate and objectives.

17. I performed procedures to test whether

- the indicators used for planning and reporting on performance can be linked directly to the Municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

18. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.
21. The table that follows provide information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages xx to xx.

Basic service delivery and infrastructure

<i>Targets achieved: 68%.</i> <i>Budget spent: 72%</i>		
Key service delivery indicators not achieved	Planned target	Reported achievement
Number of kilometres of unsurfaced road network maintained.	148.7	141.6
Number of indigent beneficiaries subsidised with solar, electricity and paraffin	3 574	3138

Material misstatements

22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Basic service delivery and infrastructure. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

23. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Accounting officer is responsible for the Municipality's compliance with legislation.
24. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
25. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

26. I did not identify any material non-compliance with the selected legislative requirement.

Other information in the annual report

27. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
28. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
29. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
30. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
32. I did not identify any significant deficiencies in internal control.

AUDITOR-GENERAL

East London

30 November 2024



Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation[.]

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act (Act No. 56 of 2003)	Section 122 (1), Section 122 (2), Section 126 (1) (a) and 126 (1)(b), Section 133 (1)(a) and 133 (1)(c), Section 127 (2) and 127 (5)(a), Section 129 (1) and 129 (3), Section 65 (2) (e) and 65 (2) (a) , Section 11 (1) , Section 62 (1)(d), Section 87 (8) , Section 15 Section 29 (1) and 29 (2) (b) , Section 62(1)(f)(i) and 62(1)(f)(ii), Section 63(2)(a) , Section 64(2)(e) and 64 (2) (b), Section 64(2) (c) and 64(2)(g) ,Section 13(2) Section 14(1) , Section 14(2)(a) and 14(2)(b), Section 33(2), Section 170, Section 32(2) and 32(6)(a), Section 171 (4)(a), Section 53(1)(c)(ii) ,Section 1 Section 72(1)(a)(ii), Section 24(2)(c)(iv), Section 54(1)(c) , Section 117
Municipal Budget and Reporting Regulations	Regulation 71 (1) and 71 (2) , Regulation 72
Municipal Structures Act (Act No.32 of 2000)	Section 74(1), Section 96 (b) , Section 29(1)(b)(ii) Section 42, Section 25(1), Section 26, Section 41(1)(a) and 41(1)(b), Section 43(2), Section 4(a) and 41(1)(c)(ii), Section 34(b), Section 38(a)
Municipal Property Rates Act (Act No.06 of 2004)	Section 3 (1)
Municipal investment regulations	Regulation 3(1)(a) and 3(3), Regulation 6, Regulation 7, Regulation 12(2) and 12(3)
Prevention and Combatting of Corrupt Activities Act (Act No.12 of 2004)	Section 34(1)
Municipal Planning and Performance Management Regulations	Regulation 15(1)(a)(i) ,Regulation 2(1)(e) , Regulation 2(3)(a) ,Regulation 9(1)(a Regulation 10(a), Regulation 12(1), Regulation 3(4)(b) and 15(1)(a)(ii), Regulation 3(3), Regulation 8, Regulation 7(1)
Disciplinary Regulations for Senior Managers	Regulation 5 (2), Regulation 5 (6), Regulation 8 (4)
Financial Misconduct Regulations	Regulation 5(4), Regulation 6(8)(a), Regulation 10(1)
Supply Chain Management Regulations	Regulation 121(1)(c) , Regulation 16(a), Regulation 17(a) and (c), Regulation 17(b), Regulation 43, Regulation 19(a) &(b), Regulation 369(1) (a), Regulation 12(3), Regulation 27(2)(a) &(e), Regulation 22(1)(b) & 22(2), Regulation 28(1)(a)(i) Regulation 21(b), Regulation 29(1) (a) & (b), Regulation 29(5)(a)(ii) & (b)(i), Regulation 13(c), Regulation 38(1) (c.), Regulation 38(1)(d)(ii) & (g)(iii), Regulation 38(1) (e.), Regulation 38(1)(g)(i) and 38(1)(g)(ii), Regulation 32, Regulation 5, Regulation 44, Regulation 46(2)(e) and 46(2)(f)

GOVERNANCE

Component A: Political and Administration governance

2.1. Political Governance

Municipality is governed by council which has mandated the Executive committee to exercise oversight over the administration as well as the Speaker and the Chief whip overseeing constituency work.

Name of Councillor	Portfolio	Committee
 Councillor Z. Ndevu	Hon Mayor	Chairperson of Executive Committee
 Councillor S. Mathebe	Hon. Council Speaker	Chairperson of the Council
 Councillor F. Ngonyolo	Chief Whip	Council Chief Whip

Name of Councillor	Portfolio	Committee
 Councillor N.L Nkula	Chairperson	Budget and Treasury
 Councillor N.A Garane	Chairperson	Infrastructure and Planning
 Councillor X.G Jona	Chairperson	Local Economic Development
 Councillor I. Nodali	Chairperson	Corporate Services

Name of Councillor	Portfolio	Committee
 Councillor N.G Mdzinwa	Chairperson	Citizens & Community Services
 Councillor T. Sokhanyile	Chairperson	Special Programmes & Communications
 Councillor M. Magobane		Executive Committee Member
 Councillor N.C Mnyayiza		Executive Committee Member

Name of Councillor	Portfolio	Committee
 Councillor N.V Nomnganga		Executive Committee Member

2.2. Administrative Governance

At high level the municipality has seven directorates each managed by a Senior Manager

Heads of Departments including Municipal Manager	
 Municipal Manager: Mr. G.P.T. Nota	Head of Administration and as accounting officer, takes responsibility of the overall performance of the organization, including: the transformation of the organization to one that is developmentally focused; The development of an economical, effective, efficient and accountable administration equipped to carry out the task of implementing the municipality's Integrated Development Plan, operating in accordance with the Municipality's Performance Management System, responsive to the needs of the local community to participate in the affairs of the municipality; Implementation of the Municipality's Integrated Development Plan and monitoring the progress with regard to implementing the plan; Administering and implementing the Municipality's by-laws and other legislation; Advising the political structure and political office bearers of the Municipality; Rendering support to the office of the Mayor, Speaker and the Office of the Chief Whip.



Chief Finance Officer: Mr. K. Mehlomakhulu

Manages budget and treasury department
Implements integrated development plan and strategic goals of the budget and treasury
Provides support and advice to the Council and municipal manager
Implements service delivery budget implementation plan
Prepares and implement municipal budget
Prepares annual financial statements and other legislative financial management reports
Performs duties and functions delegated to CFO by the Finance Management Act
Manage efficient provision of municipal service
Establish, operate and maintain the support structures, processes and systems
Leads and directs staff in the department to ensure that they meet the objectives in line with the municipality's requirements and resources.



**Citizens & Community Services
Senior Manager: Dr. K. Tshazi**

Ensures the development of appropriate Strategies, Policies and plans for all relevant areas

Directs the implementation of specific procedures, systems and controls associated with key functional areas embodied in the Community Services departmental Structure

Provides Strategic leadership and planning for the department, Community development Management

Responsible for public safety, which amongst other things includes traffic management, security management and Law Enforcement.

Responsible Management of Community Facilities e.g. Community Halls, Cemeteries, Sports Fields, Libraries, and other Municipal properties.

Responsible for environmental management in general and the coordination of disaster management.

Coordinates and Monitors development of Sports , Arts and Cultural Programmes and development of social programmes

Alignment , creating awareness, capacity and relationship management in all stakeholder forums



**Corporate Services Senior
Manager: Ms. T. Madotyeni**

Leading and directing the corporate Services Directorate

Ensures the Municipality is provided with an effective support services regarding corporate administration, human resources and information technology services

Manages corporate administration functions which relate to the provision of record managements

Managing the directorates budget planning, implementation and budget review to support priorities and deliveries in the context of IDP

Advising the Municipal Manager timeously and effectively on matters pertaining the Directorate

Provides visionary and innovative leadership to diverse workforce, to ensure optimal utilisation of the Council's resources in terms of implementing its strategic objectives articulated in the IDP and in the fulfilment of its legislative mandate

Manages Human Resource portfolio in accordance with labour legislation and collective agreement



**Local Economic Development
Senior Manager: Mr. A. Makanda**

Develops, co-ordinate and manage the operations of the planning and Development department, Local Economic Development and Tourism sub-sections

Develops methodologies and approaches to guide specific urban design investigations and research processes

Manages developmental project management processes associated with scoping, resourcing, implementation, monitoring and communication

Manages the IDP implementation and review process, advise the Municipal Manager on planning and development matters

Prepares reports on the activities of the component, as and when required to do so.



**Infrastructure & Planning Senior
Manager: Mr. L.J. Moleko**

Manages complex civil infrastructure project from conceptualization, design, contract management, quality assurance and compliance, and ensure their proper integration to the local municipality's overall plan (IDP)

Performs financial monitoring through commissioning, operations and maintenance to ensure effective and efficient functioning of the department within the budgetary constraints of the municipality

Provides professional advisory services to the municipality

Manages all the department's contracts and tenders according to the approval of SLAs, council requirements, ensuring adherence to the SLAs, terms of reference, letter of appointment and contracted project time lines as per specification

Ensures that projects reflecting to IDP are registered in accordance with CIDB requirements



**Special Programmes &
Communications Senior Manager:
Ms. N. Zembe**

Coordination of municipal events

Enhancing public participation

To bridge the information gap

To profile and market the municipality

Prepares reports on the activities of the component, as and when required to do so.

Manages the IDP implementation and review process.

2.3. Audit Performance

As provided for in terms of section 166(2) of the MFMA, the municipality had an audit committee established to address matters relating to the municipality. These matters include amongst others the following:

- Governance; Ethics; and policies and procedures
- Assessment of the effectiveness of Internal Controls;
- Performance management
- Risk Management

Effectiveness of Internal and External Auditors

The Council appointed three independent members. Audit Committee is functional with 3 independent members selected from different areas of expertise to enhance the audit committee's overall knowledge of the municipality or entity and the ability to discharge its obligations and provide appropriate recommendations to the council.

Umzimvubu local municipality Audit Committee members acquired the following skills:

- Financial Management
- Legal
- Admin and Governance (i.e. Internal Audit, Risk Management, IT, Human Resources, Planning etc.
- Performance Management

Audit Committee terms of reference was adopted by Council and Audit committee is executing their responsibilities as set in the approved Audit Committee Charter.

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2023 TO 30 JUNE 2024

AUDIT COMMITTEE REPORT

The Audit Committee of the Municipality has pleasure in submitting its Annual Report. This report is submitted in terms of the provisions of sections 121(3) (j), 166(2) (b) and (c) of the Municipal Finance Management Act of 2003 ("the MFMA") and covers the financial period from 1 July 2023 to 30 June 2024.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee consisted of the members listed hereunder during the period and meets as a minimum, four times a year as per paragraph 7.7 of the approved Audit Committee Charter. The composition of the committee was as follows during the financial year under review:

Name of Member	Number of Meetings Attended
Mr PL Buthelezi (Chairperson)	6
Ms L Sonqishe	6
Mr S Simelane	6

OVERVIEW OF ACTIVITIES

The Committee held 6 meetings during the year on the following dates:

	MEETING DATE	MEETING	COMMENTS
1.	10 August 2023	Special meeting	All AC members were present.
2.	25 August 2023	Scheduled meeting	All AC members were present.
3.	17 November 2023	Scheduled meeting	All AC members were present.
4.	14 February 2024	Scheduled meeting	All AC members were present.
5.	14 May 2024	Scheduled meeting	All AC members were present.
6.	28 June 2024	Scheduled meeting	All AC members were present.

The Audit Committee chairperson has also submitted mid-year report for Council consideration on the activities of the committee.

AUDIT COMMITTEE RESPONSIBILITIES

The Audit Committee has complied with its responsibilities arising from section 166 of the MFMA and clause 14(2) (a) of the Municipal Planning and Performance Management Regulations of 2001. The Audit Committees' work was guided and regulated by an Audit Committee Charter and discharged all its responsibility as contained therein. The Audit Committee's work was also guided by its work programme that it adopted during the year.

INTERNAL AUDIT INSTITUTIONAL ARRANGEMENT

The Internal Audit Charter as adopted by the Audit Committee regulates the work of the Internal Audit.

In terms of S165 (1) of the MFMA each municipality is required to have an internal audit function. S165 (3) allows the municipality to co-source the internal audit function if the municipality requires assistance to develop its internal capacity. The internal audit was assisted by co-sourced resources during the year.

The Annual Audit coverage plan was submitted to the Audit Committee on **28 June 2023** and was approved accordingly.

The internal audit completed all planned projects as per table below. In addition, one ad hoc project was undertaken and completed by internal audit.

NO.	PROJECT NAME	STATUS	CONCLUSION ON CONTROLS	
			CONTROL DESIGN	CONTROL IMPLEMENTATION
1.	Information Technology General Controls	Completed	Adequate	Partially effective
2.	MSCOA	Completed	Adequate	Partially effective
3.	Review of Service Delivery & Budget Implementation Plan (SDBIP)	Completed	Adequate	Effective
4.	Review of Individual Performance Management	Completed	Inadequate	Ineffective
5.	Accounts Payables (Expenditure)	Completed	Inadequate	Partially effective
6.	Supply Chain Management	Completed	Adequate	Partially effective
7.	Cyber Security: Internal & External Vulnerability Assessment	Completed	Inadequate	Ineffective
8.	Interim Financial Statements (2023/24)	Completed	N/A	N/A
9.	Asset Management Audit	Completed	Inadequate	Partially effective
10.	Budget Management Process	Completed	Inadequate	Ineffective
11.	Revenue Management	Completed	Inadequate	Ineffective
12.	Fleet Management	Completed	Inadequate	Ineffective
13.	Project Management	Completed	Inadequate	Ineffective
14.	Human Resources	Completed	Inadequate	Partially effective
15.	Payroll Management	Completed	Inadequate	Ineffective
16.	Performance Management System	Completed	Adequate	Effective

NO.	PROJECT NAME	STATUS	CONCLUSION ON CONTROLS	
			CONTROL DESIGN	CONTROL IMPLEMENTATION
17.	Annual Financial Statements Review (2023/24)	Completed	N/A	N/A
18.	Annual Performance Information	Completed	Adequate	Partially effective
19.	Annual Report Review	Completed	Adequate	Effective
20.	Division of Revenue (Grants audit)	Completed	Adequate	Effective

All planned assurance projects as per the Approved 2023/24 Risk-based Internal Audit plan were conducted and reports were tabled to Audit Committee for approval and adopted. The Audit Committee adopted all the reports of the internal audit with recommendations to be implemented by management.

INTERNAL AUDIT FUNCTION

During this financial year internal audit reports with management comments were presented to the Audit Committee meetings. Issues raised were deliberated and recommendations made including recommendation regarding the issues raised by the Auditor-General South Africa (AGSA).

The Manager: internal Audit (CAE) and Auditor-General had direct access to the audit committee, primarily through its Chairperson.

SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to provide reasonable assurance that the assets are safeguarded and the liabilities and working capital are effectively and efficiently managed and they remain a management responsibility.

The internal audit reports in all the areas audited during the financial year under review indicated that there were some weaknesses in the system of internal control due to a number of reasons including inadequate policies and lack of implementation of designed internal controls. Majority of these weaknesses were however addressed during the reporting of both financial and performance information.

Based on the above, Audit committee's conclusion on the overall control environment is that control design is adequate and implementation is effective. However, implementation requires improvement to ensure effectiveness of controls. Greater emphasis however needs to be put on areas highlighted above which require controls redesign/ improvement.

RISK MANAGEMENT

Risk management is formalised within the municipality through the establishment of various structures (i.e. Risk Management Committee) in line with MFMA and treasury guidelines. The Committee was also effectively chaired by an independent/ external chairperson.

The Audit Committee has been monitoring the risks identified including the strategic risks. The good progress by management in addressing risks as per the approved risk register was noted during the year.

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The Audit Committee reviewed both interim financial statements and annual financial statements that were submitted to Auditor-General for audit.

These financial statements were approved for submission to the Auditor-General in line with the requirements of the MFMA.

PERFORMANCE MANAGEMENT

The Committee had reviewed and considered the quarterly reports by management. In addition, the Audit Committee considered the annual performance report for the financial year 2023-24 and the annual performance report was approved for submission to the Auditor-General.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

The Audit Committee noted the findings of the internal audit on ICT controls including cyber security report. The committee is satisfied that management is attending to the matters raised by the internal audit with respect to ICT.

GOVERNANCE

The municipality is fully committed to good governance and this is evidenced by the continuous improvement in the control environment especially with respect to asset management.

COMPLIANCE WITH LAWS AND REGULATIONS

The Audit Committee has reviewed the effectiveness of the system for monitoring compliance with laws and regulations. The Audit committee is satisfied that the system for monitoring compliance with laws and regulations is effective.

EXTERNAL AUDIT BY AUDITOR-GENERAL SOUTH AFRICA (AGSA)

The Audit Committee reviewed the AGSA's audit plan to ensure the critical risk areas are being addressed. In addition, the committee has been monitoring the action plan with respect to the matters raised by the Auditor-General during the previous year's audit.

As far as the Audit Committee is aware, there are no concerns with respect to independence of AGSA and the Audit Committee is happy with the quality of the external audit.

The Audit Committee concurs with **unqualified audit opinion** received from the AGSA and we wish to congratulate the Municipality that there were no material issues of non-compliance which is a great improvement from the previous years.

ANTI- FRAUD AND CORRUPTION

The Audit Committee has been monitoring the implementation and application of appropriate fraud risk response strategies designed by management to prevent and detect fraud.

The municipality had Financial Misconduct Board in place that was established in terms of the MFMA regulations and this board provides guidance to the municipality on the steps to be taken regarding financial misconduct cases. The board has Audit Committee representative in line with the MFMA regulations.

CONCLUSION

The Committee will continue to monitor progress being made by the municipality in improving overall governance, systems of internal control, risk management and performance management. In addition, the Audit Committee concurs and accepts the conclusions of both the Internal Audit and the Auditor-General on the matters they have raised during their audits.

The Committee wishes to express its sincere appreciation to the Accounting Officer, Senior Management, MPAC, Portfolio Committees, Executive Committee, Council and staff for their cooperation and support.

Chairperson: Audit Committee

Mr Promise Lindokuhle Buthelezi CA (SA), CIA

Date _____

Component C: Public Accountability and Participation

2.5. Public Meetings

IDP & BUDGET ROAD SHOWS

Outreach Date	Ward No.	Ward Councilor	Team Leader	Service Delivery Challenges Raised	Responsible Sector Department / Parastatal
Day 1 – 22 nd April 2024	1	Cllr. M. Kiviet	Cllr. N. Nomnganga	There has been a water scheme in Manxiweni but it is not functioning as a results the community is doing other means to source water from the River and Mountains.	ANDM
	2	Cllr. N. Hlanekelela	Cllr. L. Nkula	They complained that Jojo Tanks were very old and poorly maintained as it was posing risk for clean water. They also raised the fact that Spolweni Sewer and meter is long overdue, they said it is an emergency as they do not have access to those basic needs. The challenge of converting pump house from diesel to electricity is posing a risk due to load shedding challenges that Eskom is experiencing. They also complained about road maintenance.	ANDM,ULM
	3	Cllr. AP Mkhonto	Cllr. Garane	Donga rehabilitation is a serious issue in the ward. Completion of Teki sports field, Monitoring of projects is not done by the municipality example is Botomane access road that is on stand still, the community is not given any information regarding the projects. Renovation of Hlavini community hall.	ULM
	4	Cllr. Lindiswa Mapala-Bera	Cllr. N. Mnyayiza	Community request chemicals for toilets. Traditional Leaders in the area request CoGTA to provide them with 4X4 Vehicles. Betshwana community members complain about the scarcity of water in their area. Sigidini Community Members also complain about unhygienic water flowing in their taps. There is general consensus amongst community members that there is shortage of ablution facilities in the area.	ANDM & CoGTA
	5	Cllr. Thobilizwe Ngxabi	Cllr. Mdzinwa	None Attendance of Sector Departments especial department of Transport and Department of Health. Housing Projects focusing on one Village.	ULM & Human Settlements

Outreach Date	Ward No.	Ward Councilor	Team Leader	Service Delivery Challenges Raised	Responsible Sector Department / Parastatal
	6	Cllr. V. Gogela	Cllr. Ngonyolo	Ndarhala water reticulation and poor state of access roads & bridges. Sisulwini, Ndarhala & Hlombe villages have no running water. Water running out of taps in Ndakeni is said to be contaminated with soil. Sifolweni Clinic that was promised to be constructed in 2008 but has not been delivered. Sanitation (toilets).Mqhokweni Bridge badly damaged by recent floods.Water reticulation in Ngxakaxha village. Sisulwini water reticulation.Tebe-Tebe bridge still in bad condition.	ULM, ANDM & Dept of Health
	7	Cllr. N. Xolo	Cllr. Nodali	Ntshakeni bridge and access road is reported that it is heavily damaged as a results of blocked pipes.	ULM
Day 2 23 rd April 2024	8	Cllr. Des Ndema	Cllr. Nkula	Community members request ULM LED to start the ploughing programme as early as October.	ULM
	9	Cllr. A. Jakuja	Cllr. Ngonyolo	Sphundu residents complain about RDP Houses that were left unfinished. Temporary shelters that were given to community members are delapidating. Luxwesa last had running tap water in 2019. Request for electrification of Qingqi. Goso community also complains of dry taps. Mhlozini community are still awaiting the construction of an ECDC/Creche.	ULM / ESKOM, Human Settlements & KES
	10	Cllr. W.Nqakwana	Cllr. Jona	Colana Nciniba electrification needs urgent attention.Ngxashini access road construction should be priority number one. Nomkhokotho bridge needs to be given urgent attention. Community members requested a meeting between the Mayor, Municipal Manager, ESKOM and other parties concerned. Mtsila community requests ANDM to construct toilets and water reticulation.	ULM, ESKOM & ANDM
	11	Cllr. N Gogela	Cllr. Mataka	Construction of housing projects and Elderly Village. Qungqu community demand toilets. Mkhangisa community members request installation of high masts as the area is prone to criminal activities. Nyosini community requests more stormwater pipes in the recently maintained Nyosini AR. AdHoc plant is requested to urgently attend to Msarhweni Access Road. Lutshikini community demands construction of sport ground. Community members requested new housing projects to be completed in 2024.Mhlozini electrification project to be urgently attended to.	ANDM,ULM & ESKOM

Outreach Date	Ward No.	Ward Councilor	Team Leader	Service Delivery Challenges Raised	Responsible Sector Department / Parastatal
	12	Cllr. P. Magujulwa	Cllr. Mnyaiza	Bohole mpoza went for repairs but did not come back. Issue of housing project in Mgungundlovu, Request for Ploughing disaster for all Villages. Manqilweni housing projects soil samples has been taken the community wants to know the next steps. Manqilweni Bridge need Repairs. Repair and Maintenance for Ntibane Bridge, Repairs of road to Mpoza Clinic. School Bus not working ta Lutateni	Human Settlements, ANDM, ULM, Department of Health
	13	Cllr. CL Noqhakala	Cllr. Sokanyile	The village of nyosini ,Mjikelweni,Sinyaqqa and Mhlutha has no access to water ,there is no water supply and alfrednzo district municipality always promises these villages with no outcomes	ANDM
	14	Cllr. S. Mathebe	Cllr. Nodali	Bhekani donga rehabilitation those who are working there are not consulting any community member ,the municipality does not supervise the projects and they do not have any steering committee. The municipality does not make follow up on its projects on completion so now they request that the municipality must do the follow up until the projects is done.	ULM
	15	Cllr. M.Ngwaqa	Cllr. Ngonyolo	Donga at Buffalo neck was never fixed however as per municipal books uDonga was fixed.	ULM
Day 3 24 th April 2024	16	Cllr. B. Khehla-Salukazana	Cllr. Sokhanyile	There is no water at sipilini. Provision for diesel in all water scheme	ANDM
	17	Cllr. N. Jwara	Cllr. Mdzinwa	Extension request the fencing of the dam that is used to even dump dead bodies. Houses for disabled person is requested at extension 7	ULM & Human Settlement

Outreach Date	Ward No.	Ward Councilor	Team Leader	Service Delivery Challenges Raised	Responsible Sector Department / Parastatal
	18	Cllr. T. Sincindi	Cllr. Ndevu	Request for the old municipality building to be demolished as it is frequented by vagrants who commit criminal activities in it. Sewer leakages throughout the town. Receiving entrances for all shops in town should not deter the flow of transport. Middle Income Housing in Sophia should be given urgent attention as it has a potential of changing the town's outlook	ULM, Human Settlements, ANDM & SANRAL
	19	Cllr. V.B. Sobhayi	Cllr. Garane	Semeni electricity infills left incomplete. B.P. Mabengu Community Hall's roof was damaged and needs urgent attention.	Eskom & ULM
	20	Cllr. X. Lungu	Cllr. Sokhanyile		ULM, Human Settlements, ANDM & ESKOM
	28	Cllr. L. Mveku	Cllr Ndevu	Chithwa sewerage deposited into the river. Potholes not attended to. the issue of alternative entrance be considered. 3 high mass not connected	ULM
Day 4 – 25 April 2024	21	Cllr. N. Nomnganga	Cllr. Garane	There is exclusion of electricity at zibokwana including infills and extension. Ncome water connection is also lacking need to be attended Residence were concerned about sanitation that was never done for the past 20 years.	ANDM&ESKOM
	22	Cllr. M. Kakaza	Cllr. Nkula	Community of mthonjeni request tanks and toilets	ANDM
	23	Cllr. Z. Mampemvini	Cllr. Mataka		ANDM
	24	Cllr. M. Jonase	Cllr. Mnyayiza	The ward request water supply as their worst nightmare.	ANDM

Outreach Date	Ward No.	Ward Councilor	Team Leader	Service Delivery Challenges Raised	Responsible Sector / Department / Parastatal
	25	Cllr. N.Giwu	Cllr. Jona	Community is complaining of an incomplete road with blocked pipes from Nomalanga to Mkhwa. Mkhonqo some households do not have electric connection. Mpongweni request water to be provided weekly by trucks as they have tanks already. Request for maintenance of dams to catch running waters as this assist to reduce the damage of heavy rains. Mpongweni requested fencing of grave sites due to damages by animals.	ULM&ANDM
	26	Cllr. M. Tuku	Cllr. Ndevu	Zinkawini to Goba bridge is in bad state and it has affected the scholar transport, Mvalweni Access Road is in bad state, Cabazana Water Project is not properly functioning.	ULM & ANDM
	27	Cllr. S.Faye	Cllr. Nodali	Bad state of access roads for the entire ward, Ad Hoc Plant to be urgently provided to assist. Provision of scholar transport	DOT, ULM & ESKOM

2.6. IDP participation and Alignment

	Criteria	N/Y	Comments
1	Does the Municipality have Impact, outcome, input Indicators	Yes	Municipality doesn't have Impact Indicators
2.	Does the IDP have Priorities , objectives, KPIs and Development Strategies	Yes	
3.	Does the IDP have Multi Year targets	Yes	
4.	Are the above aligned and calculate into a score	Yes	
5.	Does the budget align directly to the KPIs in the IDP	Yes	
6.	Do IDP KPI's align to Section 57 managers contracts	Yes	
7.	Do KPIs lead to the functional area KPIs as the SDBIP	Yes	
8.	Do the IDP KPIs align with Provincial KPIs on 12 outcome particularly outcome 9	Yes	
9	Were the Indicators communicated with the public	Yes	
10	Were the quarterly reports submitted to Council at stipulated time frames	Yes	

Component D: Corporate Governance

2.7. Risk Management

The Council has assigned the risk management function to Internal Audit Unit. The risk management is properly managed by Internal Audit Unit. There was range of activities which were conducted by the Internal Audit Unit including the Municipal Wide Risk Assessment, Risk Awareness, Risk Register and etc. The risk assessment is conducted on an annual basis and the risk registers are updated on a regular basis as and when the need arises. Implementation of risk mitigation plans is monitored on monthly basis and reported to Management Committee, Quarterly to Audit & Performance Management Committee and Council. The Risk Management Strategy is available and is being reviewed by the Council on an annual basis.

2.8. Anti-Corruption and Fraud Management

The Council has assigned the Anti-Corruption and fraud management to Internal Audit Unit. Internal Audit Unit has conducted a whole range of activities including awareness campaigns. The Anti-Corruption and Fraud Management policy and implementation plan is available and is being reviewed by the Council on an annual basis.

2.9. Municipal Website

The Municipal Website is administered under the Communication and Public Relations unit. A new operating system was recently installed to constrict back-end security measures that affect the overall functionality of the Municipal Website.

(a) Municipal Website Compliance

In terms of the compliance status, the Municipal Website is licensed and fully certified in terms of the government norms and standards. All documents are uploaded within 48hrs upon receipt from user departments.

(b) Web Content Management

The Content is managed by the Communication and Public Relations unit in terms of monitoring and uploading. All documents are uploaded within 48hrs upon receipt from user departments. Content is managed daily in line with the government programme of action.

(c) Relevant Legislations

- The Constitution of the Republic of South Africa, Act 108 of 1996.

- Promotion of Access to Information, Act 2 of 2000.
- Municipality Systems Act of 2000.
- Municipal Structures Act 117 of 1998

(d) Functionality and Management

Information and Communication Technology section continuously uploads advertisement and compliance documents with an intention to invite public comments. Supply Chain processes from a particular value are all advertised on the website for certain period of time as per the SCM policy. All vacancies are advertised on the website for the benefit of the community of Umzimvubu and the rest of the interested people. All performance agreements signed by s56 managers also posted on the website. IDP/Budget and process plan, final IDP/Budget and PMS, SDBIP and quarterly reports are posted on the website and they can be accessed at any time.

(e) Disaster Recovery

The Municipality adopted a new Disaster Recovery Plan (DRP) and Business Continuity Plan to ensure smooth recovery and very minimum impact when a disaster occurs.

2.10. Supply Chain Management

Demand Management: Deals with planning, which is critical to develop Procurement plans, Bid Committees to be formulated, Policy development and SOPs to implement all relevant legislation.

Acquisition Management: It is where the procurement processes kicks in, ranges of procurement, competitive bidding, evaluation up to appointments, deviations, unsolicited bidding, and proper adherence to SCM processes.

Logistics Management: Deals with logistics, inventory Management, disposal Management, Risk Management and Performance Management

Risk Management: Supply chain management may be incurring irregular expenditure, fraud, and corruption by not implementing the approved policies, MFMA and SCM regulations.

Performance Management: As a Manager of the sections need to ensure that subordinates perform and implement procurement plan timeous have strategies to deal with SCM delays since SCM is a heart of the institution, to ensure that contracts management on adhering to section 116 of MFMA

regular monitoring and implementation of service provider to perform on service delivery especially on conditional grants.

2.10. Supply Chain Management

STRUCTURE OF APPROVAL		
GOODS/SERVICE VALUE	PROCUREMENT METHOD MINIMUM	APPROVAL AUTHORITY
0-2000	One quotation	SCM Manager
2001-30000	3 quotations	SCM Manager
30001-65000	Seven days' notice	SCM Manager
65001-75000	Seven days' notice	CFO
75001-200000	Seven days' notice	MM
Above 200000	Competitive bidding	MM

The bid committees are appointed for specific projects with the following principle applied at all times:

- All bid committees are appointed by Accounting Officer for the entire financial year.

- In accordance with the provisions of Section 79 (1) (a) and (b) of the Municipal Structures Act 1998, a municipality may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers and appoint the members of such committee from among its members.
- Furthermore Section 79 (2) of the Municipal Structures Act, 1998 provides the framework and guidelines within which such committees of council shall operate.
- MPAC has been established to exercise oversight as delegated by Council, promote transparency, public accountability and ensure good governance in the municipality as in terms of Section 53 and 59 of the Local Government: Municipal Systems Act, Act 32 of 2000.
- The MPAC of Umzimvubu Local Municipality consist of nine (9) councillors including the chairperson represented by each political party.

2.11. MPAC Committee

In accordance with the provisions of Section 79 (1) (a) and (b) of the Municipal Structures Act 1998, a municipality may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers and appoint the members of such committee from among its members.

Furthermore Section 79 (2) of the Municipal Structures Act, 1998 provides the framework and guidelines within which such committees of council shall operate.

MPAC has been established to exercise oversight as delegated by Council, promote transparency, public accountability and ensure good governance in the municipality as in terms of Section 53 and 59 of the Local Government: Municipal Systems Act, Act 32 of 2000.

The MPAC of Umzimvubu Local Municipality consist of nine (9) councillors including the chairperson represented by each political party.

ROLES AND RESPONSIBILITIES OF THE MPAC

a) MPAC has no executive powers;

b) The oversight role of MPAC is to review the Umzimvubu Local Municipality's Annual Report with specific focus on the financial aspects as contained in the Auditor General's Report on the Annual Financial Statements of the Municipality and also when instructed by Council to advise Council in respect of unauthorised, irregular or fruitless and wasteful expenditure.

c) The Municipality's oversight report as envisaged in Section 129 of the MFMA is prepared for adoption by Council by following due process. MPAC's due process entails -

- consider and make recommendations on the Report to Council regarding specific reports of the Auditor-General; and queries, comments and responses in respect thereof;
- investigate the alleged misappropriation of municipal funds by Councillors and/or officials and report thereon to Council as the case may be;
- recommend on any proposals in respect of the oversight process for improving efficiency, effectiveness and economy in the financial sphere of the Municipality; and
- liaise with the Audit Committee and any other relevant combined assurance committees and role-players.
 - Investigate unauthorised, irregular or fruitless and wasteful expenditure in terms of section 32 and 102 of the MFMA, as instructed by Council, and as guided by the National Treasury Circular 68: Unauthorised, Irregular and Fruitless and Wasteful Expenditure

Recommendations on Annual Report 2023-2024

Names of members and number of meetings attended by MPAC Members (2023/2024) Municipal Public Accounts Committee/ Oversight Committee Members	06 JULY 2023	14 JULY 2023	22 AUGUST 2023	13 FEBRUARY 2024	18 MARCH 2024	24 MAY 2024	TOTAL NUMBER OF MEETING	NUMBER OF MEETING ATTENDED	NUMBER OF MEETINGS ABSENT	PERCENTAGES OF MEETINGS ATTENDED
1.Cllr M Mataka	1	1	1	1	1	1	6	6	0	100%
2.Cllr A Jakuja	1	1	1	1	1	1	6	6	0	100%
3.Cllr X Lungu	NA	NA	1	NA	1	1	6	3	3	50%
4.Cllr N Hlanekela	NA	1	1	1	1	1	6	5	1	80%
5.Cllr A P Mkhonto	NA	1	1	1	1	1	6	5	1	80%
6.Cllr P K Thingathinga	1	NA	1	1	1	1	6	5	1	80%
7.Cllr B Mdingi	NA	1	1	1	1	NA	6	5	1	80%
8.Cllr L Mapala	NA	1	1	1	NA	1	6	4	2	60%

9.Cllr B Ngqasa	1	NA	NA	1	NA	NA	6	2	4	40%

(a) Office of the Municipal Manager

Employees :Office of the Municipal Manager					
Level	2023-2024	2023-2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
	Mr GPT Nota				
	Mrs C. Nenemba				
	Ms T. Novukela				
	Mr Z Tyebisa				
	Mrs B Jokazi				
	Ms N. Boyce				
	Mr T. Moeketsi				
	Mr S. Tshekela				

	1 Vacant post				
Total					

(c) Legal Service

Case Load for 2023-2024Financial year

Incorporated into the audited Annual financial statements annexed herein.

Chapter 3: Service Delivery Performance

Component A: Basic Service Delivery

3.1 Electricity Provision

(Electricity provision narrative during 2023/2024 financial year and populate the tables below)

Financial Performance Year 2023/2024: Electricity Services					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance if any
Total Operational Budget	17350000	15850000	15850000	0	
Expenditure	15850000	15850000	15850000	0	
Other	0	0	0	0	
Total Operating Expenditure	15850000	15850000	15850000	0	
Net Operational Expenditure	15850000	15850000	15850000	0	

Capital Expenditure Year 2023/2024: Electricity Services					
Capital Project	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Maduna – Majojweni Electrification	R1 750 000.00	R3 000 000.00	R2 329 637.49		R2 329 637.49
Silindini Electrification	R575 000.00	R1 700 000.00	R1 426 970.23		R1 426 970.23
Ntlangano Electrification	R2 700 000.00	R3 300 000.00	R4 027 192.04		R4 027 192.04
Sogoni Electrification	R4 500 000.00	R4 650 000.00	R4 905 769.60		R4 905 769.60
Shayamoya Electrification	R2 225 000.00	R3 200 000.00	R3 160 430.55		R3 160 430.55
Badibanise Electrification	R5 600 000.00	R0.00	R0.00		R0.00

Notes: Change control letter was prepared and submitted to DMRE, removing Badibanise electrification as it was already planned for execution by Eskom, under schedule 6B.

3.2. Waste Management and Refuse Removal

The municipality is operating on the basis of an Integrated Waste Management Plan which was approved by Council and endorsed by MEC for DEDEAT. Umzimvubu IWMP was developed and adopted in 2019, it will be reviewed after 5 years. Umzimvubu is a stakeholder at Alfred Nzo Integrated waste management Forum and as such uses that

platform for waste related activities including reporting. Umzimvubu local municipality adopted waste bi-law in 2008, to make provision for the collection and removal of domestic waste and business waste; to require waste generators to collect and remove bulky waste, building waste, garden refuse, special domestic waste and special industrial waste; to provide for the temporary storage of waste pending collection; to provide for the operation of garden refuse sites; to impose obligations regarding special industrial waste, hazardous waste and health care waste; to provide for proof of disposal of building waste; to impose obligations regarding event waste; to provide for waste management plans; to encourage the recycling of waste; to provide for the conduct at municipal waste disposal sites; to regulate private waste removal contractors; to impose penalties for dumping and other offences and to provide for matters incidental thereto. In addition, there is also Rural waste management strategy as well Composting strategy.

1. Waste Educational/ Awareness Programs:

Umzimvubu Municipality is responsible for Domestic Waste collection in their own area of jurisdiction. There is a manager appointed to head the community services directorate who is also responsible among others for waste management and horticultural services. The Municipality performs waste collection services (Street sweeping, litter picking, refuse bag provision/curb side collection and waste bin provision/servicing) in 2 urban centers or towns and 8 rural areas, 5 days a week in residential area and 7 days a week in urban areas.

The municipality has employed environmental educators who are responsible for community education on waste management, compliance with waste collection schedule. Door to door awareness are conducted at least once a week in hotspot areas.

1. Clean up campaigns:

The municipality conducts at least four awareness campaigns annually. Festive season plan are made to enhance the clean-up campaigns in both towns.

1. .Waste Recycling Initiatives: for environmental and economic benefit

There are wide ranges of recycling initiatives that took place during the year under review in relation to waste minimization. To the year end 4 permits have been issued in an attempt to promote sustainable waste minimization programs and to regulate salvaging on land fill sites. Scavenging is not permitted at both sites. Two Waste by back center has been developed and are in operation indicating that some amounts of money are generated per month. We have entered in services level agreement with 2 cooperatives running the centre so as to be able ascertain the waste stream recycled in terms of waste volumes, type and money generated in the process so as to enable to plan, report and enhance programme.

Challenges in Waste Management:

Approximately 150 active illegal waste dumping sites have been identified and mapped, estimates that over 150 of these sites are within 20-30 metres of schools, homes and sensitive biodiversity areas. To this end, the Municipality is working/rehabilitating almost all the sites. No illegal dumping signs have been erected to curb this behaviour. The municipality is further planning to have awareness campaigns on litter and waste management involving schools and local communities. Rural communities have stated debating how to handle the issue of used baby towels that have thrown everywhere in the local space. It is believed that If one person stops littering the world can change for the better. Landfill site compliance remains a challenge especially kwaBhaca due to the lifespan reached. However processes to obtain permit to construct new cell are underway.

South African waste information systems

Umzimvubu Local Municipality has two weighbridges in both landfill sites, Mt Frere landfill site weighbridge is functioning correctly and is reporting to the South African Waste information system. Mt Ayliff landfill site weighbridge was burnt down during the singeni strike and we now using estimates to calculate and report the waste volumes.

The Integrated Waste Management plan was reviewed in 2019, was adopted by the council, and endorsed by the MEC: Department of Environmental Affairs and Tourism as well as COGTA). IWMP will be reviewed in 2024. The municipality is submitting IWMP annual plans to regional office (Environmental Affairs).

The municipality has adopted and implementing Climate change strategy and Air quality management plan

Umzimvubu Local Municipality has a designated waste management officer.

The municipality is affiliated/ part of the district environmental management forum to discuss matters related to Environmental management related sector/aspect.

Solid Waste Service Delivery Levels: House Holds						
Description	2021/2022	2022/2023	2023/2024	Original Budget No	Adjusted No	Actual No
	Actual No	Actual No	Actual No			
Solid Waste Removal:	649	649	649	649	N/A	649
Removed Once a week	649	649	649	649	N/A	649
Removed More than once a week	649	649	649	649	N/A	649

Total Number of House holds	649	649	649	649	N/A	649

Employees: Waste Management and Refuse Removal services					
Level	2022/2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
0-3	79	79	76	Nil	N/A
4-6					
7-9					
10-12	5	5	5	Nil	N/A
13-15					
Total	84	84	84	Nil	N/A
Financial Performance Year 2023/2024: Waste Management and Refuse Removal					
Details	2022-2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance if any

Total Operational Budget	3 840 400,00	1 622 000,00	-	1 622 000,00	Nil
Expenditure	3 840 400,00	1 622 000,00	-	1 622 000,00	Nil
Employees					
Repairs and Maintenance	3 4800	6 000 000	-	6 000 000	Nil
Other					
Total Operating Expenditure	3 4800	6 000 000	-	6 000 000	Nil
Net Operational Expenditure					

Capital Expenditure Year 2023/2024: Waste Management and Refuse Removal					
Capital Project	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Landfill site fencing	R2 000 000	-	R600 000	R1200 000	R2 000 000
Waste depos ablutions	R1 350 000	-	R1 350 000	NIL	R1 350 000
Skip loader truck	R2 700 000	-	R2 677 925.01	R22 074.99	R2 677 925.01

Financial Performance Year 2023/2024: Waste Management and Refuse Removal					
Details	2022-2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance if any
Total Operational Budget	3 840 400,00	1 622 000,00	-	1 622 000,00	Nil
Expenditure	3 840 400,00	1 622 000,00	-	1 622 000,00	Nil
Employees					
Repairs and Maintenance	3 4800	6 000 000	-	6 000 000	Nil

Other					
Total Operating Expenditure	3 4800	6 000 000	-	6 000 000	Nil
Net Operational Expenditure					

Component E: Environmental management and Signage Control

3.1.2 Pollution control, Biodiversity, Landscape and Coastal Protection

the natural environment is regarded as prime asset and resource base for the district. Environmental sustainability, restoration and rehabilitation and appropriate usage forms the basis for this approach. The haracteriz of natural resources is suggested to inter alia contribute to appropriate local economic and social development. The natural environment needs to be integrated into development approaches of other development components.

Capital Expenditure Year 2023/2024: Environmental Management and Biodiversity					
Capital Projects	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Climate change strategy	R300 000	-	R294 000	R6000	R294 000
Donga rehabilitation	R1 000 000	-	R1 000 00	-	R1 000 000

3.3. Housing

1. PURPOSE AND SERVICE MANDATE OF THE HUMAN SETTLEMENTS SUB-SECTION

4.1 To foster an Integrated Human Settlement by influencing the approach to the development of municipal housing strategies through emphasis on moving away from the concept of housing as a mere shelter, to housing as part of an overall strategy to achieve human settlements that provide good quality homes, dignity and surety of tenure with proper access to the necessary socio-economic opportunities to the residents. To promote social economic and racial integration in the settlements linked to the objectives of densification and integrated mixed land use in UMzimvubu Urban Areas:

- To facilitate and administer all housing projects/programs.
- To facilitate the provision of necessary services for human settlements projects.
- Beneficiary administration
- To provide necessary expertise to quality assurance.
- Provide reports on both qualitative and quantitative project elements.
- To monitor and to give a technical guidance to the council on the implementation of the Housing Sector Plan (HSP).

Employees :Housing					
Level	2022-2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
0-3	N/A	N/A	N/A	N/A	N/A
4-6	N/A	N/A	N/A	N/A	N/A
7-9	1	1	1	0	
10-12	1	1	1	0	
13-15	1	1	1	0	
Total	3	3	3	0	

Financial Performance Year 2023/2024: Housing					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance if any
Total Operational Budget	850 000	765 000	80 000	845 000	
Expenditure	850 000	765 000	80 000	845 000	
Employees					
Repairs and Maintenance					
Other					
Total Operating Expenditure	850 000	765 000	80 000	845 000	
Net Operational Expenditure	850 000	765 000	80 000	845 000	

Capital Expenditure Year 2023/2024 Housing					
Capital Project	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Housing Sector Plan	0	0	0		

Below is the project budget from the department of human settlements

KEY PERFORMANCE INDICATOR	ANNUAL TARGETS FOR 2023/2024
DESTITUTE AND VULNERABLE	800 000
UNITS	4
FULL SERVICES	4
PARTIAL SERVICES	0

RECTIFICATION	0
BUDGET	800 000

Successes:

- The four houses were completed and handed over to the rightful owners.

Challenges:

- Slow progress on site by one contractor that was appointed for ward 24 housing unit.
- Backlog on vulnerable group as there are few wards receiving human settlements projects

3.4 Free Basic Services and Indigent support

Background:

The municipality provides free basic services in the form of paraffin, solar and electricity from Eskom. Paraffin and solar is provided to indigent households who are not connected to the main grid. The municipality has a register of indigent households of 3 574 which is reviewed quarterly.

Free Basic Services to Low Income House holds						
Year	Number of House Holds					
	Total	House Holds Earning Less than R 4 160.00 Per month				
			Free Basic Electricity		Free Basic Refuse	
		Total	Access	%	Access	%
2023/2024	1177	809	809	100%	0	0%

Financial Performance 2023/2024: Cost to the Municipality Free Basic Services Delivered					
Services Delivered	2022/2023	2023/2024			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Free Basic electricity and free Basic Alternative Energy	R6 011 866.79	R7 930 0000.00	0	R3 833 543.06	R4 096 456.94
Indigent Burial Support	0	0	0	0	0
Rates	0	0	0	0	0
Free Basic Services: Refuse removal and compilation of indigent register	0	0	0	0	0

Challenges:

- *Eskom data: Data mismatch between Eskom and umzimvubu whereby other FBE beneficiaries from neighbouring municipalities claiming from uMzimvubu while they are outside jurisdiction of uMzimvubu (Demarcation issues).*
- *Tempering (the applicant is approved to receive free basic electricity, but the meter is tempered).*
- *Approved indigents not claiming their token provided by Eskom which results in underperformance in terms of collecting their tokens (50KWh).*
- *Indigent applicants not submitting required documents to qualify for subsidy. (this results to an applicant being declined due to non-submission of required documents).*

Component B: Roads

3.5. Roads and Storm Water Drainage

Gravel Road Infrastructure: Kilometres				
Years	Total gravel Roads (Km)	New Gravel Roads Constructed	Gravel Roads Upgraded to Tar	Gravel Roads Maintained
2021-2022		33.7 km's	3.7 km's	116.1 km's
2022-2023		3.2 km's	0	149.62 km's
2023-2024		7.35 km's	0	142.8 km's

Cost of Construction and Maintenance : Rand Per KM				
Year	Gravel Roads		Tarred Roads	
	New gravel road	Maintained Road	New	Maintained
2021-2022	450 000	280 000	4 500 000	
2022-2023	480 000	310 000		

2023-2024	520 000	350 000		

Capital Expenditure Year 2023/2024: Roads (PMU)						
Capital Projects	2023/2024					
	STATUS	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Brooksnek AR Maintenance	Project is completed	R1 650 000.00		R1 472 474.61		R1 472 474.61
Ngwegweni AR Maintenance	Project is completed	R1 441 663.00		R1 348 746.00		R1 348 746.00
Botomane to Dundee AR Maintenance	Project is completed	R1 495 837.00		R965 295.00		R965 295.00
Ngonyameni AR Maintenance(	Project is completed	R1 933 337.00		R1 898 945.00		R1 898 945.00
Qunubeni-Zibokwana AR Maintenance	Project is completed	R2 200 000.00		R1 869 027.00		R1 869 027.00
Mkhangisa AR Maintenance	Project is complete	R870 000		R870 000		R870 000
Mfulamkulu AR Maintenance	Project is completed(1.8km)	R1 250 000.00		R1 250 000		R1 250 000
Gubhuzi AR Maintenance	The Municipality in the process of terminating the services of the contractor due to poor performance on site.	R1 650 000.00		R1 085 743.00		R1 085 743.00

Lubhalasi extension AR Maintenance	Project is completed	R1 033 337.00		R1 025 123.00		R1 025 123.00
Siphundu AR Maintenance	Project is completed	R1 325 000.00		R1 204 511.00		R1 204 511.00
Ntsimangweni AR Maintenance	Project is completed	R2 550 000.00		R2 033 376.00		R2 033 376.00
Tyeni - Nguse, Nobala AR Maintenance	Project is completed	R1 325 000.00		R1 204 511.00		R1 204 511.00
Sinyaqa via Mgodl to Sihlahleni AR	Project is completed	R1 975 000.00		R1 092 715.00		R1 092 715.00
Huku AR Maintenance	Project is completed	R1 683 337.00		R1 491 032.00		R1 491 032.00
Hagwini AR Maintenance	Project is completed	R2 316 663.00		R1 521 560.00		R1 521 560.00

Capital Expenditure Year 2023/2024: Maintenance						
Capital Projects	2023/2024					
	Status	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Spilini, Bokobane & Galali Internal roads Maint	Project is complete.	R2 316 663.00		R1 770 299.00		R1 770 299.00
Mary Teresa to Sijika AR Maintenance	Project is complete	R2 445 837.00		R1 327 751.00		R1 327 751.00

Capital Expenditure Year 2023/2024: Maintenance						
Capital Projects	2023/2024					
	Status	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Dungu AR Maintenance	Municipality in the process of terminating the contract due to non-performance	R2 566 663.00		R1 261 467.00		R1 261 467.00
Mawusheni AR .Maintenance	Project complete	R1 666 663.00		R1 370 009.00		R1 370 009.00
Rayment store via Sikolweni to Manzamnyama AR Maint	Project is Complete	R1 454 163.00		R2 255 282.00		R2 255 282.00
Mbuqe to Komkhulu AR Maintenance	Project is completed	R2 633 337.00		R1 304 022.00		R1 304 022.00
Ngojini to Mpolosa AR Maintenance(9km)	Project is complete	R1 500 000.00		R1 630 229.00		R1 630 229.00
Mandela - bhobhodla Maintenance and extension	The project is completed	R2 500 000.00		R1 623 708.00		R1 623 708.00

Employees : Project Management Unit					
Level	2022-2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
4-6					
10-12	4	4	4	0	
13-15					
Total					

Employees: Maintenance					
Level	2022-2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
4-6					
10-12	10	15	10	5	67%
13-16					
Total					

Component C: Planning and Development

3.6. Planning

Component C: Planning and Development

Development Planning

Promote municipal and private developments by interpreting the Spatial Development Framework (SDF) of Council's Integrated Development Plan (IDP) for private developers, professionals and the general public and commenting on the desirability of Land Use applications. Makes recommendations relating to the desirability and feasibility of projects by monitoring and coordinating the production of reports, maps, and presentations, regarding Forward Planning Policy and proposals to the Municipal Council/public.

The core functions of the Department are:

- Land Use Management
- Settlement Planning
- Spatial and Forward Planning Management
- Real Estate Management

Planning Enforcement

Location of the section

The section is located within the infrastructure and Planning Department

Objectives and functions of the section

The objective of the section is to promote planned, economic, scientific, and artistic development of the municipal towns and rural areas.

Functions

A function of the section is to enhance service delivery through planning, facilitating, coordinating, administering and implementing the following functions;

:

Spatial Planning

The objective is to promote orderly development and sustainable livelihood by implementing sound spatial principles and land use management. Furthermore, to achieve optimum organization and use of land resources in order to meet the social, environmental, and economic needs of the present and future generations. The municipality has

adopted its Spatial Development Framework with a Vision which is: “To ensure delivery of quality services that promote economic growth, support development and respond to the community needs in accordance with our development mandate”.

Building Control

- . By-Law implementation and general law enforcement (NBR)
- Building Plan Approvals
- Building Inspection & Construction Management
- Building Control Enforcements
- Project Management on Building Construction Projects
- Minor building architectural designs

Valuation

(Provide a narrative on the existence and implementation of valuation roll)

Town Planning

The municipality has adopted Land Use Scheme and Bylaws, which regulate legal rights to land use and building design. This management activity includes the following:

Rezoning: to change the use permitted on the property by changing the zone of the property. It is a permanent change in land use.

Subdivision: to subdivide a piece of land into two or many smaller units.

Consolidation: when two or more properties are joined together to form a single Erf.

Departures: to change land use restrictions in a Zoning Scheme.

Consent use: obtaining permission from council to use a property for alternative use for a stipulated period of time, that is, other than the permitted use.

Removal of restrictive conditions: to remove restrictive conditions as conditions registered in title deeds during the process of township establishment, by the township developer in terms of which restrictions are placed on the use of land.

Land administration

The municipality has developed land use management scheme, Spatial Planning and Land Use Management by-laws to regulate, control and manage land use within the municipal area. This was done to ensure that the municipality achieve desirable and harmonious development of the built environment that reflect and are a translation of the overall vision of the Municipality as expressed in the Integrated Development Plan (IDP) and the Spatial Development Framework (SDF). The Development Planning unit has the responsibility of receiving, processing, and making recommendations or decisions on land development applications within the provisions of the legislation regulating land development. The uMzimvubu Local Municipality has appointed a Service Provider in order to review the Land Use Scheme. The reason for this Review of the Land Use Scheme is that in terms of the Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA) it is a requirement that the Land Use Scheme be reviewed every 5 years in order to remain current with the Zoning requirements of the Municipality.

Geographic Information Services

The municipality has implemented the Geographic Information Systems to enhance the integration of municipal processes and systems, improve information management within the municipality, and create a knowledge management culture. The municipality had expanded its organogram in order to develop its capacity. The staff complement of the Development Planning Section has been increased to include GIS Technician.

Human Settlement

- Responsible for project conceptualization, planning, design, implementation, monitoring and progress reporting.
- Consumer Education
- Beneficiary Administration

- Determine the housing need\demand
- Provision of affordable houses
- Provision of middle to high income housing
- Provision of social rental accommodation
- Formulation housing sector plan

Key stake holders

- Rate Payers – provide revenue when submitting building plans for scrutiny
- Built Environment Professionals – developers of both towns
- Department of Human Settlements – provide finance for rural housing
- Department of Public works – provides inspection for departments
- Built Environment agencies such as NHBRC – to inspect and evaluate the building that are done by the municipality

Stakeholder	Key Role
Department of Corporative governance and Traditional Affairs	Assist with the approval of land development applications
Alfred Nzo District Municipality	Support the municipality in terms of development
Economic Development, Environmental Affairs and Tourism	Assist with the approval of Environmental Impact Assessment Reports and issuing of Record of Decision
Department of Human Settlements	Facilitate and coordinate the provision of quality, integrated and sustainable human settlements that offer its communities a better living environment.
Chief Surveyor General	Assist with the provision of updated cadastral information

Stakeholder	Key Role
Department of Rural Development and Agrarian Reform	Assist with coherent and coordinated rural development for improved quality of life

Challenges and Successes

Challenges facing Building and Housing:

- *Delays in approval by NHBRC*
- *Blacklog in rural housing projects*
- *Non submission of building plans*

Challenges facing the development planning unit are:

- Limited funding for Development Planning Projects.

Successes for the development planning unit are:

The Umzimvubu Local Municipality is currently disposing land for development in line with the municipal vision 2030 plan that was adopted by council in 2018. This is done to attract private investment in the area in order to boost economic development

Implementation of by-laws

The Municipality has adopted the Spatial Planning Land Use Management Bylaws which were gazette in 2016 to regulate, control and manage land use within the municipal area as required by the Spatial Planning and Land Use Management Act, 2013.

Land audits

A land use audit and analysis study were completed for uMzimvubu Local Municipality in 2014 and the purpose of the study was to analyse the existing land within the municipality in terms of the ownership, extent, cadastral boundaries, zoning and institutional capacity that is designated to organise the land. The study was completed for the Alfred Nzo District Municipality and included the two towns, Mount Frere, and Mount Ayliff. The information gathered assisted the municipality in terms of identifying land that is viable for development, land that is owned by the municipality must be utilised accordingly by providing social facilities that lack in certain areas of the municipality.

The uMzimvubu Local Municipality has appointed a Service Provider in order to conduct a new Land Use Audit. The objectives of the new Land Audit are to:

- Confirm land ownership for correct billing procedures.
- Identify and confirm zonings per erf.
- Identify conforming and non-conforming land uses.
- Identify surveyed and un-surveyed sites.
- Identify all unregistered and lapsed General Plans.
- Produce a detailed spreadsheet of municipal-owned, government-owned and privately-owned sites.
- Identify all unregistered land.
- Develop a property register with information of all Erven within municipal area.

Issues of land claims

Following are the status of claims as submitted to the Land Claims Commission on 31st December 1998 for uMzimvubu Local Municipality::

Property Description	Claimant	Status
Portion of Erf 188, Mount Ayliff	Dutyini	Settled but not finalised
Portion of Erf 188, Mount Ayliff	Sigidini	Land Transfer
Portion of Erf 188, Mount Ayliff	Betshwana	Negotiations

Property Description	Claimant	Status
Portion of land within the village	Spolweni	Settlement in progress
Portion of Erf 351	Lubhacweni	Court referral/land invasion
Portion of land within Amagqamzeni administrative area	Imikhonde	Settled
Land from Maxesibeni to Franklin	Amaxesibe community claim	Finalised

Building control

Regular inspection with Quarterly target of 20 Enforcements to ensure that all By Laws are taken into consideration. To check all the development around town in conjunction with Developmental Planning such as building done without an approved plans.

Applications for Land Use Development										
Detail	Planning application received		Determination made in the year of receipt		Determination made in the following year		Applications Withdrawn		Applications outstanding at the year end	
	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024
Subdivisions	3	4	3	4	0	0	0	0	0	0
Consolidations	0	2	0	1		0	0	0	0	0
Rezoning	5	8	5	8	0	0	0	0	0	1
Applications relating to land restrictions	1	1	1	1	0		0	0	0	0
Special consents	2	0	2	0	0	0		0		0
Township Establishment	0	0	0	0	0	0	0	0	0	0
Other application must be mentioned	2	4	2	4	0		0	0	0	0

Employees: Planning and Land use and Building control					
Level	2022/2023 FY	2023/2024 FY			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
0-3					
4-6					
7-9	1	1	1		
10-12	2	2	2		
13-15	1	1	1		
Total	4	4	4		

Financial Year Performance 2023/2024: Planning and Land use, Building Control					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue					
Expenditure	R50 000	R45 000	R45 000		
Employees					
Repairs and Maintenance	0	0	0		
Other	0	0	0		
Total Operating Expenditure	R50 000	R45 000	R45 000		
Net Operational Expenditure					

3.7. Local Economic Development And Tourism

The mandate of the department is to:

- To create conducive environment for the business to trade.
- To create job opportunity through LED initiatives

. The objectives of the LED and Environment Department are:

- to promote local economic development;
- to promote and enforce proper environmental practices;
- to promote SMME development (entrepreneurship);
- to promote tourism initiatives;
- to promote forestry development
- to promote Agrarian Reform

2023/2024 CROPPING SEASON:

- The ploughing programme was implemented on two folds thus supply of production Inputs and mechanization of 375has of yellow maize. The number of 28 Umzimvubu Local Municipality wards were planted as per the scope of works and the programme was achieved. The number of planted maize sites on 28 wards are 48 maize sites and 4 vegetables sites.

Challenges encountered

The most sites have done very well, and the minimum yield estimates recorded were 3tons per hectare as contributed by the following factors:

1. Knowledge and experience of the service providers to calibrate their planters.

2. Lack of commitment from beneficiaries on some maize sites.
3. Late spraying due rainfalls to some areas during the operations.
4. Changing of weather patterns from heavily rains and resulting to draughts.
5. Lack of tractor and planting equipment on service providers leading to late planting as hiring of tractors and lease remain as the option.
6. Late planting due to appointment of service providers.
7. Drying of maize more especially during draught and some during spraying as the planted maize rapidly lost water to hydration.

ANALYSIS OF THE CROPPING AND HARVEST REPORT

The drought persisted on our areas because of non-availability of the rain. The following table show the total harvest for both 5has and 10has projects.

No of has for 28 wards	Number of bags harvested	Number of tons
5has	8400 bags of maize	1680 tons
10has	16840 bags	840 tons

Below tables indicates the Ward Number and Village Names where this project was implemented.

MAIZE PLANTED:

Primary Co-op Name	Location	WARD	NO. OF MEMBERS	PLOUGHED LAND (Ha)	PLANTED LAND (Ha)	PLANTING DATE
Brooksneki – cooperative	Brooksneki	1	47	10has	10has	12 December 2024
Kwa- Vala – Cooperative	Kwa- Vala		20	5ha	5ha	12 December 2024
Sipholweni – Lubhaleko Cooperative	Sipholweni	2	37	10has	10has	12 December 2024
	Lubhaleko		12	5has	5has	12 December 2024
						12 December 2024
Lokwe Cooperative	Lokwe	3	46	10has	10has	12 December 2024
Dundee – Cooperative	Dundee		10	5has	5has	12 December 2024
Betshwana -Coperative	Betshwana	4	42	10has	10has	12 December 2024
Mnqwane -5has	Mnqwane		15	5has	5has	12 December 2024

Primary Co-op Name	Location	WARD	NO. OF MEMBERS	PLOUGHED LAND (Ha)	PLANTED LAND (Ha)	PLANTING DATE
Marhwaqa – Cooperative	Marhwaqa	5	38	10has	10has	12 December 2024
Bhonga -Cooperative	Bhonga		12	5has	5has	12 December 2024
Ndum-Ndum -Cooperative	Ndum-Ndum	6	37	10has	10has	12 December 2024
Mqhokweni -Cooperative	Mqhokweni		05	5has	5has	12 December 2024
Skhumbeni Cooperative	Skhumbeni	7	9	3.3ha	3.3ha	12 December 2024
Majalumani Cooperative	Majalumani		11	3.3ha	3.3ha	12 December 2024
Lusuthu Cooperative	Lusuthu		13	3.3ha	3.3ha	12 December 2024
Skhemane -Cooperative	Skhemane		15	5has	5has	12 December 2024
Lusuthu Cooperative	Lusuthu 10ha	8	41	10has	10has	12 December 2024
Lugelweni Cooperative	Lugelweni -5ha		14	5has	5has	12 December 2024
Qingqi -5has	Qingqi -5has	9	46	10has	10has	12 December 2024

Primary Co-op Name	Location	WARD	NO. OF MEMBERS	PLOUGHED LAND (Ha)	PLANTED LAND (Ha)	PLANTING DATE
Sugarbush Cooperative -	Sugarbush -5has		13	5has	5has	12 December 2024
Luxwesa - Cooperative	Luxwesa		10	5has	5has	12 December 2024
Colana - Cooperative	Colana	10	08	5has	5has	12 December 2024
Ngqumane - Cooperative	Ngqumane		12	5has	5has	12 December 2024
Magontsini - Cooperative	Magontsini	11	43	10has	10has	12 December 2024
Nyosini - Cooperative	Nyosini		6	5has	5has	12 December 2024
Mgungundlovu - Cooperative	Mgungundlovu -	12	35	10has	10has	12 December 2024
Mpoza - Cooperative	Mpoza -5ha		6	5has	5has	12 December 2024
Ntlabeni - Cooperative	Ntlabeni -10has	13	28	10has	10has	12 December 2024
Mxhinweni - 5has	Mxhinweni - 5has		8	5has	5has	12 December 2024
Niyona -10has	Niyona -10has	14	29	10has	10has	12 December 2024
Nqalwen - Cooperative	Nqalwen -5has		11	5has	5has	12 December 2024

Primary Co-op Name	Location	WARD	NO. OF MEMBERS	PLOUGHED LAND (Ha)	PLANTED LAND (Ha)	PLANTING DATE
Gubuzi- Cooperative	Gubuzi- 10has	15	39	10has	10has	12 December 2024
Buffalo Nek - Cooperative	Buffalo Nek -5has		04	5has	5has	12 December 2024
Brooksnek - Cooperative	Brooksnek	16	89	10has	10has	12 December 2024
Panana- Cooperative	Panana		03	5has	5has	12 December 2024
Lubhacweni - Cooperative	Lubhcweni	17	73	10has	10has	12 December 2024
	Lubhacweni -5has		15	5has	5has	12 December 2024
Badibanise Cooperative	Badibanise 10has	18	96	10has	10has	12 December 2024
	Badibanise -5has		9	5has	5has	12 December 2024
Mtshazi Cooperative	Mtshazi 10has	19	27	10has	10has	12 December 2024
Qumrha -Cooperative	Qumrha -5ha		01	5has	5has	12 December 2024
Ngxabaxha – Cooperative	Ngxabaxha -3,3has	20	23	3.3has	3.3has	12 December 2024
Mphemba - Cooperative	Mphemba 3,3has		21	3.3has	3.3has	12 December 2024
Mawusheni - Cooperative	Mawusheni 3,3has			3.3has	3.3has	12 December 2024

Primary Co-op Name	Location	WARD	NO. OF MEMBERS	PLOUGHED LAND (Ha)	PLANTED LAND (Ha)	PLANTING DATE
Nduphu - Cooperative	Nduphu		15	5has	5has	12 December 2024
Toleni - Cooperative	Toleni	21	11	5has	5has	12 December 2024
Toleni - Cooperative	Toleni		14	5has	5has	12 December 2024
Mhlanganisweni – Cooperative	Mhlanganisweni		13	5has	5has	12 December 2024
Mabhobho- Cooperative	Mabhobho- 10has	22	45	10has	10has	12 December 2024
Mabhobho- Cooperative	Mabhobho		11	5has	5has	12 December 2024
Qwidlana- Cooperative	Qwidlana- 10has	23	43	10has	10has	12 December 2024
Matyamhlophe- Cooperative	Matyamhlophe		5	5has	5has	12 December 2024
Ncome Springs - Cooperative	Ncome Springs 10has	24	32	10has	10has	12 December 2024
Sivumele - Cooperative	Sivumele		14	5has	5has	12 December 2024
Tshungwana - Cooperative	Tshungwana -	25	9	5has	5has	12 December 2024
Mnxekazi Cooperative	Mnxekazi		8	5has	5has	12 December 2024

Primary Co-op Name	Location	WARD	NO. OF MEMBERS	PLOUGHED LAND (Ha)	PLANTED LAND (Ha)	PLANTING DATE
Mkhonqo - Cooperative	Mkhonqo		14	5has	5has	12 December 2024
Maqhinqo - Cooperative	Maqhinqo	26	12	5has	5has	12 December 2024
Cabazana - Cooperative	Cabazana		11	5has	5has	12 December 2024
Zinkawini cooperative	Zinkawini		7	5has	5has	12 December 2024
Butsheni - cooperative	Butsheni	27	16	5has	5has	12 December 2024
Mbodleni cooperative	Mbodleni		12	5has	5has	12 December 2024
Mpendla - cooperative	Mpendla		13	5has	5has	12 December 2024
Santom be and town cooperative	Santom be and town 10ha	28	27	10has	10has	12 December 2024

Primary Co-op Name	Location	WARD	NO. OF MEMBERS	PLOUGHED LAND (Ha)	PLANTED LAND (Ha)	PLANTING DATE
Chitwa -cooperative	Chitwa -5has		12	5has	5has	12 December 2024

CONTRACTOR DEVELOPMENT PROGRAM

There is no activity taking place under this programme

INFORMAL TRADING: MARKET PLACE

The municipality has constructed 68 hawker stalls at Kwa-Bhaca with 68 SMMEs that are utilising them on different commodities, the challenge with these hawker stalls is that there is no water, electricity and they need to be renovated some stalls leak during summer time.

At EmaXesibeni DEDEAT constructed 24 formal stalls & 60 semi formal stands to accommodate 84 Hawkers.

There are 600 street traders in both towns, the challenge is there is no enough space for them to trade some are trading on non-designated areas, there is no shelter, some stands are designated on non-paved areas and during summer time their products are damaged. Some stands are close to the national road and it is against the municipal by-laws. Kwa- Bhaca the main challenge is the construction of N2 that disrupts the whole town some hawkers had to stop trading because the construction is taking place near their stands their products are a messed up with dust.

TOURISM

Umzimvubu area is a prime destination for those who seeks to visit heritage and historical battle sites. There are natural attractions in the area (Ntsizwa Mountain, Ntenetyana Dam, Goxe caves, Ramza waterfalls etc) but they are underdeveloped. These attractions have a potential to attract more tourists and boost the economy.

CHALLENGES:

There is no Infrastructure to the attractions (Roads).

There is no funding to develop these attractions.

SUCCESES:

The municipality is hosting annual events (Annual Fashion Show, Annual Agricultural Show,)these events assist to attract people to visit the area to spend a day or two and spend their money. Recently the District Municipality has hosted the spring day event whereby all accommodation establishments of Umzimvubu were fully booked for the weekend , and local SMMEs benefited by showcasing their products through fashion show, and some were selling food during the event.

The municipality also participates during the Tourism marketing & trade shows to market & promote Umzimvubu as a preferred tourist destination. (Tourism Indaba, Natal Royal Show , Grahamstown National Arts Festival).

The municipality is in the process to develop the Ntsizwa hiking trail & establish Ntenetyana Dam campsite.

Table 16: Attractions planned for Umzimvubu LM

Attraction	Description	Future Developments
Ntsizwa Mountains	Battlefield monument	- Hiking trails - Chalets/cabins have been proposed - Old coal mine
Ntenetyana Dam	Trout Fishing	- Proper management of the trout fishing - Accommodation facilities - Watersports
Mzimvubu River	River rafting	- Proper management of the Watersports - Fishing
Goxe	Failed cut flower project	There is proposed conservation of indigenous flora and fauna and some of the animal species found in the area
Methodist Church	One of the oldest churches	Religious route
Craft	There are many craft centres dotted throughout the municipality	Consolidation of the craft centres and focusing on key projects that will enhance the cultural aspect of the area.

Source: Bhalisa Tourism & Travel Consultancy

CHALLENGES:

Most of Tourist Attraction areas are not easily accessible because of bad roads, power supply and general basic infrastructure. There is a lack of tourism awareness amongst the communities within the entire Umzimvubu area of jurisdiction.

Most of the challenges faced by tourism in our area can be addressed by the implementation of the following:

- Effectively marketing the Eastern Cape as a tourist destination

- Developing a strong Eastern Cape Brand Identity
- Building the capacity of the implementing agents
- Encouraging much more co-operation and joint effort in the industry
- Refocusing on research efforts
- Increasing the level of tourism education and awareness
- Improving access to tourist destinations
- Improving the level of safety and security
- Expanding and developing the nature reserves and national parks as quickly as possible

SUCCESSSES:

The Ntsizwa Hiking Trails were launched, Service Provider assisted in the conceptualization of the project. The signage was provided to all accommodation facilities within the Umzimvubu area. The Tour Operators and Tourist Guides were identified from the areas of Lugelweni, Saphuknduku and Ntsizwa administrative areas. The LED Department has partnered with ECTP in the process of reviewing the Responsible Tourism Sector Plan and a Heritage Route Development Plan drafted.

Jobs Created by LED Initiatives excluding				
Year (Top 3 Initiatives)	No of jobs created	Jobs lost/ displaced by other initiative	Net Total jobs created in a year	
2020/2021	No jobs created	N/A		
2021/2022	30 jobs created during the 6 th Annual fashion show	N/A	N/A	
2022/2023	40 jobs created during the 7 th Annual fashion show	N/A	N/A	

2023/2024	30 jobs created During the 8 th Annual Fashion Show	N/A	N/A	
Jobs created by EPWP projects				
Year	No of EPWP projects		No of Jobs created	
2023/2024	No Jobs created		N/A	

Financial Performance Year 2023/2024: LED and Tourism					
Details	2022-2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue				R72 989 411.00	
Expenditure			N/A	R25 340 220,53	R45 101 548,85
Employees	R 1 120 620,60	R1 617 084,00	N/A	R1 408 696,34	R469 463.80
Repairs and Maintenance	N/A	N/A	N/A	N/A	N/A
Other	N/A	N/A	N/A	N/A	N/A
Total Operating Expenditure					R45 101 548,85

Net Operational Expenditure					R11 914 123,00

Employees : Local Economic Development and Tourism					
Level	2022-2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
0-3	N/A	N/A	N/A	N/A	N/A
4-6	N/A	N/A	N/A	N/A	N/A
7-9	N/A	N/A	N/A	N/A	N/A
10-12	4	N/A	4	N/A	0%
13-15	1	N/A	1	1	0%
Total	5		5		

Capital Expenditure Year 2023/2024: Local economic Development					
Capital Projects	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Anchor Project	R3.m	N/A	R3.m	N/A	R3.m
SMME & Cooperative Support Fund	R150.000	N/A	R195 000,00	N/A	R195 000,00

Component D: Community and Social Services

3.8. Libraries and Community Facilities

The municipal area is currently operating two main libraries and five modular libraries to assist in the provision and promotion of a culture of reading, library usage and learning to enrich communities. Umzimvubu Municipality is in collaboration Department of Sport, Recreation, Arts and Culture in operating all community libraries

- **3.9. Cemeteries:**

Umzimvubu Local Municipality has continued to operate and manage four Cemeteries (two Mt Ayliff and Two Mount Frere), and they are all maintained on regular basis. The maintenance activities include the following:

- Landscaping and Greening
- Grass cutting,
- Removal of unwanted vegetation,
- Grave digging and allocation, and
- Access control
- The operation activities involve the following:
- Cemetery management System

3.14 Fire and Disaster Management

Umzimvubu Local Municipality has Disaster Management unit only. No Fire management unit exists. Disaster Management falls under Community Safety Section. Disaster incidents are reported to the office of Community Safety Section and immediately respond to the disaster incident reported. Assessment is done and immediate social relief material is issued to the qualifying household/s. Assessments on major disaster incidents are done in conjunction with district municipality disaster department..

Functions of the disaster management unit are as follows:

- Reduce, or avoid, losses from hazards,
- Assure prompt assistance to victims,
- Achieve rapid and effective recovery.

- Disaster awareness campaigns,
Disaster Management Forum held once in a quarter

3.11. Special Programmes

Special programmes unit is functional and does implement programmes as per the SDBIP.

Functions

- Drafting of concept document for the commemoration of calendar events, youth, Disability, Women's, elderly programmes for approval and commemoration of calendar events.
- Advocate and mainstreaming for the support of SPU programmes internally and externally.
- Execution of organised celebrations of Calendar events and Special Groups programmes and Projects.
- Convening quarterly meetings for elderly, youth, Women's Caucus, elderly Forums.
- Research and procure the needed commodities or equipment by Special Groups.
- Conducting community outreach and educational programmes to foster welfare of all Special groups.
- Managing the establishment of Youth, Disability, Eldery forums and their proper functioning.
- Development of procurement plan for all Special group's programmes and calendar events.

Elderly

The municipality does have programmes for elderly, the municipality is working well and have good relations with the elderly forum.

Project to be Implemented	Program	Ward /Venue	Number / name of beneficiaries
Elderly Christmas	Elderly Christmas gift	18 & 28	196

PWD

The municipality have good relations with Disability forum and support project led by PWD

Project to be Implemented	Program	Ward /Venue	Number / name of beneficiaries
Disability Programme	Economic Emancipation Workshop	Ward 28	100

Children

The municipality does have a program directed to children on each and every financial.

Project to be Implemented	Program	Ward /Venue	Number / name of beneficiaries
Children Christmas Programme	Children Christmas Gifts	Ward 18	35
Freedom Day	Freedom Day Celebrations	Ward 28	56
Back to School	Back to School Campaign	Ward 09 & 24	150

Youth

The municipality has established relations with South African Youth Council and does conduct youth development programmes and support youth led projects.

Initiation

The municipality through office of the speaker in all seasons leads a program of ensuring that the initiation program become a success. Umzimvubu Initiation Forum is mandated to conduct an oversight during the initiation season at a local level KwaBhaca and EmaXesibeni) and it is reporting directly to the District Initiation Forum. The forum is made up of the following stakeholders: Department of Health, Traditional Leaders, two Councillors from Umzimvubu Local Municipality, members of South African Police Services, COGTA, Department of Education, Social Development and NGO's dealing with the issues related to circumcision. During 2022/23 financial year, the Initiation Forum conducted awareness campaigns and visits for both Initiation Seasons. These campaigns were an effort made to ensure safety of Initiates during the initiation process

Career Exhibition

This programme was developed after the municipality recognized that many high school learners are not provided sufficient exposure to Higher Education Institutions and Further Education and Training Institutions before they make subject and career choices and leave school. The aims for this initiative are to

- Provide high school learners with access to study and information for future career pathing and available bursaries;
- Motivate learners to make informed and calculated career choices and/or to further their education after completing high school.

The career expo was held on the 13th and 14th of March 2024 successfully. 35 schools attended, with a total of 5500 learners from Umzimvubu Juristically area attended. And was graced with the presence of 25 exhibitors

DATE	VENUE	NO. OF SCHOOLS	TIME
13 th and 14 th	Municipal Offices	34	10:00

Women

The municipality does have Women's Caucus structure led by SP & Communications Portfolio Head. The caucus is the one organises and oversee all women related programmes in the municipality.

Project to be Implemented	Program	Ward /Venue	Number / name of beneficiaries
Women's Day	Women's Day Celebrations	Ward 9	140
Women's Caucus Meeting	Quarterly Meetings	Umzimvubu Conference Centre/ Virtual	Women's Caucus Leadership

Jobs created by EPWP projects		
Year	No of EPWP projects	No of Jobs created
2023/2024	39	619

Component E: Environmental management and Signage Control

1.12. Pollution control, Biodiversity, Landscape and Coastal Protection

Financial Performance Year 2023/2024: Environmental Management and Biodiversity					
Details	2022-2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	0	0	0	0	0
Expenditure	0	R396 000.00	0	R396 000.00	0
Employees	n/a	0	0	0	0
Repairs and Maintenance	n/a	0	0	0	0
Other	n/a	n/a	n/a	n/a	n/a
Total Operating Expenditure		R396 000.00			
Net Operational Expenditure		R396 000.00			

COMPONENT F: SAFETY AND SECURITY

3.15. PROTECTION SERVICES

The objective of the protection services is to protect municipal employees and properties. The protection is available 24 hours a day to the approved municipal sites. Cars are stopped and searched regularly at the entrance gates. A close working relationship exists between protection services and SAPS to combat car theft

TRAFFIC SECTION:

In 2013 traffic section was converted into law enforcement to accommodate enforcement of bylaws and crime prevention. Law enforcement unit falls under Community Safety Section under Citizen and Community Services. It comprises of law enforcement and Pound unit under it. Law enforcement unit has two branches, one in KwaBhaca and another in EmaXesibeni

ACTIVITIES:

Prevent and combat crime that may be threatening the safety and security of the community, ensure offenders are brought to justice and participate in efforts to address the root causes of crime. Law enforcement has three main functions that they are responsible for:

- Traffic Management (50%)
- By-law Management (30%)
- Crime Prevention (20%)

NUMBER OF TECHNOLOGICAL MACHINES AVAILABLE

- 1 x automatic number plate recognition (ANPR) system fitted in one of the patrol vehicles,
- 1 x pro-laser 3 speed camera
- 1 x prolaser 4 speed camera,
- 8 x alcohol breathalysers testing machines,
- 1 x Back-office traffic notices management system (for the administration traffic notices)

CHALLENGES:

. Shortage of manpower is still a big problem.

Political interference is a big challenge as law enforcement needs to work independently without the negative influence.

RECOMMENDATIONS:

To increase number of law enforcement to a minimum of 16 permanent law enforcement officers compared to the current 8 law enforcement officers. This will allow the unit to have a unit specialising on bylaw enforcement only.

DRIVING LICENCE TESTING CENTRE:

DLTC sub-unit under Licensing unit is based in EmaXesibeni municipal offices. Services offered by the unit are issuing of driving licences and renewal of driving licences, conducting of learners' classes and issuing of learners' licences to the qualifying people and issuing of Professional Driving Permit (PrDP).

Functions are as follows:

Driving License Testing Centre (DLTC) Functions that are rendered at the DLTC are:

- Appointment for Learners and Driving Licenses tests.
- Go for an eye test.
- Application and issuing of temporary driving licenses.
- Application and issuing of learners' licenses.
- Application and issuing of duplicate learners' licenses.
- Renewal of driving licenses.
- Application of Professional Driving Permits (PrDPs).
- Driving license card collection.

REGISTERING AUTHORITY:

Umzimvubu Municipality has two Registering Authorities (RA), one in KwaBhaca and another in EmaXesibeni. The one in KwaBhaca is temporary closed due to maintenance services done in the old municipal building in the town of KwaBhaca.

Functions:

Motor Vehicle Registering Authority (MVRA)

- Renewal of motor vehicle licenses.
- Registration and licensing of motor vehicles.
- Issuing of Duplicate Registration Certificates.
- De-registration of motor vehicles.
- Issuing of Permits.

SECURITY:

rather than offensive role when it comes to securing the property of the municipality and maintaining safety of the employees and public visiting municipal premises. Currently, security matters are outsourced to Phiko Security Services for both KwaBhaca and EmaXesibeni municipal sites.

Secures premises and personnel by patrolling the properties of the municipality, monitoring surveillance equipment, inspecting buildings, equipment, and access points, permitting entry to the municipal premises by order. Get assistance by means of sounding alarms in key places like firearms strong rooms. Prevents losses and damage by reporting irregularities, informing about violators of policy and procedures, restraining trespassers

NUMBER OF TECHNOLOGICAL MACHINES AVAILABLE

Each approved site has at least one portable two-way communication radio. Metal detectors are available in each site and are used in the searching of vehicles and people entering our premises

PROGRESS:

Control traffic by directing drivers at the entrances. Complete reports by recording observations, information, occurrences, and surveillance activities, obtaining signatures. Maintain environment by monitoring and setting building and equipment controls. Maintain institution's stability and reputation by complying with legal requirements. Ensure

operation of equipment by completing preventive maintenance requirements, troubleshooting malfunctions, calling for repairs, evaluating new equipment and techniques. Ensure the security, safety and wellbeing of all personnel, visitors, and the premises. Provide excellent customer service to all people entering our premises. Adhere to all institution services and operating standards, respond to emergencies to provide necessary assistance to employees and customers. Protect the institution' assets relative to theft, assault, fire, and other safety issues. Follow procedures for various initiatives, including fire prevention, property protection etc.

CHALLENGES:

Attacks to municipal buildings and premises. Burglary and theft of municipal property.

POUND:

The rangers have a broad range of duties to conduct and include such things as animal control, public safety, and order, including the movement of stock from public rods and reserves. Among other functions rangers are doing are as follows:

- Herding of impounded animals.
- Cleaning of animal and feed sheds.
- Cleaning of animal kraals.

Vaccination of identified sick animals

Traffic Police Service data				
Details	2022-2023	2023/2024		2024/2025
	Actual Number	Estimated Number	Actual Number	Estimated Number
Number of road traffic accidents during the year	76	198	67	60
Number of by-law infringements attended	24	26	32	24
Number of traffic officers on the field on an average day	20	20	11	10
Number of officers on duty on an average day	14	20	12	11

Employees: Protection Services including security services					
Level	2022/2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	22	26	18	26	31%
4-6	117	110	110	110	0%
7-9	1	1	1	1	0%
10-12	10	8	8	17	53%
13-15	3	3	3	3	0%
Total	153	148	140	157	11%

Capital Expenditure Year 2023/2024: Protection Services					
Capital Projects	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Law enforcement vehicles	R2 192 734,00	R500 000,00	R2 121 017,20	R571 716,80	R2 121 017,20
Shooting range phase 1	R9 999 999,94	0.00	R3 504 768.77	R6 495 231,17	R8 432 193.39

Financial Performance Year 2023/2024					
Details	2022-2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	R11 232 348.00	R11 870 600.00	R8 070 600.00	R8 050 682.96	R19 917.04
Expenditure		R42 165 696.00R	R52 429 286.00	R46 445 587.63	R5 983 698.37
Employees	R12 696 468.00	R13 223 256.00	R20 273 266.00	R20 512 233.52	R238 967.52
Repairs and Maintenance	R983 448.00	R884 700.00	R739 700.00	R558 542.76	R181 157.24
Other	R22 683 036.00	R31 057 740.00	R31 416 320.00	R25 374 811.35	R6 041 508.65
Total Operating Expenditure	R36 362 952.00	45 165 696.00	R52 429 286.00	R46 445 587.63	R5 983 698.37
Net Operational Expenditure	R25 130 604.00	R33 295 096.00	R44 358 686.00	R38 394 904.67	R5 963 781.33

3.16. Driver's Licensing and Testing Centre

DLTC stands for Driving Licence Testing Centre. In South Africa, DLTCs are places where people can apply for and renew driving licences and permits, and book driving licence tests.

Driving Licence Testing Centre (DLTC) functions; which are rendered at Mount Ayliff DLTC are:

1. *Appointments for Learners and driving licenses tests,*
2. *Eye testing,*
3. *issuing temporary driving licences,*

4. *issuing learners' licences,*
5. *issuing duplicate learners' licences,*
6. *issuing of new driving licences*
7. *renewal of driving licences,*
8. *renewal of professional driving permit.*

NB: At Umzimvubu Municipality, DLTC is situated at Mount Ayliff municipality main offices where all the tasks related to licensing are done.

ACTIVITIES

All of the DLTC's functions and operations are regulated in terms of the National Road Traffic Act 93 of 1996.

1. *Appointments for Learners and driving licenses tests,*
2. *Eye testing,*
3. *issuing temporary driving licences,*
4. *issuing learners' licences,*
5. *issuing duplicate learners' licences,*
6. *issuing of new driving licences*
7. *renewal of driving licences,*
8. *issuing professional driving permits*
9. *renewal of professional driving permits*

NB: DLTC is situated at Mount Ayliff municipality main offices where all activities related to licensing are done.

NUMBER OF TECHNOLOGICAL MACHINES AVAILABLE

Mount Ayliff DLTC is having the following technological machines available:

2 X LEUs machineries for testing eyes

10 X CLTs machineries for learner's licence testing.

SUCSESSES

2022/2023 FY = 2115 people tested for learners' licences

2022/2023 FY = 2582 people tested for driving licences

2023/2024 FY = 380 learners' licences classes conducted

2023/2024 FY = 932 people tested for driving licences

CHALLENGES

The suspension of two examiners is causing a trouble in the station. Finger scanning trouble, as well as faulty fingerprinting and non-standard photographs, are causing delays in the issuing of credit card-style driving licences, and result in some driving licences being issued reflecting incorrect information

DLTC Data		
Details	2022-2023	2023/2024
	Actuals	Actuals
Total Number of learner's licences processed	389	'1620
Total Number of driver's licences processed	872	2621
Average turnaround time –learners' licence	1 Hour	1 hour
Average turnaround time –Drivers- licence	1 hour 5 min	1 hour

Employees: DLTC					
Level	2023/2024				
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a %of total posts
0-3	1	1	1	1	0%
4-6	4	4	4	4	0%
7-9	1	1	1	1	0%
10-12	4	4	4	4	0%
13-15	1	1	1	1	0%
Total	11	11	11	11	0%

Financial Performance Year 2023/2024: DLTC					
Details	2022-2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	R11 232 348.00	R11 870 600.00	R8 070 600.00	R8 050 682.96	R19 917.04
Expenditure		R45 165 696.00	R52 429 286.00	R46 445 587.63	R5 983 698.37
Employees	R12 696 468.00	R13 223 256.00	R20 273 266.00	R20 512 233.52	R238 967.52
Repairs and Maintenance	R983 448.00	R884 700.00	R739 700.00	R558 542.76	R181 157.24
Other	R22 683 036.00	R31 057 740.00	R31 416 320.00	R25 374 811.35	6 041 508.65
Total Operating Expenditure	R36 362 952.00	R45 165 696.00	R52 429 286.00	R46 445 587.63	R5 983 698.37
Net Operational Expenditure	R25 130 604.00	R33 295 096.00	R44 358 686.00	R38 394 904.67	R5 963 781.33

INTRODUCTION

Motor vehicle registration is the registration of a motor vehicle with a government authority, either compulsory or otherwise. The purpose of motor vehicle registration is to establish a link between a vehicle and an owner or user of the vehicle. While almost all motor vehicles are uniquely identified by a vehicle identification number, only registered vehicles display a vehicle registration number plate and carry a vehicle registration certificate

BACKGROUND OF THE REGISTERING AUTHORITY

LICENCING SERVICES

Registering Authority (RA) is where all vehicles are registered and licenced.

In terms of the provisions of the National Road Traffic Act (Act 93 of 1996), all motor vehicles which are operated on South Africa's public roads must be registered and licenced, and all drivers should be in possession of a valid driving licence. Regulation 32A of the National Road Traffic Regulations requires all persons who wish to transact with the Licencing Authority (RA) on the eNaTIS system to provide proof of residence

A title holder of new, pre-owned, built, or rebuilt motor vehicle, must register it at his/her relevant registering authority to get a registration certificate. If the vehicle is financed, the title holder is the financing institution. When it has been registered and licenced one gets a motor vehicle licence disc. The motor vehicle registration is recorded on the national traffic information system (eNaTIS).

All the transactions done by RA must comply with Regulation 32A of NRTA 93/96 enforced as effective from 01 November 2015, stating that anyone who wishes to transact with the licensing authority is compelled to verify their particulars on eNaTIS including the proof of address. Vehicles with expired licence disc cannot be registered.

Registering Authority Services:

- *Renewal of motor vehicle licences*
- *Registration and licensing of motor vehicles*
- *Duplicate registration certificate*
- *De-registrations*
- *permits*

REGISTERING AUTHORITY'S PERFORMANCE AND ACCESSIBILITY

Registering is accessible to all the people of South Africa who wishes to register and licence their vehicles. As long the individuals come forward with proof of ownership of the vehicle to be licenced, the registering authority come to party in licensing the vehicle

ACTIVITIES CONDUCTED IN REGISTERNG AUTHORITY

Registering Authority Services:

Registering Authority Services:

- *Renewal of motor vehicle licences*
- *Registration and licensing of motor vehicles*
- *Duplicate registration certificate*
- *De-registrations*
- *permits*

NUMBER OF TECHNOLOGICAL MACHINES AVAILABLE

Umzimvubu Municipality has two Registering Authorities (Ras) one is at EmaXesibeni Municipal offices and the other is at Kwabhaca municipal offices. Each RA has got two systems.

The one in KwaBhaca is temporarily closed due to maintenance taking place in the building.

SUCSESSES

Licensing and Registering of all vehicles in Umzimvubu Municipality jurisdiction are done at Mount Frere and Mount Ayliff Registering Authorities. Every owner that comes to licence his vehicles are helped if all papers are in order. Currently we are maintaining 14400 number of vehicles to be registered and licenced per annum at Mount Frere and Mount Ayliff RAs.

CHALLENGES

Network connection is still a big challenge in our area

Staff shortage is another challenge and photocopy machines.

INTRODUCTION

Registering Authority Data		
Details	2022-2023	2023/2024
	Actuals	Actuals
Total amount collected for the Department of transport (DOT)	R9 621 883.51	R11 145 339.58
Total amount collected for	R2 533 805	R2 714 509.26

the municipality		
Total for Registration and Penalties	N/A	N/A
Total for transaction fees (RTMC)	R783 648.00	R740 592.00

Employees: Registering Authority					
Level	2022/2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a %of total posts
0-3	6	6	6	6	0%
4-6	3	3	3	3	0%
7-9	2	2	2	2	0%
10-12	1	1	1	1	0%
13-15	1	1	1	1	0%
Total	11	11	11	11	0%

Financial Performance Year 2023/2024: Registering Authority					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	R11 232 348.00	R11 870 600.00	R8 070 600.00	R8 050 682.96	R19 917.04
Expenditure		R45 165 696.00	R52 429 286.00	R46 445 587.63	R5 983 698.37
Employees	R12 696 468.00	R13 223 256.00	R20 273 266.00	R20 512 233.52	R238 967.52
Repairs and Maintenance	R983 448.00	R884 700.00	R739 700.00	R558 542.76	R181 157.24
Other	R22 683 036.00	R31 057 740.00	R31 416 320.00	R25 374 811.35	R6 041 508.65
Total Operating Expenditure	R36 362 952.00	R45 165 696.00	R52 429 286.00	R46 445 587.63	R5 983 698.37
Net Operational Expenditure	R25 130 604.00	R33 295 096.00	R44 358 686.00	R38 394 904.67	R5 963 781.33

3.17. POUND SECTION

Background:

A pound is a place where stray, lost, abandoned, or surrendered animals are housed. Animals are kept and taken care of by pound officials until they are claimed by their owners.

ACTIVITIES

Pound is basically where impounded stray animals are kept. When stray animals are impounded from the public road or space they are taken directly to the pound. Upon arrival at the pound, they get registered in the impoundment register. They are released to the owner upon payment of the impoundment fee and if they stay more than one day at the pound, sustenance fee is being charged per day. All people are allowed to impound stray animals or animals that have damaged property can be brought to the pound.

NUMBER OF TECHNOLOGICAL MACHINES AVAILABLE

None

SUCCESSSES

All stray animals found straying on public roads in the urban areas and sometimes along N2 get impounded by Rangers. Impoundment and sustenance fees are paid before an impounded animal/s can be released.

CHALLENGES

None

Pound Data		
Details	2022-2023	2023/2024
	Actuals	Actual
Total Number of animals impounded	2378	2756

Employees: Pound					
Level	2023/2024				
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	9	10	9	1	10%
4-6	10	10	10	0	0%
7-9	0	0	0	0	0%
10-12	2	2	2	0	0%
13-15	0	0	0	0	0%
Total	21	22	21	1	5%

Capital Expenditure Year 2023/2024: Pound					
Capital Projects	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Upgrading of KwaBhaca animal pound phase 1	R2 000 000.00	R900 000.00	R1 794 242.73		R1 794 242.73
Financial Performance Year 2023/2024: Pound					
Details	2022-2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	R11 232 348.00	R11 870 600.00	R8 070 600.00	R8 050 682.96	R19 917.04
Expenditure		R45 165 696	R52 429 286.00	R46 445 587.63	R5 983 698.37
Employees	R12 696 468.00	R13 223 256	R20 273 266.00	R20 512 233.52	R238 967.52
Repairs and Maintenance	R983 448.00	R884 700.00	R739 700.00	R558 542.76	R181 157.24
Other	R22 683 036.00	R31 057 740.00	R31 416 320.00	R25 374 811.35	R6 041 508.65
Total Operating Expenditure	R36 362 952.00	R45 165 696.00	R52 429 286.00	R46 445 587.63	R5 983 698.37
Net Operational Expenditure	R25 130 604.00	R33 295 096.00	R44 358 686.00	R38 394 904.67	R5 963 781.33

Component G: Sport and Recreation

3.16. Sport Development

The Municipality has conducted Youth Development programmes in a form of Mayoral Tournament. All 28 wards participated in the tournament. The Mayoral Tournament benefited both young men and women who are participate in sport as it accommodates Soccer and Netball.

Petitions and complaints management

Systems Act 32 of 2000, section 17(2) (a) stipulates that a municipality must establish appropriate mechanisms, processes and procedures to enable the local community to participate in its affairs, and to this end make provision for the receipt, processing and consideration of petitions and complaints lodged by members of the local community. The municipality is guided by the petitions policy on how to manage the complaints and petitions.

Presidential Hotline Complaints

The unit checks the complaints on the presidential hotline system on daily basis and responds to them within 48 hours. The unit also have the responsibility to route the complaints to the relevant departments. This function is being done well and the municipality is currently sitting at 100 % performance as per the OTP report. SPU & Communications Staff compliment is reflected herein in the organogram.

3.18. Financial Services

Financial Servicers is integral to all the operations of the municipality providing support and guidance in financial matters to the municipality.

It is expected that municipal revenues will be come under pressure in the coming years due to high unemployment rate and rate payers' affordability. We are constantly being reminded by Provincial and National Government that less reliance must be placed on Grant revenues and that alternate sources of revenue must be explored.

The municipality has been analysed in detail all its operations and ensure that they operate as efficiently as possible. Below is the status of position in the section.

	Post	Vacant or filled

1.	Chief Financial Officer	Filled
2.	Personal Assistant	Filled
3.	DCFO	Filled
4.	M : Supply Chain Management	Filled
5.	M : Expenditure	Filled
6.	M : Revenue	Filled
7.	M : Budgeting, Reporting	Filled
8.	M : Asset Management	Filled
9.	Asset Management Officer-Movable	Filled
10.	Asset Management Officer- Immovable	Filled
11.	Accountant: Asset Management	Filled
12.	Accountant: Budget and Reporting	Filled
13.	Senior SCM Officer	Filled
14.	Logistics Officer	Filled
15.	Demand Management Officer	Filled
16.	Messenger Driver	Filled

17.	Messenger Driver	Filled
18.	Accountant: Expenditure	Filled
19.	Payroll Officer	Filled
20.	Expenditure	Vacant
21.	Accountant: Revenue	Filled
22.	Credit Control Officer	Filled
23.	Free Basic Services Coordinator	Filled
24.	Cashier	Filled
25.	Cashier	Filled
26.	Acquisitions Officer	Filled

The Budget and Treasury Office is made up of the following sections, all of which are functional and are able to perform at the expected levels: -

- **Revenue Management:**

- ✓ *Revenue management section is mandated with billing and collection of rates and services.*
- ✓ *Indigent management.*
- ✓ *Compilation of general valuation and supplementary valuation rolls.*
- ✓ *Formulation and amendment of revenue related policies.*
- ✓ *Cash management.*
- ✓ *Debt collection.*

- **Expenditure Management:**

- ✓ Payment of Creditors)
- ✓ Payment of salaries and Councillor's allowances
- ✓ VAT Management

- **Supply Chain Management:**

- ✓ Responsible for the procurement of goods and services)
- ✓ Stores management
- ✓ Fleet management

- **Budgeting and Reporting**

- ✓ Budget Management and Monitoring,
- ✓ Grants Management
- ✓ Statutory reporting

- **Asset Management**

- ✓ Responsible for management and safeguarding of Council Assets

Debt recovery						
Details of the types of account raised and recovered	2022-2023		2023-2024		2024/2025	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in %	Actual for accounts billed in year	Proportion of accounts value billed that were collected in %	Estimated outturn for accounts billed	Estimated proportion of accounts value billed
Property rates	47 151 195	98%	46,522,130	100%	46,522,130	100%
Refuse removal	1 037 069	65%	1,296,952	95%	1,296,952	95%
Other						

Employees: Budget and Treasury					
Level	2022-2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
0-3	0	0	0	0	0%
4-6	5	5	5	0	0%
7-9	1	1	1	0	0%
10-12	12	12	12	0	0%
13-15	1	1	1	0	0%
Total	19	19	19	0	0%

Financial Performance Year 2023/2024: Budget and Treasury					
Details	2022-2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	338,521,835	368,347,836.00	374,654,436.00	338,786,250.82	35,868,185.18
Expenditure					
Employees	89 977 018	059 321 90	91 963 405	91 909 321	54 084

Repairs and Maintenance	2,201,562	900,000.00	900,000.00	777,886.94	122,113.06
Other	49,704,022	64,481,827.00	147,774,669.00	97,302,857.49	50,471,811.51
Total Operating Expenditure	65,925,769	78,769,570.00	164,161,406.00	112,569,777.36	51,591,628.64
Net Operational Revenue	272,596,066	289,578,266.00	210,493,030.00	226,216,473.46	15,723,443.46

3.19. Human Resources and Skills Management

To improve the quality of life of workers, their prospects of work and labour mobility. To improve productivity in the workplace and competitiveness of employers. To increase the level of investment in education and training in the labour market and to improve the return on that investment

Recruitment and Selection:

Positions on Organisational Structure: 150

Filled positions: 144

Vacant Positions filled during 2023/2024: 31

Skills Development and Training

The Skills Development is done in terms of Skills Development Act 1998, Skills Development Levies Act and Umzimvubu Training and Development Policy. Capacity Building and Training for Councillors Policy.

3.20. Information and Communication Technology Services

Printing Solutions

Umzimvubu local municipality has a centralised printing solution which is a leased contract with a service provider by Corporate Services department under Sound Governance section for the whole municipality including Kwa Bhaca and Emaxesibeni offices. All the officials of the municipality are linked to the municipal network and can print directly to the machine and release the document using the pin code. Currently the municipality has seven machines, 2 machines are installed at eMaxesibeni office, the other 4 machine in Kwa Bhaca Offices and 1 machine in VTS

Umzimvubu printing solution is centralized using Xerox printing machines, users are assigned PIN codes and there is a monthly report on paper usage.

MUNICIPAL LICENSES AND SLAs

Umzimvubu pays annual licenses and sign SLAs annually for the following applications: MUNSOFT, Mimecast,

PROCUREMENT OF HARDWARE

Procurement of umzimvubu hardware is per umzimvubu ICT strategy that is approved and is aligned to umzimvubu IDP. Yearly projects are on the Umzimvubu SDBIP and Budget and treasury procurement plan.

Network Infrastructure

Umzimvubu has a stable network that covers the main offices in (KwaBhaca) and (EmaXesibeni) both towns are connected by Telkom 10Mgps VPN line running data, VOIP, and video streaming. Umzimvubu uses Cisco Core managed switches on both sides with Cisco Wireless access points with central Cisco wireless access controller that manages both Umzimvubu internal network and free Wi-Fi for the community. Umzimvubu network expands for main office to Library, Sophia park, and Vehicle testing station (VTS) where users use VIOP telephony, ESS leave management system, Electronic document management system, and payday ESS Clocking system. Umzimvubu network is managed by a DC controller with Umzimvubu domain with SAN management servers with VSphere virtualization.

ICT Governance

Umzimvubu ICT governance has been adopted with three committee's namely Executive committee comprising of Councillors and Management, where ICT issues are discussed at a strategic level and ICT used as an enabler of business and service delivery in the institution. Strategic ICT Projects are Umzimvubu Free Wi-Fi, schools development project where Umzimvubu saw a need to introduce ICT in schools around kwaBhaca and Emaxesibeni, ICT also has embarked on the paperless institution, Electronic document management system, leave management and clocking systems are all paperless computerised systems.

Policies

Information Technology Policies				
	Name of Policy	Completed	Reviewed	Adopted
1	Access Control Policy	√	√	√
2	Change Control Policy	√	√	√
3	ICT Asset Management Policy	√	√	√
4	ICT Governance Charter	√	√	√
5	ICT Governance Framework (with ICT Strategy)	√	√	√
6	ICT Governance Policy	√	√	√
7	ICT Infrastructure Policy	√	√	√
8	ICT Security Policy	√	√	√
9	ICT Service Management Policy	√	√	√

10	Virus and Patch Management	√	√	√
11	Business Continuity Plan	√	√	√
13	Disaster Recovery Plan	√	√	√

3.21. Meetings and Administration and registry services

Umzimvubu local municipality has a centralised printing solution which is a leased contract with a service provider by Corporate Services department under Sound Governance section for the whole municipality including Kwa Bhaca and Emaxesibeni offices. All the officials of the municipality are linked to the municipal network and can print directly to the machine and release the document using the pin code. Currently the municipality has seven machines, 2 machines are installed at eMaxesibeni office, the other 4 machine in Kwa Bhaca Offices and 1 machine in VTS.

Umzimvubu Local Municipality has 55 Councillors serving in the Council after the local government elections, the municipality established the municipal council as stipulated in the Structures Act 117 of 1998. The municipal Council has 28 ward Councillors and 28 proportional representative councillors. The political parties are represented as follows in the Council:

ANC has 42 Councillors
EFF has 06 Councillor
DA has 02 Councillors
UDM has 02 Councillors
ATM has 02 Councillors
AIC has 1 Councillor

There are two traditional leaders who have been deployed to serve in the ULM council which is Chief. B Nota and Chief B Makaula. The Umzimvubu Municipal Council has established an Executive Committee which is served by 10 PR Councillors and is chaired by the Hon. Mayor and reports directly to the municipal Council. The municipality have 06 standing portfolio committees that are commonly known as section 80 committees which are chaired by Executive Committee members, and they report to the Executive Committee through their chairpersons. In terms of sitting the Standing portfolio committees sit monthly to process the departmental reports which are tabled by the Departmental Senior managers. Council has established Section 79 committees namely: Municipal Public Accounts Committee, Petitions Committee, Rules and Ethics Committee, remuneration Committee, Audit and Performance Committee. All Section 79 Committees report directly to Council. The municipality has a Management Committee which is chaired by the municipal manager, and the committee process all the reports coming from department before they are tabled to any standing committees. The Management Committee has its sub-committee called Interdepartmental Committee where all sectional managers sit, and it is chaired by the Deputy CFO. The interdepartmental processes issues that are cutting across the departments and policies that will eventually be tabled in the Management Committee for approval and or processing. All the municipal committees Council committees have their terms of reference and others are also guided by the delegation of powers document which gives effect to the separation of roles and responsibilities for committees and management offices and office bearers for the municipality. All the municipal committees are functional as per below report during the 2023-2024 financial year:

COUNCILLOR ATTENDANCE TO COUNCIL MEETINGS FROM JULY 2023 TO JUNE 2024 FY

Abbreviations:

A: Apology

NA: No Apology

Yellow: Poor Attendance

Red: Very Poor attendance

As per the Council resolution taken in the Council meeting held in June 2023. It was agreed that the penalties for non-attendance to Council committee meetings will be effective should a member of Council not attend 3 or more consecutive meetings. This report is from July 2023 to June 2024. The period for consideration on this report is the 3 previous Council meetings highlighted in **blue**

NO	MEMBERS OF COUNCILLOR	DESIGNATION	ORDINARY COUNCIL 28 JULY 2023	SPECIAL COUNCIL 01 AGUST 2023	SPECIAL COUNCIL 07 AUGUST 2023	ORDINARY COUNCIL 30 AUGUST 2023	SPECIAL COUNCIL 16 OCTOBER 2023	ORDINARY COUNCIL 30 OCTOBER	SPECIAL COUNCIL 15 NOVEMBER 2023	SPECIAL COUNCIL 28NOVEMBER 2023	ORDINARY COUNCIL 25 JANUARY 2024	SPECIAL COUNCIL 31 JANUARY	ORDINARY COUNCIL 29 FEBRUARY 2024	ORDINARY COUNCIL 27 MARCH 2024	SPECIAL COUNCIL 26 APRIL 2024	ORDINARY COUNCIL 17 MAY 2024	SPECIAL COUNCIL 26 JUNE 2024	TOTAL NUMBER OF MEETINGS IN 2023/2024	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
1	Cllr. Z. Ndevu	Mayor	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	15	0	100%
2	Cllr N. Nomnganga	Speaker	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	15	0	100%
3	Cllr N.F Ngonyolo	Chief Whip	A	1	NA	1	1	1	NA	1	1	1	1	1	1	1	1	15	12	3	80%
4	Cllr. N. G. Mdzinwa	Portfolio Head: C & CS	1	1	NA	1	1	1	1	1	1	1	1	1	1	1	1	15	14	1	93%
5	Cllr. A.N. Garane	Portfolio Head: I & P	1	1	1	1	1	1	1	1	NA	NA	1	1	1	1	1	15	13	2	86%
6	Cllr X. Jona	Portfolio Head: LED	1	1	1	1	1	1	1	1	1	NA	1	1	1	1	1	15	14	1	93%

NO	MEMBERS OF COUNCILLOR	DESIGNATION	ORDINARY COUNCIL 28 JULY 2023	SPECIAL COUNCIL 01 AGUST 2023	SPECIAL COUNCIL 07 AUGUST 2023	ORDINARY COUNCIL 30 AUGUST 2023	SPECIAL COUNCIL 16 OCTOBER 2023	ORDINARY COUNCIL 30 OCTOBER	SPECIAL COUNCIL 15 NOVEMBER 2023	SPECIAL COUNCIL 28NOVEMBER 2023	ORDINARY COUNCIL 25 JANUARY 2024	SPECIAL COUNCIL 31 JANUARY	ORDINARY COUNCIL 29 FEBRUARY 2024	ORDINARY COUNCIL 27 MARCH 2024	SPECIAL COUNCIL 26 APRIL 2024	ORDINARY COUNCIL 17 MAY 2024	SPECIAL COUNCIL 26 JUNE 2024	TOTAL NUMBER OF MEETINGS IN 2023/2024	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
7	Cllr N. Nkula	Portfolio Head: B&T	1	1	1	1	1	1	1	1	1	NA	1	1	1	1	1	15	14	1	93%
8	Cllr T. Sokhanyile	Portfolio Head: SP & Com	1	1	1	1	1	1	1	1	1	NA	1	1	1	1	1	15	14	1	93%
9	Cllr. I. Nodali	Portfolio Head: Corp Serv	1	1	1	1	1	A	1	1	NA	NA	1	1	1	1	NA	15	12	3	80%
10	Cllr. C.N. Mnyayiza	EXCO Member	1	1	1	1	1	1	1	1	1	1	1	1	1	1	NA	15	14	1	93%
11	Cllr. T. Ntsalaze	EXCO Member	NA	NA	1	NA	A	A	1	1	1	NA	NA	1	1	NA	1	15	7	8	46%
12	Cllr. M. Magobane	EXCO Member	1	1	1	1	1	1	1	1	NA	1	1	A	1	1	1	15	13	2	86%
13	Cllr. M. Mataka	MPAC Chairperson	1	1	1	1	1	1	1	1	1	NA	1	1	NA	1	1	15	13	2	86%

NO	MEMBERS OF COUNCILLOR	DESIGNATION	ORDINARY COUNCIL 28 JULY 2023	SPECIAL COUNCIL 01 AGUST 2023	SPECIAL COUNCIL 07 AUGUST 2023	ORDINARY COUNCIL 30 AUGUST 2023	SPECIAL COUNCIL 16 OCTOBER 2023	ORDINARY COUNCIL 30 OCTOBER	SPECIAL COUNCIL 15 NOVEMBER 2023	SPECIAL COUNCIL 28NOVEMBER 2023	ORDINARY COUNCIL 25 JANUARY 2024	SPECIAL COUNCIL 31 JANUARY	ORDINARY COUNCIL 29 FEBRUARY 2024	ORDINARY COUNCIL 27 MARCH 2024	SPECIAL COUNCIL 26 APRIL 2024	ORDINARY COUNCIL 17 MAY 2024	SPECIAL COUNCIL 26 JUNE 2024	TOTAL NUMBER OF MEETINGS IN 2023/2024	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
14	Cllr N. Sonyabashi	Member	1	1	1	1	1	1	1	1	1	1	1	NA	1	1	1	15	14	1	93%
15	Cllr T.E. Sincindi	Member	1	1	NA	1	NA	1	NA	1	1	1	NA	1	1		1	15	11	4	73%
16	Cllr X Lungu	Member	1	1	1	1	1	1	1	1	1	1	A	1	NA	1	1	15	13	2	86%
17	Cllr. M. Tuku	Member	1	1	NA	NA	1	1	NA	1	1	NA	1	NA	NA	NA	1	15	8	7	53%
18	Cllr. C.L. Noqhakala	Member	1	1	NA	1	1	1	1	1	1	NA	1	1	1	1	1	15	13	2	86%
19	Cllr. N.A. Mantshongo	Member	1	A	NA	1	1	1	1	1	NA	NA	1	1	NA	NA	1	15	9	6	60%
20	Cllr F. Ntwakumba	Member	1	1	NA	1	NA	1	NA	NA	1	NA	1	NA	NA	NA	1	15	7	8	46%
21	Cllr. N. Gogela	Member	NA	1	1	NA	1	1	NA	NA	1	NA	NA	1	1	1	NA	15	8	6	53%

NO	MEMBERS OF COUNCILLOR	DESIGNATION	ORDINARY COUNCIL 28 JULY 2023	SPECIAL COUNCIL 01 AGUST 2023	SPECIAL COUNCIL 07 AUGUST 2023	ORDINARY COUNCIL 30 AUGUST 2023	SPECIAL COUNCIL 16 OCTOBER 2023	ORDINARY COUNCIL 30 OCTOBER	SPECIAL COUNCIL 15 NOVEMBER 2023	SPECIAL COUNCIL 28NOVEMBER 2023	ORDINARY COUNCIL 25 JANUARY 2024	SPECIAL COUNCIL 31 JANUARY	ORDINARY COUNCIL 29 FEBRUARY 2024	ORDINARY COUNCIL 27 MARCH 2024	SPECIAL COUNCIL 26 APRIL 2024	ORDINARY COUNCIL 17 MAY 2024	SPECIAL COUNCIL 26 JUNE 2024	TOTAL NUMBER OF MEETINGS IN 2023/2024	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
22	Cllr F. P. Sontsi	Member	1	1	NA	1	NA	1	NA	NA	NA	NA	1	1	NA	NA	1	15	7	8	46%
23	Cllr. A.P. Mkhonto	Member	1	1	1	1	1	1	1	1	1	1	1	NA	1	1	1	15	14	1	93%
24	Cllr M. Hlanekela	Member	1	NA	NA	1	NA	1	1	1	1	1	1	1	NA	NA	1	15	10	5	66%
25	Cllr N.V. Nomnganga	Member	NA	A	NA	NA	A	1	1	1	1	1	NA	1	1	NA	A	15	7	8	73%
26	Cllr V. P. Gogela	Member	1	1	1	1	1	1	1	1	1	1	1	NA	1	1	1	15	14	1	93%
27	Cllr C. Madyibi	Member	1	1	NA	A	NA	1	NA	NA	1	1	1	1	1	NA	A	15	8	7	53%
28	Cllr B. K. Salukazana	Member	1	1	NA	A	1	1	NA	1	1	1	1	1	1	NA	1	15	11	3	73%
29	Cllr M. Ngwaqa	Member	1	1	1	A	1	1	1	1	1	1	1	1	NA	1	1	15	12	2	80%

NO	MEMBERS OF COUNCILLOR	DESIGNATION	ORDINARY COUNCIL 28 JULY 2023	SPECIAL COUNCIL 01 AGUST 2023	SPECIAL COUNCIL 07 AUGUST 2023	ORDINARY COUNCIL 30 AUGUST 2023	SPECIAL COUNCIL 16 OCTOBER 2023	ORDINARY COUNCIL 30 OCTOBER	SPECIAL COUNCIL 15 NOVEMBER 2023	SPECIAL COUNCIL 28NOVEMBER 2023	ORDINARY COUNCIL 25 JANUARY 2024	SPECIAL COUNCIL 31 JANUARY	ORDINARY COUNCIL 29 FEBRUARY 2024	ORDINARY COUNCIL 27 MARCH 2024	SPECIAL COUNCIL 26 APRIL 2024	ORDINARY COUNCIL 17 MAY 2024	SPECIAL COUNCIL 26 JUNE 2024	TOTAL NUMBER OF MEETINGS IN 2023/2024	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
30	Cllr Z Mampemvini	Member	1	1	NA	1	1	1	NA	1	1	NA	1	1	1	1	1	15	11	3	73%
31	Cllr N Jwara	Member	1	1	1	1	1	1	1	1	1	NA	1	1	1	1	1	15	13	1	86%
32	Cllr N. V. Giwu	Member	1	1	1	A	1	1	NA	1	1	1	1	1	1	1	1	15	12	2	80%
33	Cllr P. P. Magujulwa	Member	A	1	1	1	1	NA	1	1	1	NA	1	1	1		1	15	11	3	73%
34	Cllr A. Jakuja	Member	1	A	1	A	1	NA	1	NA	1	NA	1	1	NA	1	A	15	8	6	53%
35	Cllr D.N Ntshobane	Member	NA	1	1	A	1	NA	NA	1	1	NA	1	1	1	1	NA	15	9	5	60%
36	Cllr D Ndema	Member	1	1	NA	1	1	1	1	1	1	1	1	1	1	1	1	15	13	1	86%
37	Cllr N. Nogada	Member	NA	1	1	1	1	1	1	1	1	NA	1	1	1		NA	15	12	2	80%

NO	MEMBERS OF COUNCILLOR	DESIGNATION	ORDINARY COUNCIL 28 JULY 2023	SPECIAL COUNCIL 01 AGUST 2023	SPECIAL COUNCIL 07 AUGUST 2023	ORDINARY COUNCIL 30 AUGUST 2023	SPECIAL COUNCIL 16 OCTOBER 2023	ORDINARY COUNCIL 30 OCTOBER	SPECIAL COUNCIL 15 NOVEMBER 2023	SPECIAL COUNCIL 28NOVEMBER 2023	ORDINARY COUNCIL 25 JANUARY 2024	SPECIAL COUNCIL 31 JANUARY	ORDINARY COUNCIL 29 FEBRUARY 2024	ORDINARY COUNCIL 27 MARCH 2024	SPECIAL COUNCIL 26 APRIL 2024	ORDINARY COUNCIL 17 MAY 2024	SPECIAL COUNCIL 26 JUNE 2024	TOTAL NUMBER OF MEETINGS IN 2023/2024	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
38	Cllr M Kakaza	Member	1	1	1	1	1	1	1	1	1	1	1	1	1	1	NA	15	14	1	93%
39	Cllr S Faye	Member	1	1	NA	1	1	1	1	1	1	1	1	1	1	1	1	15	14	1	93%
40	Cllr N Hlanekele	Member	NA	1	NA	A	1	1	NA	NA	1	NA	1	NA	1	1	1	15	8	6	53%
41	Cllr M Kiviet	Member	1	1	NA	A	NA	1	1	1	NA	NA	1	1	1	1	1	15	10	5	66%
42	Cllr P. K. Thingathinga	Member	A	1	1	1	A	1	1	1	1	1	1	1	1	1	1	15	13	2	86%
43	Cllr L Mveku	Member	1	A	1	1	NA	NA	1	1	1	NA	NA	NA	1	NA	1	15	8	7	53%
44	Cllr B. T. Ngqasa	Member	NA	1	NA	A	NA	1	NA	1	NA	1	NA	1	NA	NA	1	15	6	9	40%
45	Cllr W. Z Nqakwana	Member	A	A	1	1	1	1	1	1	1	1	1	1	1	1	1	15	13	2	86%

NO	MEMBERS OF COUNCILLOR	DESIGNATION	ORDINARY COUNCIL 28 JULY 2023	SPECIAL COUNCIL 01 AGUST 2023	SPECIAL COUNCIL 07 AUGUST 2023	ORDINARY COUNCIL 30 AUGUST 2023	SPECIAL COUNCIL 16 OCTOBER 2023	ORDINARY COUNCIL 30 OCTOBER	SPECIAL COUNCIL 15 NOVEMBER 2023	SPECIAL COUNCIL 28NOVEMBER 2023	ORDINARY COUNCIL 25 JANUARY 2024	SPECIAL COUNCIL 31 JANUARY	ORDINARY COUNCIL 29 FEBRUARY 2024	ORDINARY COUNCIL 27 MARCH 2024	SPECIAL COUNCIL 26 APRIL 2024	ORDINARY COUNCIL 17 MAY 2024	SPECIAL COUNCIL 26 JUNE 2024	TOTAL NUMBER OF MEETINGS IN 2023/2024	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
46	Cllr. L. Mapala	Member	A	1	NA	1	1	A	1	NA	1	1	NA	1	1	1	1	15	10	5	66%
47	Cllr L Gwentshu	Member	1	1	1	1	NA	1	1	1	1	NA	1	1	1	1	NA	15	12	3	80%
48	Cllr S. Mathebe	Member	A	1	1	1	NA	1	1	1	1	NA	1	NA	A	1	NA	15	9	6	60%
49	Cllr N Xolo	Member	1	1	1	1	1	1	1	1	1	NA	1	1	1	1	1	15	14	1	93%
50	Cllr T Ngxabi	Member	1	1	NA	1	1	1	1	NA	1	NA	1	1	NA	NA	1	15	10	5	66%
51	Cllr B Sobhayi	Member	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15	15	0	100%
52	Cllr B Jonase	Member	1	1	1	1	1	1	1	1	1	1	A	1	1		1	15	14	1	93%
53	Cllr N Mdingi	Member	1	1	NA	1	NA	A	NA	1	1	1	1	1	1		1	15	11	4	73%

NO	MEMBERS OF COUNCILLOR	DESIGNATION	ORDINARY COUNCIL 28 JULY 2023	SPECIAL COUNCIL 01 AGUST 2023	SPECIAL COUNCIL 07 AUGUST 2023	ORDINARY COUNCIL 30 AUGUST 2023	SPECIAL COUNCIL 16 OCTOBER 2023	ORDINARY COUNCIL 30 OCTOBER	SPECIAL COUNCIL 15 NOVEMBER 2023	SPECIAL COUNCIL 28NOVEMBER 2023	ORDINARY COUNCIL 25 JANUARY 2024	SPECIAL COUNCIL 31 JANUARY	ORDINARY COUNCIL 29 FEBRUARY 2024	ORDINARY COUNCIL 27 MARCH 2024	SPECIAL COUNCIL 26 APRIL 2024	ORDINARY COUNCIL 17 MAY 2024	SPECIAL COUNCIL 26 JUNE 2024	TOTAL NUMBER OF MEETINGS IN 2023/2024	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
54	Cllr M. Sonyabashe	Member	1	1	1	1	NA	NA	1	1	1	1	1	1	1	1	1	15	13	2	86%
55.	Cllr H Ngqasa	Member	NA	NA	NA	NA	NA	1	1	1	1	NA	1	1	NA	1	NA	15	7	8	46%

Municipal Public Accounts Committee/ Oversight Committee Members	06 JULY 2023	14 JULY 2023	22 AUGUST 2023	13 FEBRUARY 2024	18 MARCH 2024	24 MAY 2024	TOTAL NUMBER OF MEETING	NUMBER OF MEETING ATTENDED	NUMBER OF MEETINGS ABSENT	PERCENTAGES OF MEETINGS ATTENDED
1.Cllr M Mataka	1	1	1	1	1	1	6	6	0	100%
2.Cllr A Jakuja	1	1	1	1	1	1	6	6	0	100%
3.Cllr X Lungu	NA	NA	1	NA	1	1	6	3	3	50%
4.Cllr N Hlanekela	NA	1	1	1	1	1	6	5	1	80%
5.Cllr A P Mkhonto	NA	1	1	1	1	1	6	5	1	80%
6.Cllr P K Thingathinga	1	NA	1	1	1	1	6	5	1	80%
7.Cllr B Mdingi	NA	1	1	1	1	NA	6	5	1	80%
8.Cllr L Mapala	NA	1	1	1	NA	1	6	4	2	60%

9.Cllr B Ngqasa	1	NA	NA	1	NA	NA	6	2	4	40%

Infrastructure and Planning Portfolio Committee 2023/24

Members of Infrastructure and Planning committee	13 JULY 2023	16 AUGUST 2023	12 SEPTEMBER 2023	13 OCTOBER 2023	08 NOVEMBER 2023	08 FEBRUARY 2024	14 MARCH 2024	11 APRIL 2024	07 MAY 2024	12 JUNE 2024	TOTAL NO OF MEETINGS	TOTAL NO OF MEETING ATTENDE	TOTAL NO OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
1. Cllr A. N. Garane	A	1	1	A	1	1	1	1	1	1	10	8	2	80%
2. Cllr N. Sonyabashi	1	1	A	NA	1	1	1	1	1	A	10	8	2	80%
3. Cllr N. Hlanekela	1	1	1	1	1	NA	1	1	1	1	10	9	1	90%
4. Cllr V. Gogela	1	1	1	1	A	1	1	1	1	NA	10	8	2	80%

Members of Infrastructure and Planning committee	13 JULY 2023	16 AUGUST 2023	12 SEPTEMBER 2023	13 OCTOBER 2023	08 NOVEMBER 2023	08 FEBRUARY 2024	14 MARCH 2024	11 APRIL 2024	07 MAY 2024	12 JUNE 2024	TOTAL NO OF MEETINGS	TOTAL NO OF MEETING ATTENDEE	TOTAL NO OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
5. Cllr W. Nqakwana	1	1	1	1	1	1	1	1	1	1	10	10	0	100%
5 Cllr C.L. Noqhakala	1	NA	1	1	1	NA	1	1	1	1	10	8	2	80%
6 Cllr M. Tuku	1	NA	1	1	1	1	1	NA	NA	NA	10	6	4	60%
7 Cllr. B. Sobhayi	1	1	A	1	1	1	1	1	1	1	10	9	1	90%
8 Cllr P K Thingathinga	1	1	NA	1	1	1	1	1	1	1	10	9	1	90%
9 Cllr B Ngqasa	NA	NA	1	NA	NA	NA	NA	NA	NA	1	10	2	8	20%

Members of Budget and Treasury Standing committee	10 JULY 2023	15 AUGUST 2023	14 SEPTEMBER 2023	11 OCTOBER 2023	14 NOVEMBER 2023	09 FEBRUARY 2024	13 MARCH 2024	11 APRIL 2024	06 MAY 2024	13 JUNE 2024	TOAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
1. Cllr N. Nkula	1	1	1	1	1	1	1	1	1	1	10	10	0	100%
2. Cllr M. Hlanekelela	1	1	A	1	A	1	1	1	1	NA	10	7	3	70%
3. Cllr N. Nogada	1	1	1	1	A	1	1	A	1	1	10	8	2	80%
4. Cllr M. Kiviet	1	1	A	1	1	1	1	A	1	1	10	8	2	80%
5. Cllr Z. Ngwaqa	1	1	1	1	1	1	1	1	1	1	10	10	0	100%
6. Cllr B. Salukazana	1	1	1	NA	1	1	1	1	1	1	10	9	1	90%
7. Cllr D. Ndema	1	1	1	1	1	1	1	1	1	NA	10	9	1	90%

Special Programmes & Communications Portfolio Committee

Members of Special Programmes and Communications Standing committee	10 JULY 2023	17 AUGUST 2023	14 SEPTEMBER 2023	12 OCTOBER 2023	09 NOVEMBER 2023	07 FEBRUARY 2024	12 MARCH 2024	10 APRIL 2024	08 MAY 2024	SPECIAL 21 MAY 2024	11 JUNE 2024	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF ABSENT	PERCENTAGE OF MEETINGS ATTENDED
Cllr T. Sokhanyile	1	A	1	1	1	1	1	1	1	1	1	10	9	1	90%
Cllr T. Ntsalaze	NA	1	NA	1	NA	NA	1	1	1	1	A	10	6	4	60%
Cllr A Jakuja	1	1	1	1	1	1	1	1	1	1	NA	10	9	1	90%

Cllr P. Magujulwa	1	1	A	1	1	1	1	1	NA	1	1	10	8	2	80%
Cllr S. Mathebe	1	1	NA	1	1	1	1	1	NA	1	NA	10	8	2	8%
Cllr N. Jwara	1	1	1	1	1	1	1	1	1	1	1	10	10	0	100%
Cllr. L. Gwentshu	A	NA	1	NA	1	1	A	1	NA	1	1	10	5	5	50%
Cllr S Faye	1	1	1	1	1	1	1	1	1	1	1	10	10	0	100%

Executive Committee Members	21 JULY 2023	23 AUGUST 2023	21 SEPTEMBER 2023	SPECIAL EXCO MEETING 16	19 OCTOBER 2023	SPECIAL EXCO 14 NOVEMBER 2023	20 FEBRUARY 2024	20 APRIL 2024	19 MARCH 2024	11 MAY 2024	19 JUNE 2024	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
1.Cllr Z. Ndevu	1	1	1	1	1	1	1	1	1	1	1	11	11	0	100%
2 Cllr N. G. Mdzinwa	1	1	1	1	NA	1	1	1	1	1	1	11	10	1	90%
3.Cllr A. N. Garane	1	1	1	A	NA	1	1	1	1	1	1	11	9	2	81%
4.Cllr N. Nkula	A	1	1	1	1	1	1	1	1	1	1	11	10	1	90%
5.Cllr X. Jona	1	1	1	1	1	1	1	1	1	1	1	11	11	0	100%
6.Cllr I. Nodali	1	1	1	1	1	1	1	1	1	1	1	11	11	0	100%
7.Cllr T. Sokhanyile	1	1	A	1	1	1	1	1	1	1	1	11	10	1	90%
8.Cllr C.N. Mnyayiza	1	1	1	1	1	1	A	1	1	1	1	11	10	1	90%
9.Cllr M. Magobane	1	1	1	1	1	1	1	NA	1	1	1	11	10	1	90%

10.Cllr. T. Ntsalaze	1	NA	NA	NA	1	NA	NA	NA	NA	1	1	11	4	7	26%

Citizen & Community Services Portfolio Committee

Members of Citizen & Community Services Standing Committee	15 JULY 2023	16 AUGUST 2023	11 SEPTEMBER 2023	12 OCTOBER 2023	08 NOVEMBER 2023	08 FEBRUARY 2024	14 MARCH 2024	10 APRIL 2024	07 MAY 2024	12 JUNE 2024	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
Cllr N.G. Mdzinwa	1	1	1	1	1	1	1	1	1	1	10	10	0	100%
Cllr F Ngonyolo	1	A	1	1	1	1	1	A	NA	1	10	8	2	80%
Cllr N. Nomnganga	NA	A	1	1	1	NA	1	1	1	A	10	6	4	66%
Cllr L. Mveku	A	1	1	1	1	1	1	1	1	1	10	9	1	90%
Cllr N. Mantshongo	1	A	1	1	1	1	1	1	1	1	10	9	1	90%
Cllr M. Sonyabashe	1	1	1	1	1	1	1	1	1	1	10	10	0	100%

Cllr N. Gogela	1	1	NA	1	NA	NA	1	1	1	1	10	7	3	70%
Cllr Z Mampemvini	1	1	1	1	1	1	1	A	1	1	10	8	1	88%
Cllr T Sincindi	1	1	1	1	1	1	1	A	1	1	10	9	1	90%

Corporate Portfolio Members	Serv Comm	2023										TOATAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
		10 JULY 2023	15 AUGSUT 2023	14 SEPTEMR 2023	11 OCTOBER 2023	14 NOVEMBER 2023	09 FEBRUARY 2024	13 MARCH 2024	11 APRIL 2024	08 MAY6 2024	13 JUNE 2024				
1. Cllr I. Nodali		1	1	1	1	1	A	1	1	1	1	10	9	1	90%
2. Cllr T. Ngxabi		1	1	NA	1	NA	NA	1	A	1	NA	10	5	5	50%
3. Cllr F Sontsi		1	1	1	1	1	1	A	1	1	1	10	9	1	90%
4. Cllr N. Xolo		1	1	1	1	1	1	1	1	1	NA	10	9	1	90%
5. Cllr M. Kakaza		1	1	1	1	NA	A	1	1	1	1	10	8	2	80%
6. Cllr M. Jonase		1	1	1	1	1	1	1	NA	1	1	10	9	1	90%
7. Cllr N. V. Giwu		NA	1	NA	1	NA	1	1	1	1	1	10	7	3	70%
8. Cllr C. N. Mnyayiza		NA	1	1	NA	1	1	1	A	1	A	10	6	4	60%
9. Cllr N B Mdingi		1	A	NA	NA	1	1	A	1	1	1	10	6	4	60%
10. Cllr N Ntshobane		1	NA	1	NA	1	1	NA	A	NA	NA	10	6	4	60%

Local Economic Development Standing Committee

LED Members of committee	11 JULY 2023	17 AUGUST 2023	13 SEPTEMBER 2023	10 OCTOBER 2023	09 NOVEMBER 2023	07 FEBRUARY 2024	12 MARCH 2024	09 APRIL 2024	09 MAY 2024	09 JUNE 2024	TOTAL NUMBER OF	TOTAL NUMBER OF	TOTAL NUMBER	PERCENTAGE OF MEETINGS ATTENDED
Cllr X. Jona	1	1	1	1	1	1	1	1	1	1	10	10	0	100%
Cllr A.P Mkhonto	1	1	1	1	1	NA	1	1	1	1	10	9	1	90%
Cllr L. Mapala	1	1	1	1	NA	1	1	1	1	1	10	9	1	88%
Cllr C. Madyibi	NA	NA	NA	1	NA	NA	NA	1	NA	NA	10	2	8	20%
Cllr M Magobane	1	NA	1	1	1	1	1	1	1	1	10	9	1	90%
Cllr N Nomnganga	NA	NA	NA	NA	NA	-	-	-	-	NA	10	--	6	0%
Cllr F. Ntwakumba	1	1	1	1	1	NA	1	A	1	1	10	7	3	70%
Cllr X Lungu	1	1	1	NA	1	1	A	1	NA	NA	10	6	4	60%
Cllr H Ngqasa	-	-	-	-	-	1	NA	NA	NA	NA	10	1	4	10%

LOCAL LABOUR FORUM

Member of LLF committee	06 JULY 2023	07 AGUST 2023	07 SEPTEMBER 2023	10 OCTOBER 2023	07 NOVEMBER 2023	07 FEBRUARY 2024	12 MARCH 2024	08 APRIL 2024	03 MAY 2024	10 JUNE 2024	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
Cllr I Nodali	NA	1	1	1	1	1	1	1	1	1	10	9	1	90%
Cllr N Xolo	1	1	NA	NA	1	1	1	1	1	1	10	8	2	80%
Cllr Mantshongo ^N	1	NA	1	NA	1	1	NA	NA	NA	NA	10	4	5	40 %

OCCUPATIONAL HEALTH AND SAFETY

Member of OHS committee	06 JUNE 2023	11 AUGUST 2023	16 OCTOBER 2023	13 NOVEMBER 2023	02 FEBRUARY 2024	05 MARCH 2024	04 APRIL 2024	03 MAY 2024	05 JUNE 2024	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETING ATTENDED
Cllr C N Mnyayiza	1	1	1	A	A	1	1	1	1	9	7	2	77%
Cllr B Ngqasa	N/A	NA	NA	NA	NA	NA	NA	NA	NA	9	0	9	0%
Cllr P Magujulwa	N/A	NA	1	1	1	A	NA	NA	1	9	4	5	44%

PETITIONS COMMITTEE

PETITIONS COMMITTEE Member of committee	07 JULY 2023	04 SEPTEMBER 2023	24 OCTOBER 2023	13 FEBRUARY 2024	09 MAY 2024	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
1 Cllr N. Nomnganga (acting Speaker)	1	1	1	1	1	5	5	0	100%
2 Cllr T. Sokhanyile	1	1	1	1	1	5	5	0	100%
3 Cllr A.N Garane	1	1	A	1	A	5	3	1	60%

EMPLOYMENT EQUITY AND TRAINING COMMITTEE

Member of EE committee	06 JUNE 2023 (<i>did not quorate</i>)	16 AUGUST 2023	10 OCTOBER 2023	07 NOVEMBER 2023	SPECIAL TRAINING COMMITTEE MEETING 13 DECEMBER 2024	SPECIAL TRAINING MEETING 16 FEBRUARY 2024	06 MARCH 2024 DID NOT SIT	15 MARCH 2024	23 APRIL 2024	03 MAY 2024	08 MAY 2024	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED	TOTAL NUMBER OF MEETINGS ABSENT	PERCENTAGE OF MEETINGS ATTENDED
1 Cllr N. Nomnganga	-	NA	NA	NA	-	-	NA	NA	NA	NA	NA	10	0	0	0%
2 Cllr A Jakuja	-	1	NA	1	A	1	1	A	1	NA	NA	10	5	5	50%
3 Cllr N Giwu	-	1	1	1	1	1	NA	NA	1	NA	NA	10	5	5	50%

3.21. Meetings and Administration and registry services

Establishment of Municipal Committees

Management Committees

Management Committee (MANCO)

Interdepartmental Committee

Local Labour Forum (LLF)

This committee is established in terms of the collective agreement to deal with labour matters and issues of mutual understanding between labour and employer in the municipality and reports to corporate services committee.

LLF Sub-Committees

Occupational Health and Safety Committee (OHS)

Training Committee

Standing Committees (Section 80 Committees)

Local Economic Development Committee

Corporate Services Committee

Special Programmes and Communication Committee

Infrastructure and Planning Committee

Budget and Treasury Committee

Citizen and Community Services Committee

Section 79 Committees

Municipal Public Accounts Committee (MPAC)

Audit and Performance Committee

Petitions Committee

Ethics Committee

Financial Misconduct and Disciplinary Board

Municipal Meetings and report process flow

The different departments of the Umzimvubu Local Municipality compile monthly and quarterly reports and submit them to the Management committee that sits every month as the first committee that deals with all institutional reports. After these reports are dealt with at the Management Committee, they are disseminated to the relevant standing committee which known as section 80 committees, these Section 80 Committees are chaired by Executive Committee members who after the reports are dealt with at the level of a Standing Committee, they report to EXCO which also sits monthly. After the EXCO has dealt with the reports as submitted by standing committees they are compiled and get submitted to Council as EXCO report, which it will be expected to take decisions in some reports who require a decision making by the Council, the Council is chaired by the Council Speaker, and it sits by-monthly.

Administration and Registry services

The Umzimvubu Municipality has a centralised registry which falls under Sound Governance section in corporate services department. The centralised registry is established in terms of the National Archives and Records Service of South Africa Act (Act No.43 of 1996 as amended) and Eastern Cape provincial Archives Act N0. 3 of 2003, where it compels registry and archives office to record and archive all institutional documents. The registry also records and register all incoming and outgoing correspondences and reroute them to relevant recipients using the Electronic Document Management System (The Hub 365)

3.22. Employee Health and Well – being

The municipality has adopted programs that seeks to assist all employees regarding their health and safety at work. The municipality conduct inspections; provide Employee Assistance Program; and Wellness programs. There are also policies adopted in regulating and ensuring the effectiveness of such programs.

The Municipality host wellness day(s) to promote a healthy lifestyle and/ or wellbeing amongst our employees. In ensuring the health and well-being of employees the municipality are assisted psychologically, conduct medical surveillance and get vaccine from the doctor.

Component I: Annual Performance Report

DEPARTMENTS PERFORMANCE SCORECARD

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of community halls constructed	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Construction of Community Halls (Dutyini; Zwelitsha; Mtshazi; Butsheni & Gxaku)	Basic Service Delivery	3	Stand-Alone	3	5	Construction & Completion of five Community Halls by 30th June 2024.	5	[TL001] Senior Manager: Infrastructure and Planning: All five community halls have been completed. (June 2024)	[TL001] Senior Manager: Infrastructure and Planning: n/a (June 2024)	Achieved
INFRASTRUCTURE AND PLANNING	Number of constructed Housing Units	Number	To provide access to improved, sustainable and modernized infrastructure to	Construction of Human Settlement Projects (Cabazana A 70; Cabazana B 70; Nqalweni /	Basic Service Delivery	56	Stand-Alone	56	180	Construction of 180 Housing Units by end June 2024.	188	[TL002] Senior Manager: Infrastructure and Planning: 190 units have been completed; 45 units at Nqalweni/ Matyeni 75 units at Cabazana A 68	[TL002] Senior Manager: Infrastructure and Planning: N/a (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			the community	Matyeni 40								units at Cabazana B (June 2024)		

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of completed phases of Municipal offices	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Phase 2 Municipal offices	Basic Service Delivery	Phase 2 under construction at 25% complete	Stand-Alone	1	1	Completion of phase 2 Municipal Offices by 30th June 2024	0	[TL003] Senior Manager: Infrastructure and Planning: Alterations to the existing municipal building, renovations of Community Hall have been completed. Council Chamber and renovations to Offices still under construction and nearing completion. The project is under construction was delayed by SMME's non-performance (June 2024)	[TL003] Senior Manager: Infrastructure and Planning: The non-performing SMME was issued with an intent to terminate letter. Contractor submitted revised schedule and additional personnel for all specialized items that are to be completed by the end of December 2024. Contractor submitted revised schedule	Not Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
													and additional personnel for all specialized items that are to be completed by the end of December 2024 (June 2024)	

Responsible Director ate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of milestones conducted towards the construction of Multi-purpose centre Phase 6	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Construction of Multipurpose Centre Phase 6 (Multi-Year Project)	Basic Service Delivery	1	Stand-Alone	1	1	One Milestone conducted towards the construction of Multi-Purpose centre Phase 6 by end of June 2024 (Milestone 1: Site Establishment)	1	[TL004] Senior Manager: Infrastructure and Planning: Site establishment, preparation for new work, Concrete Aprons, Plumbing & Drainage, Metal Works, Plastering, Ceiling and Tiling have been completed. (June 2024)	[TL004] Senior Manager: Infrastructure and Planning: Contractor has been instructed to compress the programme of works and subsequently submit the revised programme of works. The revised programme of works indicates the practical completion date of the 30th of September 2024 (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of milestones conducted towards resealing and resurfacing of municipal road lanes.	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Kwabhaca Phase 8 surfacing (Multi-Year Project)	Basic Service Delivery	96% roads surfacing in Kwabhaca town	Stand-Alone	N/A	3	Milestones conducted towards resealing and resurfacing of municipal roads lanes by end of June 2024 Milestone 1: Site Establishment Milestone 2: Construction of Subgrade Milestone 3: Sub-base and installation of stormwater pipes.	3	[TL005] Senior Manager: Infrastructure and Planning: The Site establishment, sub-base, subgrade & storm-water installation as well as roadbed preparation have been done. Project is under construction as a multi year project anticipated to be completed in 2024/25 FY. The budget set aside for 2023/24 FY was R9m The budget set aside for 2024/25 FY is R18m (June 2024)	N/A	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of kilometres of unsurfaced road network built	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Road Construction (Masamuncu-1,2Kms; Thembisa AR-3,2Kms; Ndzongiseni AR-2Kms)	Basic Service Delivery	1.50	Stand-Alone	1.5	6.4	6.4 Kilometres of unsurfaced road network built by end June 2024	7.4	[TL006] Senior Manager: Infrastructure and Planning: All new Access roads have been completed. Masamuncu AR - 1.2Km's Ndzongiseni AR - 2 km's Thembisa AR - 4.2 km's Total km's achieved on new AR's - 7.35 km's (June 2024)	N/A	Achieved
INFRASTRUCTURE AND PLANNING	Number of milestones conducted towards Mpunguleweni Access Road construction	Number	To provide access to improved, sustainable and modernized infrastructure to the	Road Construction (Mpunguleweni AR-2.9Kms) (Multi-year Project)	Basic Service Delivery	1.50	Accumulative	1.5	3	Milestones conducted towards construction of Mpunguleweni Access Road & Bridge by end June 2024: Milestone One: Site Establishment	3	[TL0] Senior Manager: Infrastructure and Planning: Site Establishment, Traffic accommodation & Road Formation have been achieved. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			community							nt Milestone Two: Diversion of Traffic Milestone Three: Roadbed formation				

INFRASTRUCTURE AND PLANNING	Number of kilometres of unsurfaced road network maintained.	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Road maintenance: Brooksnek ARM (5.2km), Ngwengweni ARM (4km), Botomane to Dundee ARM (4.2km), Ngonyameni ARM (7.8km), Mfulamkhulu ARM (1.8km), Gubhuzi ARM (5), Lubhalasi Extension ARM (4.5km), Siphundu ARM (5.7km), Ntshimangweni ARM (9km), Mkhangisa ARM (3.4km), Mkhangis	Basic Service Delivery	40.40	Stand-Alone	40,4	148.7	Road maintenance (Brooksnek ARM (5.2); Ngwengweni ARM (4km); Botomane to Dundee ARM (4.2); Ngonyameni ARM (7.8); Mfulamkhulu ARM (1.8); Gubhuzi ARM (5); Lubhalasi Extension ARM (4.5); Siphundu ARM (5.7); Ntshimangweni ARM (9km); Mkhangisa ARM (3.4); Tyeni to Nguse and Nobala ARM (5,5); Huku ARM (5.8); Hagwini ARM	141.6	[TL007] Senior Manager: Infrastructure and Planning: All other projects were completed except Dungu and Gubhuzi access roads that were not completed due to contractors slow progress on site. In Dungu access road, Contractor has abandoned the site (June 2024)	[TL007] Senior Manager: Infrastructure and Planning: For both Dungu & Gubhuzi Access Roads, notices of default has been issued, instructing the contractors to go back to site. Failure to re-establish the site, intention to terminate will be issued and followed by the termination letter. Revised programme of works and catch-up plans to be	Not Achieved

				a ARM (3.4km),T yeni to Nguse and Nobala ARM (5,5km),H uku ARM (5.8km),H agwini ARM (7,8km),Si pilini, Bhokobh ane & Galali ARM(9km) ,Mary Theresa to Sijika ARM (9km),Du ngu ARM (5,3km), Mawushe ni ARM,Ray ment store via Sikolweni to Manzamn yama ARM (10,8km) (9.7km),Zi						(7,8km);Sipi lini, Bhokobhan e & Galali ARM(9);Ma ry Theresa to Sijika ARM (9);Dungu ARM (5,3);Mawu sheni ARM (9.5);Zibok wana to Qunubeni (9);Raymen t store via Sikolweni to Manzamny ama ARM (10.8);Mbu qe to Komkhulu ARM (5.5);Ngojin i to Mpolosa ARM (10.5);Man dela to Bhobhodla ARM (2.6);Sinyaq a via Mgodi (MIG) (7,8km)			requested from Contractors. Both Dungu & Gubhuzi projects are to be completed by end September 2024 (June 2024)	

				bokwana to Qunubeni (9km),Mb uqe to Komkhul u ARM (5.5km),N gojini to Mpolosa ARM (10.5km), Mandela to Bhobhodl a ARM (2.6km),Si nyaqa via Mgodl (MIG) (7,8km)											

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of households with installed electricity infrastructure	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Installation of electricity infrastructure (Ntlangano 108 h/h; Maduna-Majojweni-Silindini 48 h/h; Sogoni 178 h/h & Shayamoya 80 h/h)	Basic Service Delivery	261	Stand-Alone	261	414	Installation of electricity infrastructure (Poles, Strings, Transformers & Meter boxes) for 414 Households (Ntlangano, Maduna-Majojweni-Silindini, Sogoni & Shayamoya)	414	[TL008] Senior Manager: Infrastructure and Planning: Infrastructure and Planning: Installation of infrastructure has been done 100% on all projects. - Ntlangano - 108 h/h - Shayamoya - 80 h/h - Sogoni - 178 h/h - Silindini - Maduna - Majojweni - 48 h/h Total number done is 414 (June 2024)	[TL008] Senior Manager: Infrastructure and Planning: N/A (June 2024)	Achieved
INFRASTRUCTURE AND PLANNING	Number of bridges constructed	Number	To provide access to improved, sustainable and modernized	Bridge construction (Masamuncu & Ndzongiseni bridges)	Basic Service Delivery	1	Stand-Alone	1	2	Construction completion of Masamuncu & Ndzongiseni bridges by end June 2024	2	[TL009] Senior Manager: Infrastructure and Planning: All bridges have been completed - Masamuncu bridge and Ndzongiseni		Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			infrastructure to the community									bridge (June 2024)		
CITIZENS AND COMMUNITY SERVICES	Percentage of qualifying households assisted in disaster affected areas	Percentage	To provide access to improved, sustainable and modernized infrastructure to the community	Emergency Social relief	Basic Service Delivery	100.00%	Stand-Alone	100%	100.00 %	100% Qualifying households assisted in disaster affected areas by June 2024	100.00 %	[TL010] Senior Manager: Citizen and Community Services: Achieved (June 2024)	[TL010] Senior Manager: Citizen and Community Services: N/A (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
CITIZENS AND COMMUNITY SERVICES	Number of households & Businesses provided with refuse solid waste collection services	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Domestic waste Collection	Basic Service Delivery	649	Stand-Alone	649	649	649 households & Businesses provided with solid waste collection services by end June 2024	649	[TL011] Senior Manager: Citizen and Community Services: Achieved. The numbers were adjusted to match with the billing report only those appearing on the billing system remained. Others are RDP houses and public facilities like grave sites and sports fields. (June 2024)	[TL011] Senior Manager: Citizen and Community Services: It has been adjusted on the 24/25FY SDBIP (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
CORPORATE SERVICES	Number of Wards with installed Free Wi-Fi	Number	To develop and enhance knowledge for future career pathing	Internet of Things - 4th Industrial Revolution – Free Wi-Fi for one ward installed	Basic Service Delivery	1	Stand-Alone	1	1	One Ward with free Wi-Fi installed by 30 June 2024	0	[TL012] Senior Manager: Corporate Services: ICT Budget was not project based; ICT had a bulk budget which is against MSCOA prescript. ICT plans are done in July and Matric result are issued by the department of education in January the following year, now its difficult to know the worst performing school to support in order to record the ward. . (June 2024)	[TL012] Senior Manager: Corporate Services: In future this project will be done in the first quarter using results were obtained in January the previous Financial year.(June 2024)	Not Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
CORPORATE SERVICES	Number of students allocated with bursaries for scarce skills	Number	To develop and enhance knowledge for future career pathing	Scarce skills bursary	Basic Service Delivery	10	Stand-Alone	10	10	Students allocated with bursary for scarce skills by end June 2024	10	[TL013] Senior Manager: Corporate Services: target achieved (June 2024)	[TL013] Senior Manager: Corporate Services: none (June 2024)	Achieved
LOCAL ECONOMIC DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT	Number of Custom Feedlot storage facilities constructed	Number	To create a conducive environment for economic growth and job opportunities	Umzimvu bu Custom Feedlot and Nguni Improvement Support Programme	Basic Service Delivery	0	Stand-Alone	0	1	Construction of storage facility to one Custom Feedlot by end June 2024	0	[TL014] Senior Manager: LED: The project implementation was delayed by due delayed issuing of the Final report by consultants. (June 2024)	[TL014] Senior Manager: LED: The site establishment will be done by the 15th of November 2024.	Not Achieved
LOCAL ECONOMIC DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT	Number of milestones conducted towards the constructed Ntsizwa Hiking Trail	Number	To create a conducive environment for economic growth and job	Ntsizwa Hiking Trail Phase1 (Multi-year Project)	Basic Service Delivery	Architectural Designs, Inception and Scoping Report	Stand-Alone	0	1	Milestones conducted towards the construction of Ntsizwa Hiking Trail Visitor's Centre by end June 2024.	0	[TL015] Senior Manager: LED: The project implementation was delayed by due delayed issuing of the Final report by consultants.. (June 2024)	[TL015] Senior Manager: LED: Consultants have been appointed and a contractor. A Catch Up Plan has	Not Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
	visitor's centre		opportunities							Milestone 1: Site Establishment			been drawn and site establishment will done by end December 2024 (June 2024)	

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
BUDGET AND TREASURY	Number of indigent beneficiaries subsidised with solar, electricity and paraffin	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Provision of free basic services.	Basic Service Delivery	5 522	Last Value	5 432	3 574	3574 Indigent Beneficiaries to be subsidised as follows: 50KWH from Eskom= 924, For Solar =1830, For Paraffin = 820 by end June 2024	3138	[TL016] CFO: Target not achieved due to delays in appointing service provider for paraffin. One of the bidders lodged an objection that was subsequently resolved and the service provider was appointed. Subsidized 1829 indigent beneficiaries with solar and 840 of the overall 1829 beneficiaries received solar charge controllers. 809 beneficiaries were subsidised with Eskom 50 KWh	[TL016] CFO: Paraffin distribution to be completed by end August 2024. A Service Provider for paraffin distribution has been appointed. To further continuously urge Councillors to urge community members that are indigent to register for the Indigent Support. (June 2024)	Not Achieved

Responsible Director ate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
												electricity ,840 households were installed with solar charge controllers with 500 beneficiaries subsidized with 20Litres of paraffin. The decline in the number of indigent beneficiaries for electricity tokens was because quite a substantive number of beneficiaries failed CAATS Verification and were deemed not eligible to benefit.		

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
SPECIAL PROGRAMMES AND COMMUNICATIONS	Number of work opportunities through Expanded Public Works Programme	Number	Institutional integration and coordination (institutional development, organogram, workforce, principles development)	EPWP Jobs Created	Local Economic Development	555	Accumulative	566	500 Jobs	500 EPWP work opportunities created by end June 2024	619	[TL017] Senior Manager: Special Programmes and Communication: Target achieved (June 2024)	[TL017] Senior Manager: Special Programmes and Communication: N/A (June 2024)	Achieved
SPECIAL PROGRAMMES AND COMMUNICATIONS	Percentage compliance with EPWP Grant Conditions	Percentage	Institutional integration and coordination (institutional development, organogram, workforce, principles development)	EPWP Grant Conditions compliance	Local Economic Development	100%	Stand-Alone	N/A	100.00 %	100% compliance with EPWP Grant conditions by end June 2024	100.00 %	[TL018] Senior Manager: Special Programmes and Communication: Target achieved (June 2024)	[TL018] Senior Manager: Special Programmes and Communication: N/A (June 2024)	Achieved

Responsible Director	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			s development)											
LOCAL ECONOMIC DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT	Number of hectares planted with yellow maize	Number	To create a conducive environment for economic growth and job opportunities	Crop Production Improvement Programme- Grain and Vegetables	Local Economic Development	375	Stand-Alone	250	375	375ha planted with yellow maize by end June 2024	375	[TL019] Senior Manager: LED: 375ha planted with yellow maize . (June 2024)	[TL019] Senior Manager: LED: N/A (June 2024)	Achieved
LOCAL ECONOMIC DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT	Number of milestones conducted towards establishment of Ntenetyana Dam Campsite	Number	To create a conducive environment for economic growth and job opportunities	Establishment of Ntenetyana Dam Campsite (Multi-Year Project)	Local Economic Development	0	Stand-Alone	N/A	1	Milestones conducted towards the establishment of one campsite at Ntenetyana Dam Campsite by end June 2024. Milestone 1: Site	0	[TL021] Senior Manager: LED: The project not achieved due the prolonged appointment of the Consultant for designs. (June 2024)	[TL021] Senior Manager: LED: The site establishment will done by end December 2024.	Not Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
										Establishment				
LOCAL ECONOMIC DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT	Number of SMME's enrolled under Mentorship Programme	Number	To create a conducive environment for economic growth and job opportunities	Sector Specific Incubation Programmes: Fashion Design, Chefs/ Culinary and Farmers	Local Economic Development	30	Stand-Alone	30	30	SMME's enrolled under Mentorship Programme by end June 2024	30	[TL022] Senior Manager: LED: the programme has been achieved (June 2024)	[TL022] Senior Manager: LED: N/A (June 2024)	Achieved
LOCAL ECONOMIC DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT	Number of projects supplied with rainwater harvesting equipment	Number	To create a conducive environment for economic growth and job opportunities	Rainwater Harvesting Programme (Auction Pans, Lugangen i Feedlot & Fresh Produce)	Local Economic Development	0	Stand-Alone	N/A	3	Supply of rainwater harvesting equipment to Three Projects by end June 2024	3	[TL023] Senior Manager: LED: Rainwater harvest was achieved though appointment processes were prolonged at SCM. (June 2024)	[TL023] Senior Manager: LED: N/A (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
LOCAL ECONOMIC DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT	Number of Donga rehabilitation projects completed	Number	To create a conducive environment for economic growth and job opportunities	Donga Rehabilitation	Local Economic Development	3	Stand-Alone	3	3	Rehabilitation of Dongas in 3 Wards by end June 2024	3	[TL024] Senior Manager: LED: The project was achieved at the 4th Quarter as the rain persisted and delayed all the processes. (June 2024)	[TL024] Senior Manager: LED: N/A (June 2024)	Achieved
BUDGET AND TREASURY	Number of BTO statutory reports and plans developed	Number	To develop and maintain a financial viable and sustainable institution that achieves full compliance with legislation	Mid-year reporting (S72 Report); Budget Approval; Reporting	Financial Management and Viability	One Sec 72 Report submitted to PT & NT by 25 January 2023; "2 (Draft by the 31st March and final budget to Council"; 2 sets of GRAP Financialia	Stand-Alone	5	5	Development of 5 BTO statutory reports and plans by end June 2024	5	[TL0] CFO: Target achieved (June 2024)	N/A	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
						1 statements								
BUDGET AND TREASURY	Percentage of Creditors paid within 30 days of receipt of a valid invoice	Percentage	To develop and maintain a financial viable and sustainable institution that achieves full compliance with legislation	Payment of creditors	Financial Management and Viability	100.00%	Stand-Alone	100%	100.00%	100% Creditors paid within 30 days of receipt of a valid invoice	100.00%	[TL0] CFO: Target achieved (June 2024)	N/A	Achieved
BUDGET AND TREASURY	Revenue amount collected	Number	To develop and maintain a financial viable and sustainable institution	Debt Collection	Financial Management and Viability	36 000 000	Accumulative	R67 600 123.36	38 000 000	Revenue amount collected	52,048, 155.8	[TL029] CFO: Target for the Quarter has not been achieved but the target for the whole year has been achieved. (June 2024)	[TL029] CFO: To revise quarterly targets to the periods where we achieve more than 100%	Achieved

Responsible Director ate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			on that achieves full compliance with legislation										collection. (June 2024)	
BUDGET AND TREASURY	Audit Opinion	Number	To develop and maintain a financial viable and sustainable institution that achieves full compliance with legislation	Improvement in audit opinion expressed on financial statement by Auditor general	Financial Management and Viability	0	Stand-Alone	1	1	Unqualified Audit with no matters of emphasis opinion by 30 June 2024	1	[TL029] CFO: Unqualified Audit opinion attained. (June 2024)	[TL029] CFO: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
OFFICE OF THE MUNICIPAL MANAGER	Number of compliance reports consolidated	Number	To develop and maintain a financial viable and sustainable institution that achieves full compliance with legislation	Annual Reporting ; Oversight Report & SDBIP Performance Reporting	Municipal Transformation and Organisational Development	8	Accumulative	6	6	Consolidation of eight compliance reports by end June 2024	8	[TL031] Municipal Manager: 2023/2024FY Third Quarter Performance Report consolidated and submitted to Council. (June 2024)	[TL031] Municipal Manager: N/A (June 2024)	Achieved
OFFICE OF THE MUNICIPAL MANAGER	Number of strategic and operational plans developed and approved	Number	To develop and maintain a financial viable and sustainable institution that achieves full compliance	IDP Adoption & SDBIP Approval	Municipal Transformation and Organisational Development	3	Accumulative	3	3	Development of one strategic plan (IDP) and two operational plans (SDBIPs) by end June 2024	3	[TL032] Municipal Manager: 2024/2025 SDBIP approved by the Mayor and 2024/2025fy IDP Review adopted by Council (June 2024)	[TL032] Municipal Manager: N/A (June 2024)	Achieved

Responsible Director	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			nce with legislation											
CORPORATE SERVICES	Number of Strategic Planning Sessions Coordinated	Number	To develop and enhance knowledge for future career pathing	Strategic Planning Sessions coordinated	Municipal Transformation and Organisational Development	5	Accumulative	4	4	Four Strategic Planning sessions coordinated by 30 June 2023 broken down as follows:1 - Departmental Strategic Planning Sessions coordinated 1 - Exco Strat Plan Coordinated 2 - Council Strat Plans coordinated	4	Departmental Strategic Planning MANCO Strategic Planning EXCO Strategic Planning & Council Strat Plan Policy Conference were coordinated	N/A	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
SPECIAL PROGRAMMES AND COMMUNICATIONS	Number of communication strategy Action Plan reviewed adopted by council	Number	To create a conducive environment for participatory development	Communication Action Plan Review	Good Governance and Public Participation	1	Stand-Alone	1	1	One approved communication Strategy Action Plan be end March 2024	1	[TL041] Senior Manager: Special Programmes and Communication: The performance target has been achieved. The programme was moved to the 4th quarter due to the non-availability of dates in the 3rd quarter. (June 2024)	[TL041] Senior Manager: Special Programmes and Communication: Target revised from quarter 3 to quarter 4. (June 2024)	Achieved
SPECIAL PROGRAMMES AND COMMUNICATIONS	Percentage of presidential Hotline complaints responded to.	Percentage	To create a conducive environment for participatory development	Presidential Hotline	Good Governance and Public Participation	100.00%	Stand-Alone	100%	100.00%	100% Complaints attended to annually.	100.00%	[TL043] Senior Manager: Special Programmes and Communication: Target achieved (June 2024)	[TL043] Senior Manager: Special Programmes and Communication: N/A (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
SPECIAL PROGRAMMES AND COMMUNICATIONS	Number of EXCO Outreach Programs coordinated	Number	To create a conducive environment for participatory development	EXCO Outreach Program	Good Governance and Public Participation	2	Accumulative	2	2	Two EXCO IDP Outreach Programs coordinated by end June 2024	2	[TL045] Senior Manager: Special Programmes and Communication: Target achieved (June 2024)	[TL045] Senior Manager: Special Programmes and Communication: N/A (June 2024)	Achieved
INFRASTRUCTURE AND PLANNING	Number of sites surveyed.	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Three-year Contract for Land survey services	Spatial Planning and Development	100.00%	Stand-Alone	100%	5	Five sites surveyed and Planned by end June 2024	5	[TL046] Senior Manager: Infrastructure and Planning: SG Diagrams submitted by Likamva Geomatics for the transfer of sites between the Municipality and Public Works for the KwaBhaca Transport Facility as well as a report on the land invasions which took place in	[TL046] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
												KwaBhaca (Mount Frere). (June 2024)		
INFRASTRUCTURE AND PLANNING	Number of phases completed on EmaXesibeni Multi-purpose Centre from 2022/2023FY.	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Completion of EmaXesibeni Multi-purpose Centre Phase Five	Basic Service Delivery	1	Stand-Alone	1	1	Construction of EmaXesibeni Multi-purpose Centre Phase Five from 2022/2023 by end June 2024	1	[TL0] Senior Manager: Infrastructure and Planning: Target Achieved (Mount Frere). (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved
INFRASTRUCTURE AND PLANNING	Number of constructed and completed houses for vulnerable groups.	Number	To provide access to improved, sustainable and modernized infrastructure to	Houses for vulnerable group	Basic Service Delivery	3	Stand-Alone	N/A	4	Construction and completion of 4 Housing units for vulnerable groups by end June 2024	4	[TL0] Senior Manager: Infrastructure and Planning: All four housing units for vulnerable groups have been constructed & completed. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			the community											
INFRASTRUCTURE AND PLANNING	Number of milestones conducted towards installation of High Masts	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Installation of 9 highmasts	Basic Service Delivery	0	Accumulative	N/A	2	Milestones conducted towards installation of 9 high masts. Milestone 1: Site establishment & excavations Milestone 2: Installation of 3 high masts	2	[TL0] Senior Manager: Infrastructure and Planning: Sites establishment , Excavations, Foundation shuttering, Alignment of reinforcement bars, Bonding of Earthing Conductor with Earth spike, Installation of mast poles and Hoisting of Solar Flood Lights onto the Highmast Pole have been done. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of sport facilities constructed from 2022/2023FY.	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Completion of Nophoyi & Phepheni Sport Facilities	Basic Service Delivery	1	Stand-Alone	0	2	Construction completion of Nophoyi & Phepheni Sport facilities from 2022/2023FY by end June 2024	2	[TL0] Senior Manager: Project has been completed. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved
INFRASTRUCTURE AND PLANNING	Percentage of potholes reported and resealed	Percentage	To provide access to improved, sustainable and modernized infrastructure to the community	Surfaced municipal road lanes maintenance	Basic Service Delivery	0.00%	Stand-Alone	N/A	100.00%	Reporting & resealing of all potholes by end June 2024	1	[D374] Senior Manager: Infrastructure and Planning: Potholes in both towns are being repaired as and when they are reported. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of kilometres of maintained access roads from 2022/2023FY	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Completion of Access Roads maintenance from 2022/2023FY (Ngcwayi to Lower Brooksnek AR (5.6km); Lokwe AR (8.4km); Ndindindi AR (5.2km); Centule to Ntshongweni AR (5km); Sithinteni AR (5.6km); Voveni AR (5km); Semeni AR (4km)	Basic Service Delivery	40.40	Stand-Alone	40.4	38.80	Kilometres of access road maintained from 2022/2023 by end March 2024	38,8	[TL0] Senior Manager: Project has been completed. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of constructed & completed bridges & Access Road from 2022/2023FY.	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Completion of Mpemba bridge & Access Road (9Km) construction from 2022/2023FY	Basic Service Delivery	1	Stand-Alone	1	1	Construction completion of Mpemba Bridge & access road from 2022/2023FY by end June 2024	1	[TL0] Senior Manager: Project has been completed. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved
INFRASTRUCTURE AND PLANNING	Number of milestones conducted towards the maintenance of Disaster affected access roads	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Maintenance of Disaster affected access roads (Gxaku - 7.5Kms, Lubhacweni 8Kms - & Ngqumaneni - 15Kms) (Multi-year Project)	Basic Service Delivery	30	Stand-Alone	30	1	Number of milestones conducted towards maintenance of disaster affected access roads by end June 2024 Milestone 1 : Site establishment	1	[TL0] Senior Manager: Sites establishment, Clear & grub for all three projects conducted (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
INFRASTRUCTURE AND PLANNING	Number of milestones conducted towards maintenance of Disaster affected bridges	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Maintenance of Tyhinirha Disaster affected bridge (Multi-Year Project)	Basic Service Delivery	1	Accumulative	1	2	Milestones conducted towards maintenance of Tyhinirha Disaster Affected Bridge by end June 2024 Milestone 1 : Project Handover & Site establishment Milestone 2 : Site Clearance	2	[TL0] Senior Manager: Project Handover, Site establishment conducted & Site Clearance done(June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved
INFRASTRUCTURE AND PLANNING	Number of milestones conducted towards reconstruction of Disaster affected bridges	Number	To provide access to improved, sustainable and modernized infrastructure to the	Reconstruction of Mqhokweni Disaster affected bridge (Multi-Year Project)	Basic Service Delivery	1	Accumulative	1	2	Milestones conducted towards Reconstruction of Mqhokweni Disaster Affected Bridge by end June 2024 Milestone 1 : Project	2	[TL0] Senior Manager: Project Handover, Site establishment, Site Clearance, demolishing of old causeway and blasting have been	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			community							Handover & Site establishment Milestone 2 : Site Clearance		completed(June 2024)		
INFRASTRUCTURE AND PLANNING	Number of maintained Disaster Affected Bridges	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Maintenance of Makaula Disaster affected bridge	Basic Service Delivery	1	Stand-Alone	1	1	Maintenance of Makaula Disaster Affected Bridge by end June 2024	1	[TL0] Senior Manager: Project has been completed. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
CITIZENS AND COMMUNITY SERVICES	Number of Recreational Parks constructed	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Construction of Chithwa Recreational Park	Basic Service Delivery	1	Stand-Alone	N/A	1	Construction of Chithwa Recreational Park by end June 2024	0	Delayed delivery of construction material on site by the contractor. Material was ultimately delivered Mid-June and the project could not be completed. However Site Establishment, Site Clearance, Earthworks and Fencing have been completed.	Contractor advised to double up their effort and the project is to be completed by end August 2024	Not Achieved

Responsible Director	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
CITIZENS AND COMMUNITY SERVICES	Number of fenced Botanical Gardens	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Fencing of EmaXesibeni Botanical Gardens	Basic Service Delivery	0	Stand-Alone	N/A	1	Fencing of eMaxesibeni Botanical Gardens by end June 2024	0	[D512] Manager: Community Services: Procurement was initiated for the appointment of the Service Provider to complete Botanical Gardens fencing however bidders for the project were non-responsive (June 2024)	[D512] Manager: Community Services: Project to be readvertised and to be completed by end March 2025(June 2024)	Not Achieved
CITIZENS AND COMMUNITY SERVICES	Number of milestones conducted towards constructed shooting ranges	Number	To provide access to improved, sustainable and modernized infrastructure to the	KwaBhaca Shooting Range Phase 1 construction	Basic Service Delivery	0	Stand-Alone	N/A	2	Milestones conducted towards the construction of KwaBhaca Shooting Range by end June 2024 Milestone 1: Site Establishment	2	[D514] Manager: Community Safety: Site Establishment, Site Clearance & Grubbing, Bulk earthworks already completed. Now busy with the	[D514] Manager: Community Safety: N/A (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			community							nt Milestone 2: Bulk earthworks		construction of strip foundation and construction of the road. (June 2024)		
CITIZENS AND COMMUNITY SERVICES	Number of milestones conducted towards the upgrade of EmaXesibeni animal pound Phase 1	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Upgrading of EmaXesibeni Animal Pound Phase 1	Basic Service Delivery	0	Stand-Alone	N/A	1	Milestones conducted towards upgrading of EmaXesibeni Animal Pound Phase 1 by end June 2024 Milestone 1: Site establishment	0	[D415] Manager: Community Safety: There were delays with the designs. Took long time for the consultants to finish the designs..(June 2024)	[D415] Manager: Community Safety: A project catch up plan will be drafted for the project to be completed by end December 2024. (June 2024)	Not Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
CITIZENS AND COMMUNITY SERVICES	Number of milestones conducted KwaBhaca transport pound phase 1	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Construction of KwaBhaca public transport pound phase 1.	Basic Service Delivery	0	Stand-Alone	N/A	1	Milestones conducted towards the construction of one KwaBhaca public transport pound phase 1 by end June 2024 Milestone 1: Site Establishment	0	[D116] Senior Manager: Citizen and Community Services: There were delays with the designs. Took long time for the consultants to finish the designs (June 2024)	[D116] Senior Manager: Citizen and Community Services: A project catch up plan will be drafted for the project to be completed by end December 2024	Not Achieved
BUDGET AND TREASURY	Liquidity Ratio	Ratio	To develop and maintain a financial viable and sustainable institution that achieves full compliance with	Cash/Cost coverage ratio	Financial Management and Viability	00:01	Stand-Alone	N/A	3	To maintain a three months liquidity ratio in line with Treasury Norm by end June 2024	1.93:1	[TL114] CFO: There was a notable increase in the Operational Expenditure coupled with the construction of Municipal Offices Phase Two from our own reserves. (June 2024)	[TL114] CFO: The 2024/2025FY Budget cuts on Operational Expenditure. To further speed up completion of Municipal Offices by December 2024. (June 2024)	Not Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			legislation											
BUDGET AND TREASURY	Percentage reduction of repeat audit findings	Percentage	To develop and maintain a financial viable and sustainable institution that achieves full compliance with legislation	Audit improvement	Financial Management and Viability	0.00%	Stand-Alone	N/A	100.00 %	100% Reduction of Repeat Audit Findings by end June 2024	1	Achieved	N/A	Achieved
BUDGET AND TREASURY	Percentage expenditure of all Conditional Grants in line with Risk Adjusted Strategy Imperatives	Percentage	To develop and maintain a financial viable and sustainable institution that	Risk Adjusted Strategy Imperatives Implementation	Financial Management and Viability	0.00%	Accumulative	N/A	100.00 %	100% expenditure of all Conditional Grants in line with Risk Adjusted Strategy Imperatives by end June 2024	1	[TL115] CFO: All other Capital Grants are fully spent except Disaster recovery, which the funder has agreed that a roll over will be accepted if	[TL115] CFO:N/A. (June 2024)	Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
			achieves full compliance with legislation									by June 2024, 60% has been spent, and ULM spent 64%. (June 2024)		
INFRASTRUCTURE AND PLANNING	Number of constructed & completed Extension 6 Services	Number	To provide access to improved, sustainable and modernized infrastructure to the community	Construction completion of Extension 6 services	Basic Service Delivery	1	Stand-Alone	2	1	Construction completion of Extension 6 Services by end June 2024	1	[TL0] Senior Manager: Infrastructure and Planning: Project completed. (June 2024)	[TL0] Senior Manager: Infrastructure and Planning: N/A. (June 2024)	Achieved
INFRASTRUCTURE AND PLANNING	Number of milestones conducted towards the construction of 436	Number	To provide access to improved, sustainable and modernized	Construction of Human Settlement projects (Multi-year Project) Canceled	Basic Service Delivery	56	Stand-Alone	56	1	One milestone conducted towards the Construction & Completion of 436 Housing Units by 30	0	Qadu Project After numerous consultations the objection was subsequently resolved, and the contractor was appointed	To assist appointed Service Providers with their NHBRC enrolment and to further ensure all	Not Achieved

Responsible Directorate	KPI Name	Description of Unit of Measurement	Strategic Objective	Project Name	Municipal KPA	Baseline	Calculation Type	2022/2023FY Actual	Revised Annual Target	Overall Performance for Quarter ending September 2023 to Quarter ending June 2024				
										Target Description	YTD Actual	Performance Comment	Corrective Measures	R
	housing units		infrastructure to the community	30 ;Dundee 34 ;Nguse 123;Nkungwini 39 ;Qadu 160;Xhamenti 50 ;						June 2024. (Milestone 1: National Home Building Registration Council Enrolment		towards the end of the financial year. Canceled and Nguse Project The two projects are still waiting for NHBRC enrolments which were delayed by the Geotech approval and beneficiary assessments.	housing projects commence by end September 2024.	

Chapter 4: Organisational Development Performance

Component A: Introduction to Municipal Personnel

4.1. Employee Totals, Turnover and Vacancies

Employees				
Description	2023/2024			
	Approved Posts	No. Of Employees	Vacancies	Vacancy Rate in %
Section 56 Senior Managers	7	6	1	14,28%
Managers	24	23	1	4,16%
Support Personnel (Officers, Coordinators, Administration Clerks & General Workers)	200	196	4	2%
Totals	231	225	6	2,5%

Vacancy rate: 2023/2024			
Designation	Total No. Of approved posts	Vacancies(Total time that vacancies exist using fulltime equivalent	Vacancies (as proportion of total posts in each category)
Section 56 Managers	7	1	1
Managers	24	1	1
Support Personnel	200	4	4
Total	231	6	6

Managing the Work Force

Employees are provided with working tools and there is attendance registers and biometrics system to track attendance and do quarterly performance assessments.

1.2. Policies

Human Resources Policies				
No.	Name of Policy	Completed	Reviewed	Adopted
1	Acting Policy	YES	YES	YES
2	Overtime Policy	YES	YES	YES
3	Induction & Orientation Policy	YES	YES	YES
4	Leave Policy	YES	YES	YES
5	Disciplinary Code and Procedures	YES	YES	YES
6	Grievance Procedure	YES	YES	YES
7	Job Evaluation	YES	YES	YES
8	Recruitment & Selection	YES	YES	YES
9	Training & Development	YES	YES	YES
10	Retention Policy	YES	YES	YES

12	Retirement Policy	YES	YES	YES
13	Standby Policy	YES	YES	YES
14	Organisational Design	NO	NO	NO
15	Benefit Policy	YES	YES	YES
16	Attendance & Punctuality Policy			
17	Employee Wellness Policy	YES	YES	YES
18	Fleet Management Policy			
19	Special Risk Policy			
20				

4.3. Suspensions

There are no suspensions

4.4. Performance Rewards

(Performance rewards are paid in a form of monetary value for management and for non-managerial employee are paid in a form of performance Awards Ceremony)

For 2023-2024 performance rewards there were 12 (twelve) management representative who qualified for performance bonus from 24 management reps

For non-Managerial Employees 2023/2024. Employee recognition was awarded based on the categories hereunder: -

Long term served employee x 23

Retired Employee X 8

Best Sectional Employees X 28

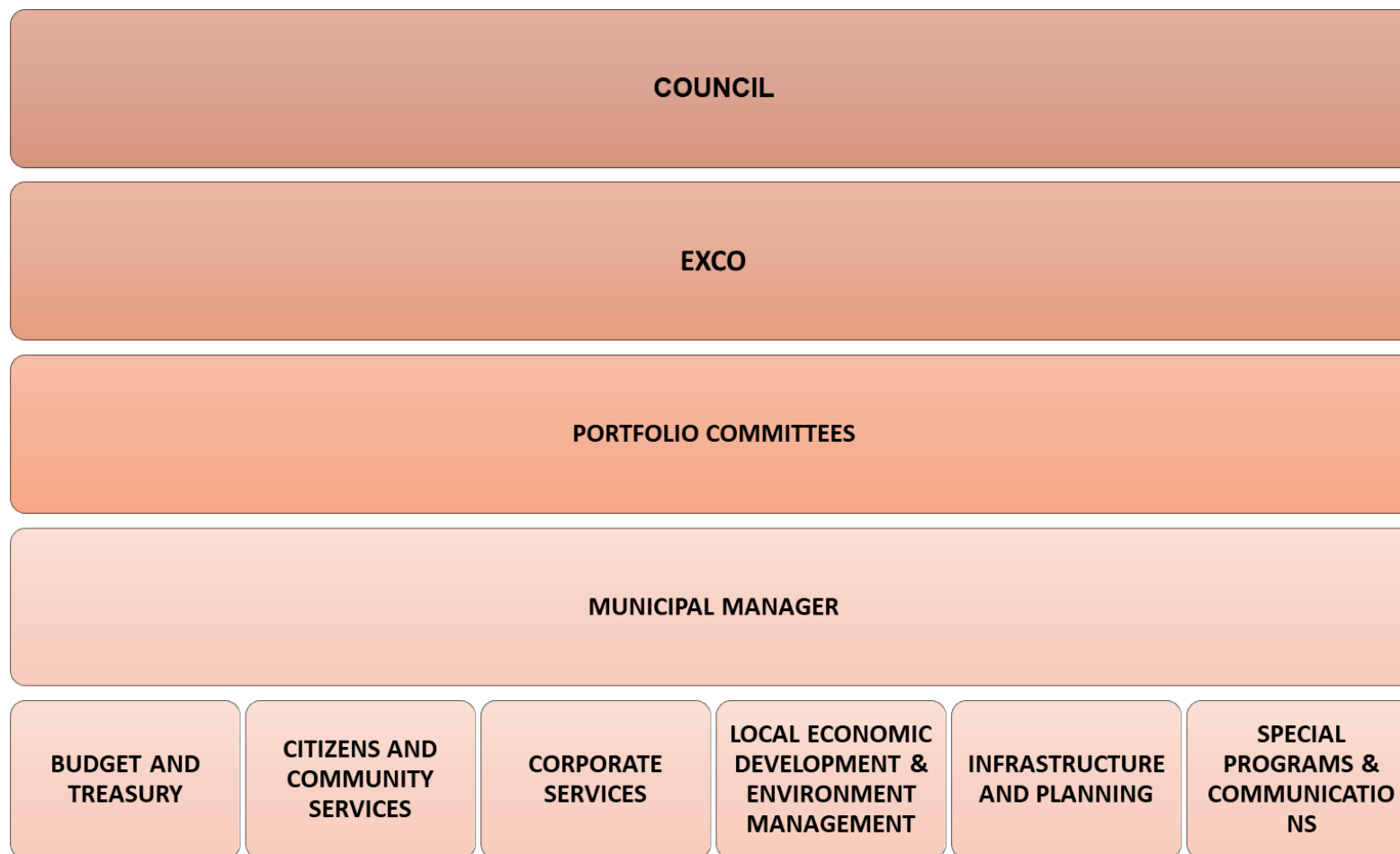
Best departmental Employee X 7

Most Improved employee X1

Employee of the Year x 1

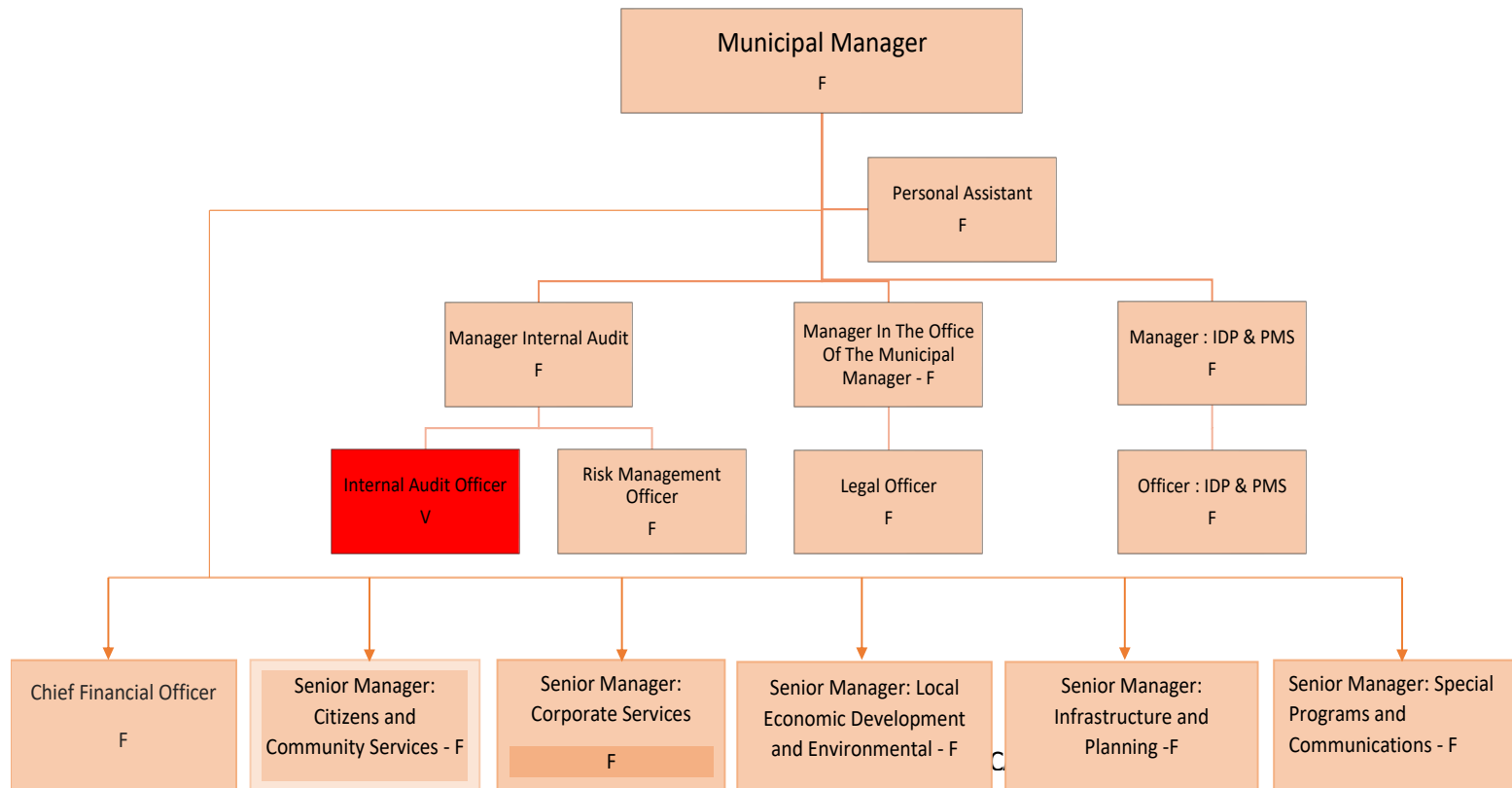
ORGANOGRAM

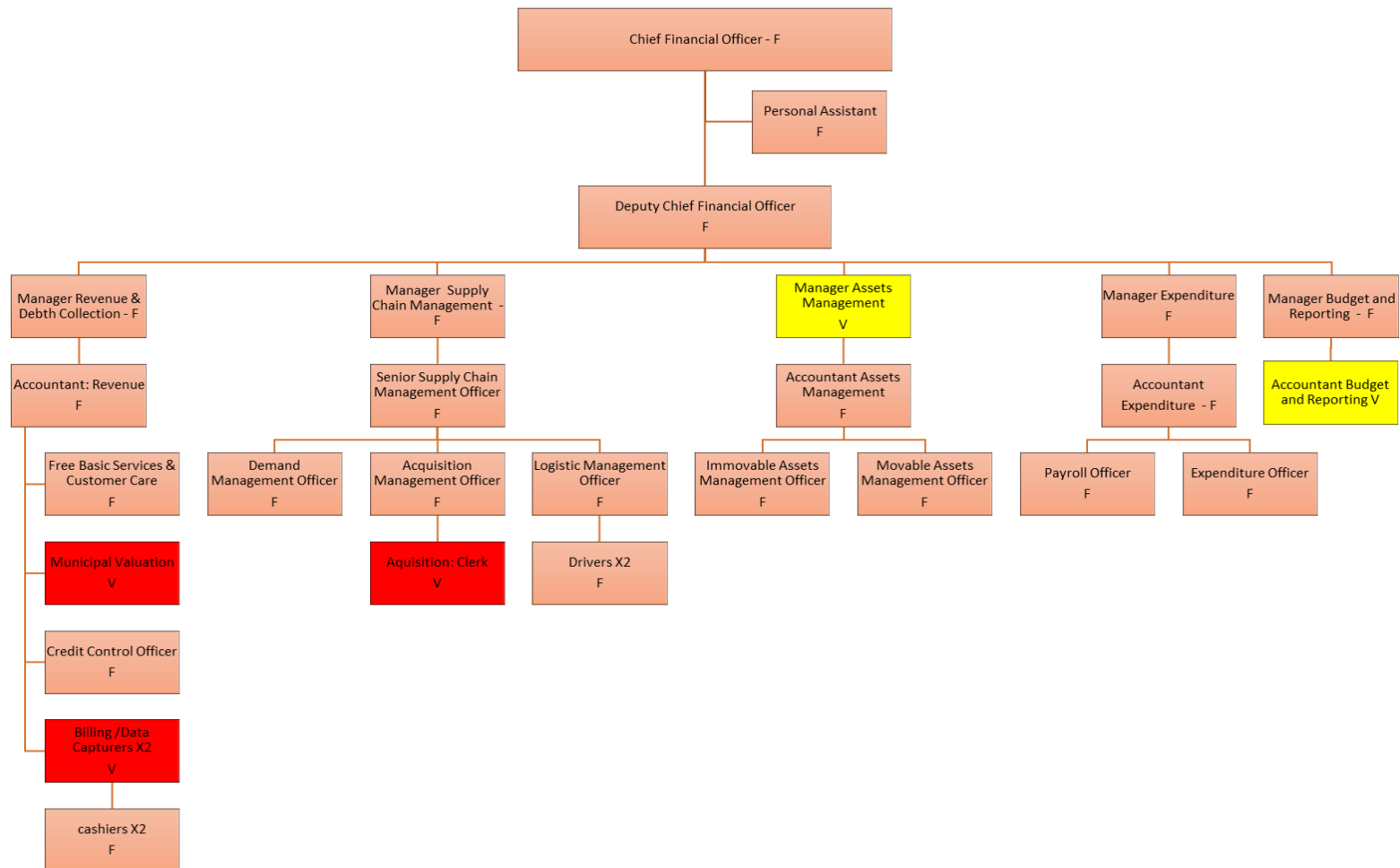
2021/2022 – 2023/2024

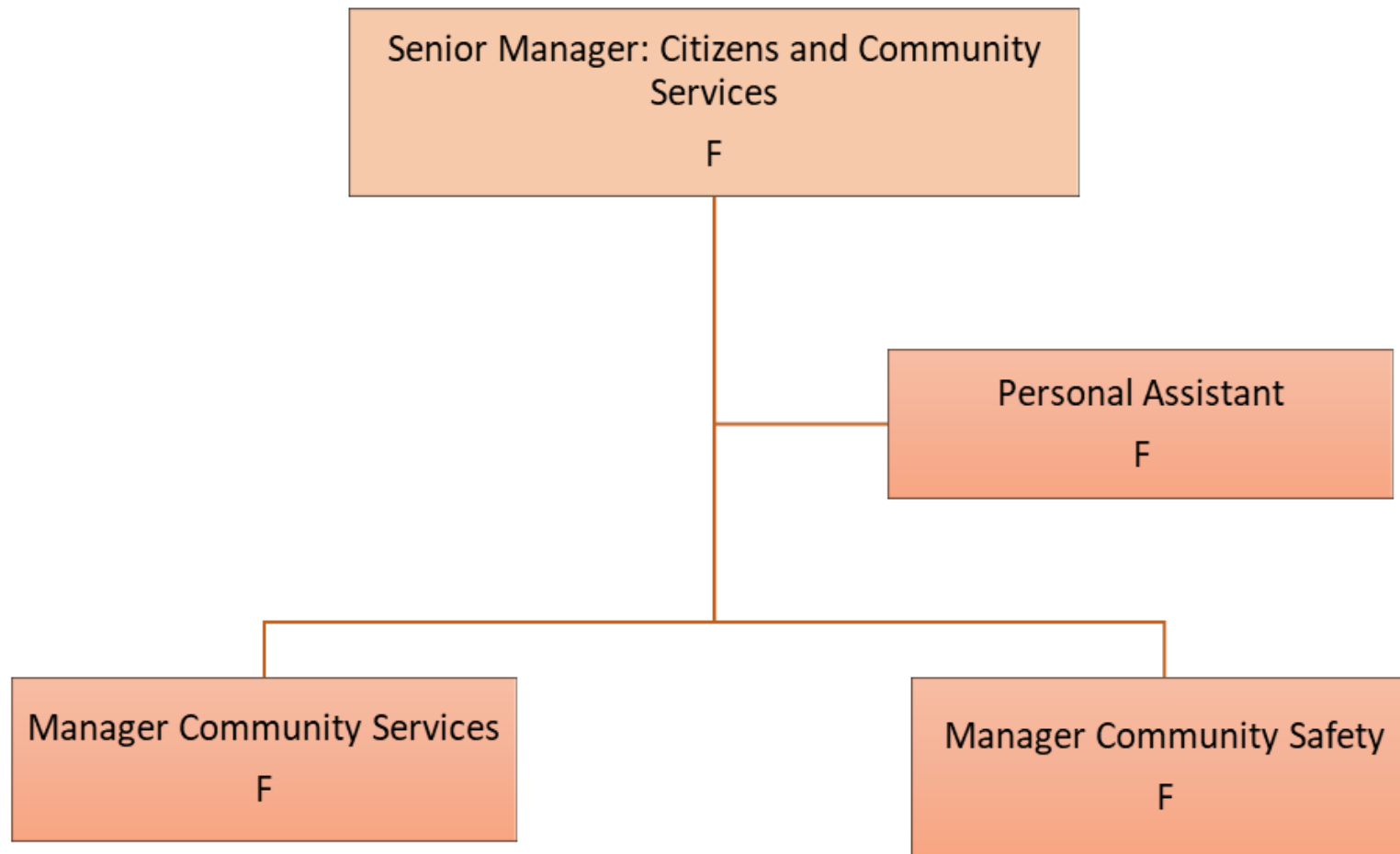


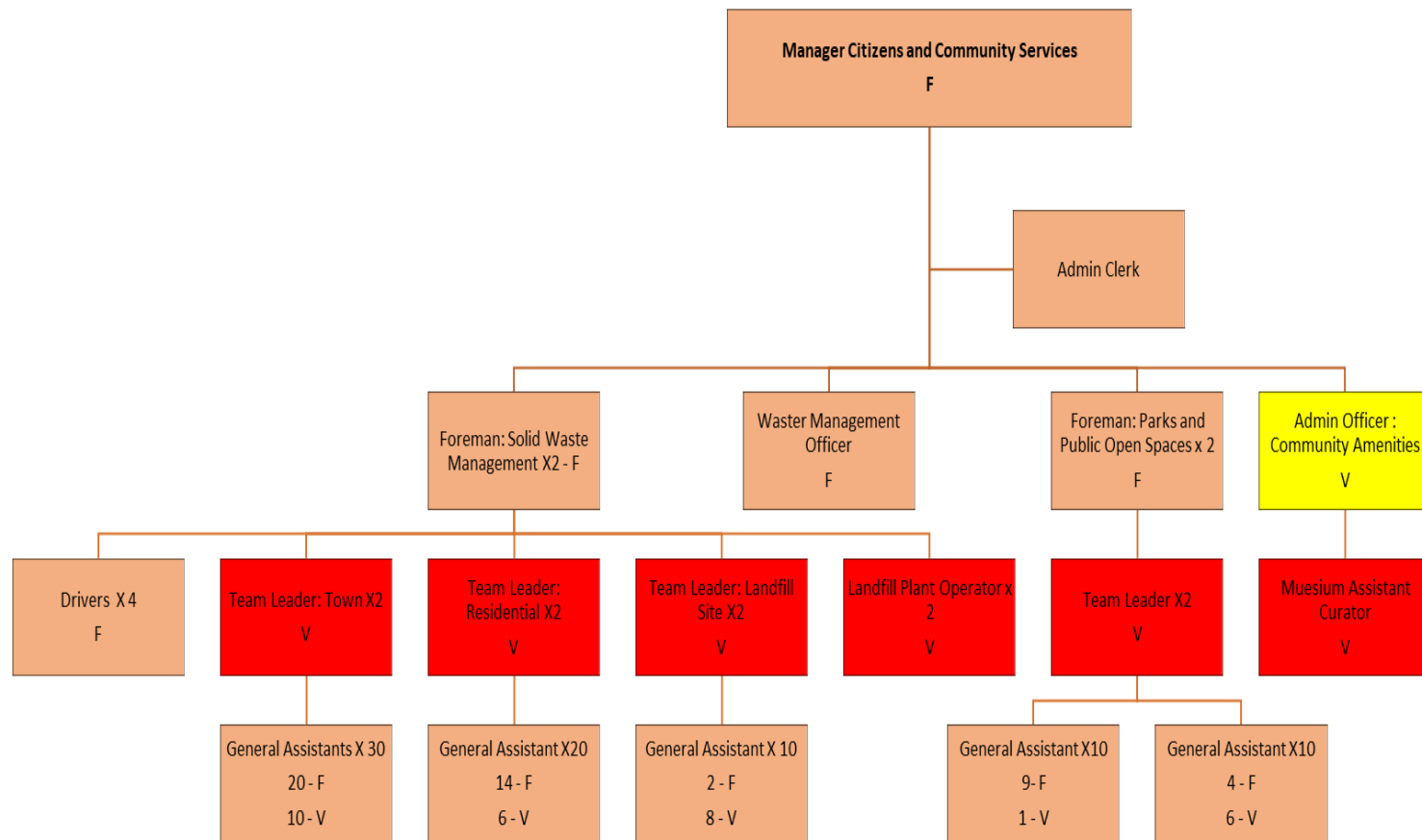
OFFICE OF THE MUNICIPAL MANAGER

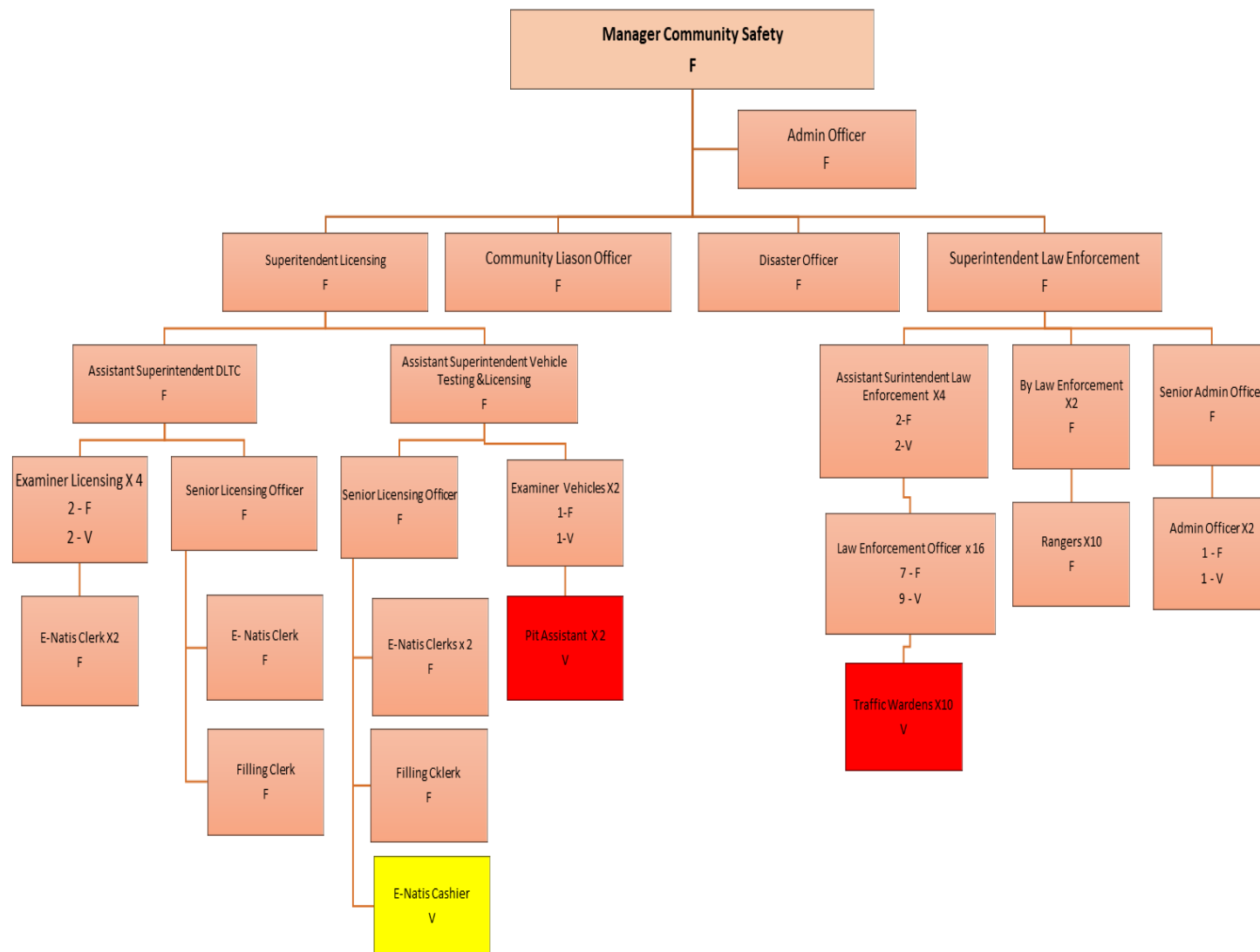
No of Posts: 09

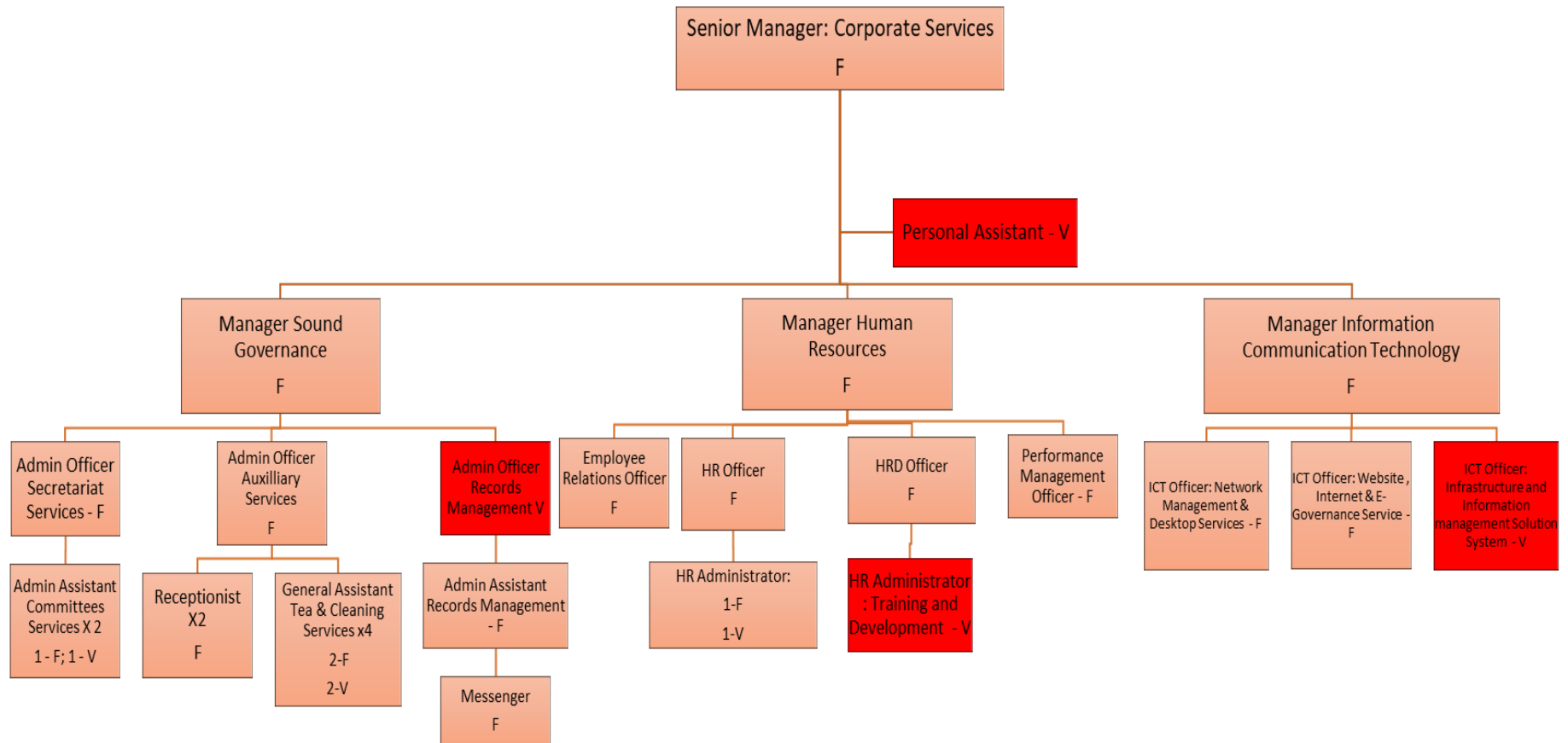


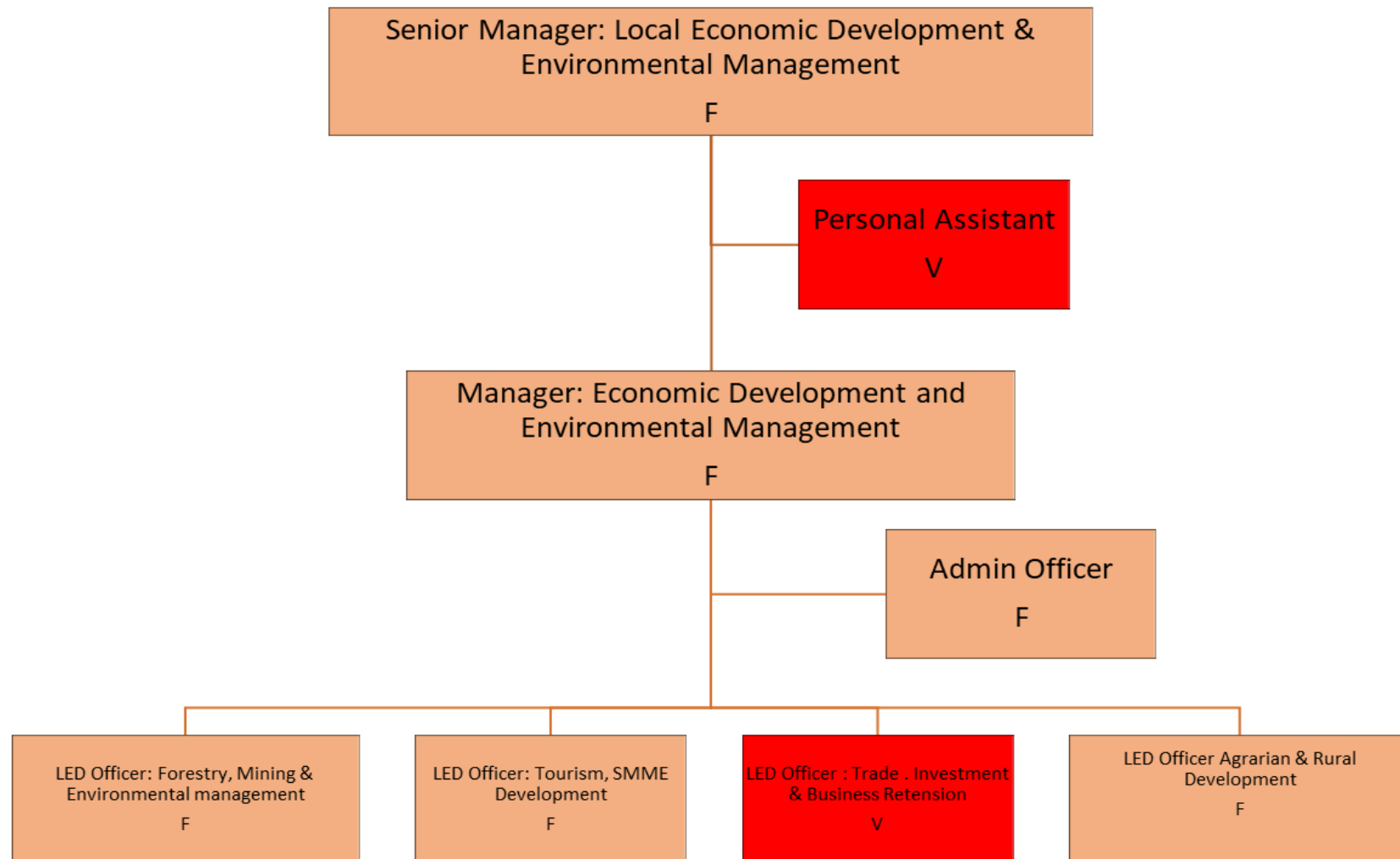


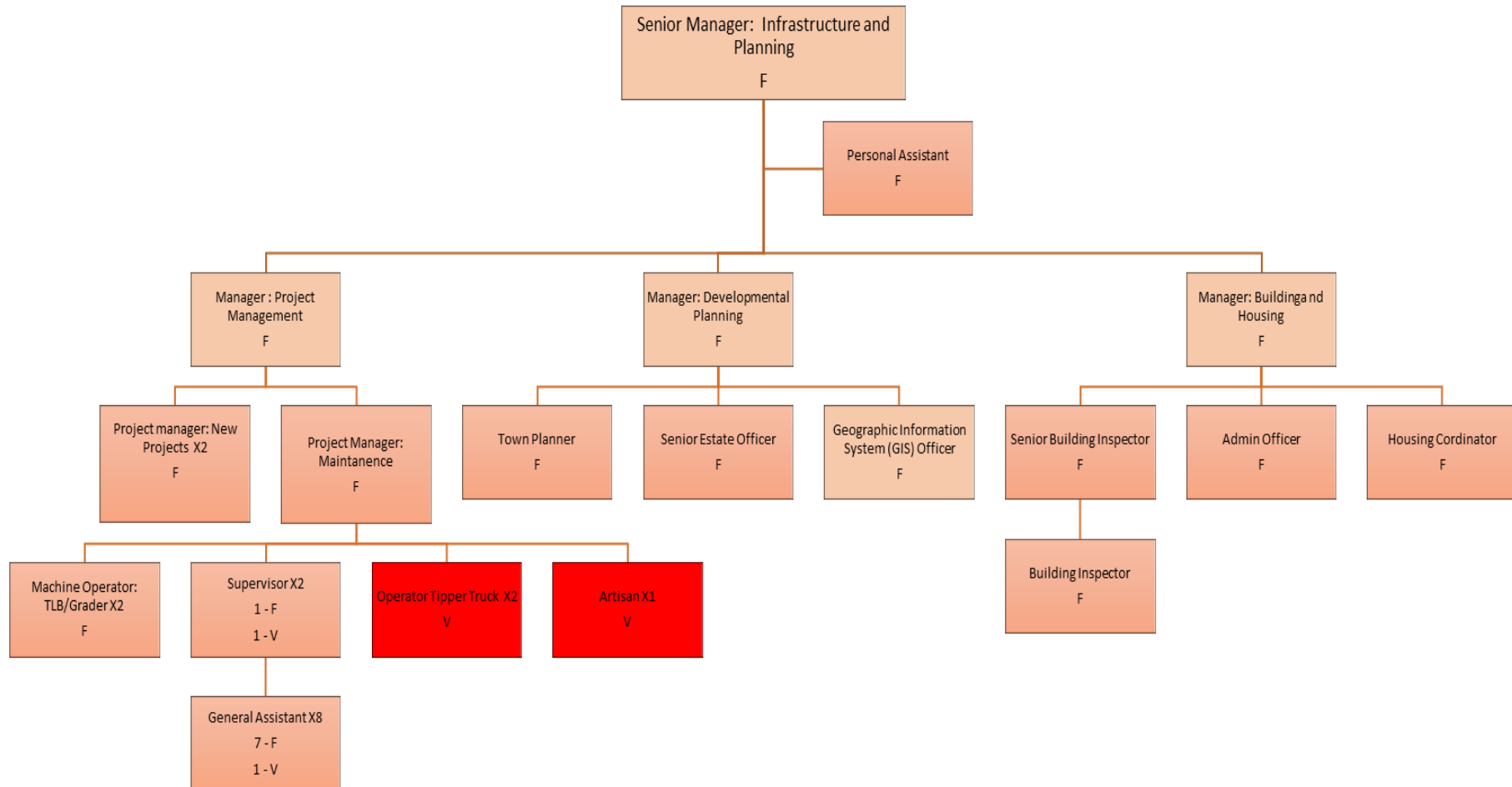


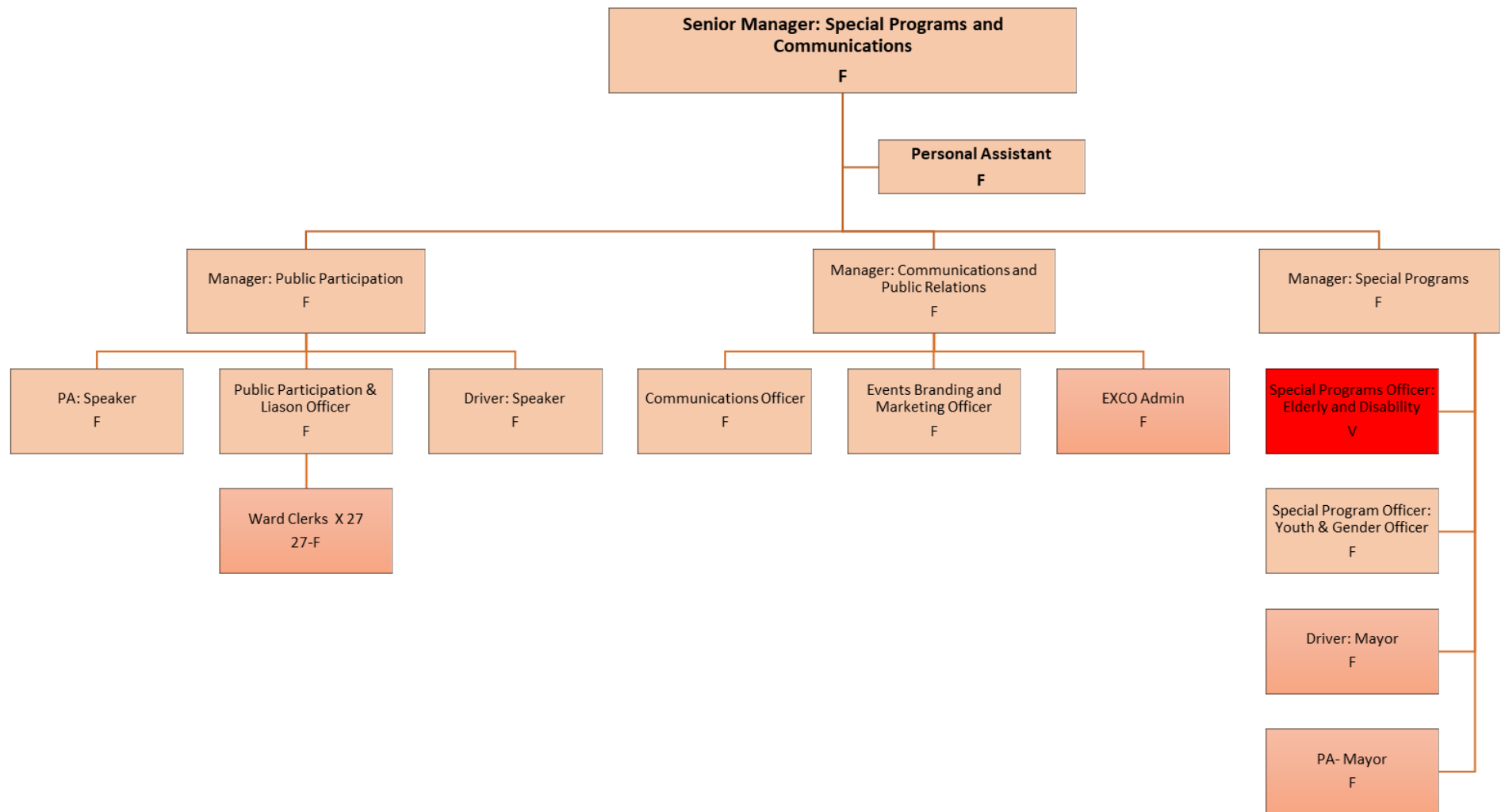












Component C: Capacitating the Workforce

4.4. Skills Development and Training this must also include skills development expenditure

Skills Development Matrix											
Management Level	Gender	Employees in posts as at 30 June 2024	Learnerships		Skills programmes and other short courses		Other forms of training		Totals		
									Target 2023/2024	Actual 2023/2024	
Municipal Manager & S56 & 57 managers	Female	2	0	0	0	0	0	0	0	0	
	Male	4	0	0	0	0	0	0	0	0	
Councillors	Female	27	0	0	27	13	0	3	27	16	
	Male	28	0	0	28	18	0	2	28	20	
Technicians and Associate Professionals	Female	5	0	0	5	6	0	0	5	6	
	Male	18	0	0	18	14	0	0	18	14	
Professionals	Female	39	0	0	20	14	0	0	20	14	
	Male	32	0	0	16	9	0	0	16	9	
Sub totals	Female	73	0	0	52	33	0	3	52	36	

	Male	82	0	0	62	41	0	2	62	43	
Totals		155	0	0	114	74	0	5	114	79	

Financial Development Competencies					
Description	Number of officials employed	Total number	Competency assessment completed	Number of officials with performance agreements complying with regulation 16	Total number of officials meeting prescribed competency levels
Financial Officials					
Accounting Officer	1	1	Yes	1	1
Chief Finance Officer	1	1	Partly Completed	0	0
Heads Of Departments	4	4	Partly Completed	2	2
Assistant Manager Supply Chain	1	1	Yes	1	1
Other Financial Officials	5	5	Partly Completed	3	3
Totals	12	12		7	7

Employees :Corporate services					
Level	2022/2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
0-3	2	2	2	0	0
4-6	5	5	5	0	0
7-9	1	1	1	0	0
10-12	7	7	7	0	0
13-16	2	2	2	0	0
Total	17	17	17	0	0

Skills Development Expenditure								
Management Level	Gender	Employees in posts as at 30 June 2024						
			Skills programmes and other short courses		Other forms of training		Total	
		No of employees	Original Budget	Actual	Original Budget	Actual		
Municipal Manager & S56 & 57 managers	Female	2						
	Male	4						
Councillors & Managers	Female	27						
	Male	28						
Technicians and Associate Professionals	Female	5						
	Male	18						
Professionals	Female	39						
	Male	32						
Sub total	Female	73	R1 339 996,00	R1 140 307,48	0	0	R1 339 996,00	R1 140 307,48
	Male	82						
Total		155	R1 339 996,00	R1 140 307,48	0	0	R1 339 996,00	R1 140 307,48

Capital Expenditure Year 2023/2024: Corporate Services

Capital Projects	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
IT Equipment					
Vehicles					
Furniture & Equipment					
ICT					
Training & Development	R 1 339 996,00	N/A	R 1 140 307,48	N/A	R 1 140 307,48
Protective Clothing					
Vehicle Fuel & Oil					
Advertising Fees	R 480000,00	N/A	R 334023,66	N/A	R 334023,66
Water & Sanitation					
Training: Students	R 666004,00	N/A	R 598738,73	N/A	R 598738,73
Study Assistance	R 810000,00	N/A	R 706999,10	N/A	R 706999,10
EAP	R 334023,66	N/A	R 910750,00	N/A	R 910750,00
Tracker					
Telephone					
Travelling & Accommodation					
Subsistence & Travelling					
Printing & Stationery					
Labour Relation	N/A	N/A	N/A	N/A	N/A
ICT License					
License Fees					
Insurance External					
Conference & Workshops					
Cleaning Material					
R&M Equipment & Vehicles					
R & M Building & Installation					
TOTAL					

Chapter Five: Financial Management

5.1. Statement of Financial Performance

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Sale of goods	484,710	16,280,750	16,765,460	14,031,941	(2,733,519)	N1
Service charges	1,297,920	102,080	1,400,000	1,296,952	(103,048)	
Rental of facilities and equipment	3,203,400	1,493,850	4,697,250	5,139,629	442,379	N2
Interest received (trading)	12,400,000	270,000	12,670,000	10,726,289	(1,943,711)	N3
Agency services	2,900,000	-	2,900,000	3,179,372	279,372	
Licences and permits	1,765,000	-	1,765,000	1,921,051	156,051	
Operational revenue	-	6,387,015	6,387,015	179,148	(6,207,867)	N4
Total revenue from exchange transactions	22,051,030	24,533,695	46,584,725	36,474,382	(10,110,343)	

Revenue from non-exchange transactions

Taxation revenue

Property rates	46,802,736	1,000,000	47,802,736	46,521,963	(1,280,773)	
Licences and Permits (Non-exchange)	-	100,000	100,000	158,059	58,059	N5
Surcharges and Taxes	28,000,000	-	28,000,000	-	(28,000,000)	N6
Interest, Dividends and Rent on Land	-	-	-	2,114,413	2,114,413	N7

Transfer revenue

Government grants & subsidies	493,374,686	58,830,800	552,205,486	361,908,236	(190,297,250)	N8
Fines, Penalties and Forfeits	7,205,600	(3,800,000)	3,405,600	3,642,390	236,790	N9
Donations received	-	-	-	12,647,449	12,647,449	N10

Total revenue from non-exchange transactions	575,383,022	56,130,800	631,513,822	426,992,510	(204,521,312)	
'Total revenue from exchange transactions'	22,051,030	24,533,695	46,584,725	36,474,382	(10,110,343)	
'Total revenue from non-exchange transactions'	575,383,022	56,130,800	631,513,822	426,992,510	(204,521,312)	
Total revenue	597,434,052	80,664,495	678,098,547	463,466,892	(214,631,655)	

Expenditure

Personnel	(90,059,321)	(1,904,084)	(91,963,405)	(91,909,321)	54,084	
Remuneration of councillors	(23,323,036)	(252,709)	(23,575,745)	(23,558,458)	17,287	
Depreciation and amortisation	(80,695,944)	(10,574,665)	(91,270,609)	(77,989,258)	13,281,351	N11
Impairment loss/ Reversal of impairments	-	(60,000,000)	(60,000,000)	(41,985,260)	18,014,740	N12
Finance costs	-	-	-	(1,113,935)	(1,113,935)	N13
Bad debts written off	(2,280,000)	(6,500,000)	(8,780,000)	-	8,780,000	N14
Inventory consumed	(9,015,510)	237,174	(8,778,336)	(6,515,786)	2,262,550	N16
Contracted Services	(133,490,293)	11,514,315	(121,975,978)	(106,876,441)	15,099,537	N16
Transfers and Subsidies	(25,659,549)	5,662,500	(19,997,049)	(18,700,091)	1,296,958	
General Expenses	(88,093,270)	(9,177,446)	(97,270,716)	(74,451,970)	22,818,746	N17

Total expenditure	(452,616,923)	(70,994,915)	(523,611,838)	(443,100,520)	80,511,318

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	597,434,052	80,664,495	678,098,547	463,466,892	(214,631,655)	
	(452,616,923)	(70,994,915)	(523,611,838)	(443,100,520)	80,511,318	
Operating surplus	144,817,129	9,669,580	154,486,709	20,366,372	(134,120,337)	
Loss on disposal of assets and liabilities	-	-	-	(629,052)	(629,052)	N18
Fair value adjustments	-	-	-	712,476	712,476	N23
Actuarial gains/losses	-	-	-	4,190	4,190	N19
VAT unclaimable	-	-	-	(2,347,536)	(2,347,536)	
	-	-	-	(2,259,922)	(2,259,922)	
	144,817,129	9,669,580	154,486,709	20,366,372	(134,120,337)	
	-	-	-	(2,259,922)	(2,259,922)	
Surplus before taxation	144,817,129	9,669,580	154,486,709	18,106,450	(136,380,259)	
Deficit before taxation	144,817,129	9,669,580	154,486,709	18,106,450	(136,380,259)	
Taxation	-	-	-	-	-	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	144,817,129	9,669,580	154,486,709	18,106,450	(136,380,259)	

5.2. Grants

Umzimvubu Local Municipality has received grant funding for the **2023/2024** financial year as indicated in the Division of Revenue Act of 2023. The grant funding for **2023/2024** financial year is as follows

Description	2023/2024 Budget	Adjusted	2024/2025 Budget	2025/2026 Budget
EQUITABLE SHARES	R275,387,000		R289,930,000	R286,840,000
FINANCIAL MANAGEMENT GRANT	R1,720,000		R1,700,000	R1,800,000
MIG	R51,384,000		R54,199,000	R56,772,000
MIG - OPERATIONAL				
ELECTRIFICATION GRANT	R15,850,000		R22,728,000	R20,000,000
MSIG				
DEDEAT GRANT - ALIEN PLANTS				
EPWP GRANT				

- **Equitable Share:** is utilized mainly for funding operations and could also be used for a smaller portion of capital expenditure.
- **Municipal Infrastructure Grant:** is a conditional grant for the funding of municipal infrastructure developments.
- **Municipal Systems Improvement Grant:** is a conditional grant for institutional development, installation of systems and improvement of governance systems
- **Financial Management Grant:** is aimed at building the financial management capacity as well as for the procurement and maintenance of financial systems.

District Municipality Transfers: is funding received from the District Municipality for planning and implementation of functions that we undertake on their behalf and for the compilation of the Integrated Development Plan of the local municipality as well as GIS implementation

Other grant funding the year:-

Description	2023/2024 Adjusted Budget	2024/2025 Budget	2025/2026 Budget
LIBRARY SUBSIDY	R2 500 000	R1 434 000	R1 434 000
LED ASSISTANCE GRANT			
IDP GRANT			
GIS SHARED SERVICES GRANT			
SDF GRANT			

Other grants: these are received at various intervals for LED projects, and Library Subsidy

5.3. Asset Management

The objective of the asset management section of the Municipality is to manage, control and maintain all the municipal assets in line with the governing accounting standards. The asset management unit safeguards municipal assets and ensures the asset register is prepared and kept in accordance with the requirements of GRAP 16 and 17. The Municipality continues to annually increase its repairs and maintenance budget as per asset management guidelines and will continue to implement asset management systems in line with prescribed accounting standards. The municipality performs at least twice a year an asset verification in line with its asset management policy. The municipality continues to improve internal controls and procedures around asset management.

SWOT Analysis

Strengths	Weakness
- Asset Management Policy - GRAP compliant Fixed Asset Register - Competent Staff with available external expertise	- Safeguarding of assets - Management and control of asset movement - Non-appointment of Asset management champions in each department. - Lack of close working relationship between Infrastructure department and BTO. - Asset Management Cycle not fully championed by the Asset Management section.

Opportunities	Threats
- Integration of the Fixed Asset Register to the Munsoft system. - Effective use of the available GIS system in managing Assets. - Improved working relationship between all departments	- Theft - Incomplete Asset register due to weak relations with Infrastructure department. - Ownership disputes on assets without barcodes. - Asset register not complying with GRAP requirements due to the use of Asset Module on the system.

Component B: Spending Against Capital Budget

5.4. Capital Expenditure

The following table shows the capital expenditure incurred by the municipality for the 2023/2024 financial period: -

Description	2023/2024 Adjusted Budget	ACTUAL
ROAD INFRASTRUCTURE	R121 338 000	R86 518 771
ELECTRICITY INFRASTRUCTURE	R15 350 000	R15 350 000
REFUSE SITES	0	0
COMMUNITY HALLS	R13 750 000	R 13 750 000
SECURITY EQUIPMENT		
VEHICLES	R7 721 000	R6 591 000
COMPUTER HARDWARE AND EQUIPMENT	R4 550 000	R 3 764 907
FURNITURE AND OFFICE EQUIPMENT	R2 700 000	R 2 237 523
LAND AND BUILDINGS	R20 459 211	R34 459 211(including donation)
OTHER ASSETS	R17 719	R 17 719

5.5. Sources of Finance

Apart from grant funding, the municipality also has other funding streams. It is important to note that these streams still form a very limited portion of the overall revenue generated and strategies and plans still need to be crafted to turn the situation around.

Description	Original 2023/2024 Budget	YTD ACTUAL
ASSESSMENT RATES: RESIDENTIAL	47 802 736	48 388 233
METER REPLACEMENT		
LEASEHOLD FEES		
HALL HIRE	6 500.00	14 073
INTEREST ON INVESTMENTS	9 900 000	9 482 649
INTEREST ON CREDIT BALANCE	570 000	643 263
TRAFFIC FINES	3 000 000	2 235 949
ADVERTISING INCOME	0	47 152
BUILDING PLANS	440 000	141 693
INTEREST IN ARREARS	2 200 000	
ELECTRICITY CONNECTIONS		
RECONNECTIONS		
FINES – GENERAL		
DEPT TRANSPORT - LICENCING STA	1 600 000	1 786 148
NATIS AGENCY FEES	2 900 000	2 360 443
VENDING & HAWKING	0	13427
COMMISSION RECEIVED		
REFUSE – INCOME	1 400 000	830 754
FUNERAL FEES		14949
BASIC ELECTRICITY		
TENDER FEES	300 000	10 280
LAND SALES		
ZONING FEES	10 000	15 022
POUND FEES	405 600	1 533 240
RECREATIONAL FACILITIES	100 000	166 660

5.6. Capital Expenditure on 5 Largest Projects

Kwabhaca shooting range is one of the biggest projects that the Municipality is undertaking. The project after its completion will generate more revenue to the Municipality. The other project include the construction of Thembisa Access Road with an MIG Budget of R6 955 038.31; Construction of EmaXesibeni Ext 6 Service with an MIG Budget of R 7 306 160.79; Construction of Ndzongiseni Access Road and bridge with an MIG Budget of R4 296 000,00; Construction of Masamuncu bridge to the tune of R5 020 000,00 and Surfacing of Kwa Bhaca Internal Streets Phase 8 (Multi -year project) to the tune of R6 500 000.00.

5 largest infrastructure projects during 2023/2024 financial year

Capital Expenditure Year 2023/2024: (Other PMU projects)						
Capital Projects	2023/2024					
	STATUS	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Thembisa Access Road	Project complete	R6 955 038.31		R6 577 492.09		R6 577 492.09
Construction of EmaXesibeni Ext 6 Service	Project complete	R 7 306 160.79		R 7 306 160.79		R 7 306 160.79
Ndzongiseni bridge	Project complete	R4 296 000,00		R 3 439 001.08		R 3 439 001.08
Masamuncu bridge	Project complete	R5 020 000,00		R 4 386 401.14		R 4 386 401.14
Surfacing of Kwa Bhaca Internal Streets Phase 8	Project under construction – Multi -year project	R6 500 000.00		R6 309 346.38		R6 309 346.38

5.7. Basic Service and Infrastructure Backlogs

Municipalities are mandated to deliver basic services to communities in a sustainable and efficient manner. Backlog in terms of Electrification has been reduced drastically. Backlog in terms of construction of sport fields is still high. Most of our roads have been damaged by heavy rains and the backlog has increased tremendously.

Infrastructure Services Categories	Municipal Baseline (Total HH)	Access To Date	Access To Date (%)	Backlog To Date	Backlog To Date (%)	Universal Access Target (Comments)
Electricity	48 800	45 940	94%	2860	6%	Universal access to be reached in 2025/26 FY

Infrastructure Services Categories	Municipal Baseline (Total HH)	Access To Date	Access To Date (%)	Backlog To Date	Backlog To Date (%)	Universal Access Target (Comments)
Roads	680 km's	434 km's	64%	246	36%	
Refuse Removal	48 800	836	47 964			Refuse collection services only done in both towns. Municipality is planning to expand its services to the rural areas.
Community Halls	54	38	70%	16	30%	Municipality is doing about 4 community halls per FY through MIG funding.
Sports Facilities	54	11	20%	43	80%	

Component C: Cash Flow Management and Investment

5.8 Cash flow

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow management is one of the highest priorities within the Umzimvubu Municipality as it creates the platform for sustainable service delivery.

Managing the cash resources of ULM remains a key requirement to ensure the liquidity of the Municipality in order to meet its financial obligations, both currently and into a sustainable future.

Cash flow is actively monitored by ULM, with daily cash flows being prepared and reported on in order to provide a clear indication of the current cash position. This enables the Municipality to meet its obligations as they become due. Both major revenue (grants, equitable share and high revenue inflow periods, etc.) and expenditure (operational and materials and supplies, etc.) categories have been identified and accounted for appropriately to ensure that payments are made on time and that surplus funds are invested in order to earn a favourable return on investment.

ULM's cash generating ability remains stable. While own funds invested have increased, there is an increase in both current and long-term debtors. The effects of the global economic crisis are also a cause of real concern to the Municipality. Operations have settled and tight cash controls have ensured that cash

optimization in spending occurs, rather than a focus on cash generation. The area of revenue collection requires close attention so that it can be improved. This is critical to the financial sustainability of the Municipality.

ULM makes payments to creditors within the terms specified by suppliers, ensuring that investments remain in place in order to maximize the interest-earning potential of any surplus funds. Investment diversification is not currently in practice at ULM, However, in an attempt to minimize risk and maximize interest earning potential the diversification will be implemented in the future.

Operating activities have not changed significantly over the past financial year.

To measure the funding of the financial position the Municipality has included in its liquidity policy a method to determine the uncommitted funds. All principles regarding GRAP needs to be implemented, to be able to measure and monitor if the liability reporting lines mentioned below can be funded with cash or near cash.

The liability reporting items are:

- Capital Replacement Reserve
- Employee benefits (current and non-current)
- Provisions (current and non-current)
- Consumer and other deposits (current and non-current)
- Payables from exchange transactions
- Unspent conditional grants and subsidies

5.9. Borrowing and Investment

The municipality doesn't have any borrowings.

The Municipality does not rely on borrowed funds to fund its capital budget. The main funding source is the Capital Replacement Reserve, to which an annual contribution is made from operating funds.

The Municipality has current investments and call deposits on hand and reviews these investments on a regular basis.

The total value of investments amounts to R75 799 934 which is made up of our own as well as grants investments.

Component D: Other Financial Matters

5.10. GRAP Compliance

The municipality has been fully compliant with the GRAP reporting requirements and reporting. The Financial Statements for 2023/2024 were compiled in line with the GRAP requirements.

Chapter Six: Auditor General's Audit Findings

Component A: Auditor's Opinion on the Finance Statement for Prior Year.

6.1. Prior Year Comments.

The ULM has improved and obtained an unqualified audit opinion with no matters of emphasis for the 2023-2024 financial year. There are repeat findings identified in some of the expenditure classification and some submitted schedules do not agree with the submitted financial statements has resulted to material restatements which were all subsequently adjusted.

There is a need for the oversight leadership to drive the culture of daily implementation of financial disciplines so that the municipality improved its audit outcomes.

6.2. Current Year

REVENUE COLLECTION BY SOURCE

See attached AFS

C. Third Tier Management Structure

OFFICE OF THE MUNICIPAL MANAGER

- Manager –Mrs Celiwe Nenemba
- Manager Integrated Development Planning & Performance Management Systems - Mr Zandisile Tyebisa
- Manager Internal Auditor – Ms Thabisile Novukela

BUDGET AND TREASUREY

- Deputy Chief Financial Officer – Mr Mbusi Siphosethu
- Manager Revenue and Debt Collection – Mr Lusapho Matshoba
- Manager Supply Chain Management – Mr Themba Mbukushe
- Manager Asset Management – Mr Siphosethu Jojo
- Manager Budget and Report – Mr Luthando Luzipho
- Manager Expenditure - Ms Nwabisa Majova

CITIZENS AND COMMUNITY SERVICES

- Manager Citizens and Community Services – Mr Nyembezi Fani
- Manager Community Safety- Mr Bongile Ntlamba

CORPORATE SERVICES

- Manager Sound Governance – Mr Mandisi Ngxekana
- Manager Information Communication Technology- Mr Thozamile Funani
- Manager Human Resources- Ms Nosisa Ndongeni

LOCAL ECONOMIC AND DEVELOPMENTAL MANAGEMENT

- Manager Local Economic Development – Mr Azola Makhanda

SPECIAL PROGRAMMES AND UNIT

- Manager Public Participation- Ms Mbono Zimasa
- Manager Communications and Public Relations – Mr Khanya Kalashe
- Manager Special Programmes – Mr Ngejane Mazolisa

INFRASTRUCTURE AND PLANNING

- Manager Project Manager – Mr Luvo Masinyane
 - Mr Lunga Maqalekana
 - Mr Yamkela Gxumisa
 - Ms Zilungile Qwane
- Manager Developmental Planning – Ms Siphosethu Jijana

D. Municipal Powers and Functions

Umzimvubu Local Municipality is a Category B Municipality as defined under Section 3 of the Local Government: Structures Act No. 117 of 1998. The municipality is authorized to perform the following functions: **(P) indicating function performed**

- Air pollution
- Building regulations P
- Child care facilities
- Local tourism P
- Municipal airports
- Municipal planning P

- Municipal public transport
- Storm water P
- Trading regulations
- Billboards and the display of advertisements in public places P
- Cemeteries, funeral parlours and crematoria P
- Cleansing P
- Control of public nuisance P
- Control of undertakings that sell liquor to the public P
- Facilities for the accommodation, care and burial of animals P
- Fencing and fences P
- Licensing of dogs
- Licensing and control of undertakings that sell food to the public P
- Local amenities P
- Local sports facilities P
- Markets P
- Municipal abattoirs
- Municipal parks and recreation P
- Municipal roads P
- Noise pollution P
- Pounds P
- Public places P
- Refuse removal refuse dumps and solid waste management P
- Street lighting P
- Street trading P
- Traffic and parking P

E. Ward Reporting

Umzimvubu Municipality has adopted a culture of public participation as it is required in terms of section 16(1) of the Municipal Systems Act. Section 16 (1) of the Municipal Systems Act requires municipalities to develop a culture of municipal governance that compliments formal representative government with a system of participatory local government. As such the Umzimvubu Municipality has adopted the Ward committee's system in each of the 28 Wards.

Each Ward committee is chaired by the Ward Councillor. Ward committees are established for purposes of enhancing participatory democracy in local government and to make recommendations on any matter affecting their wards through the Ward Councillor. The Municipality has made administrative arrangements to enable ward committees to perform their functions and exercise their powers effectively and is continuously looking at provision of capacity building and development opportunities for committee members as a means of enhancing their understanding of developmental local government. The ward committees are the channel through which ward planning and information is channelled to the municipality for planning and implementation.

The municipality has also adopted the Integrated Service Delivery model and all war rooms in all 28 wards established and will begin to be functional during the financial year 2017-2018. Ward war rooms are chaired by the Ward Councillor and the secretary is the CDW, however there is about 8 vacancies currently in CDW positions.

The Municipality also liaises and makes use of the following Community Structures:

- Traditional Leaders
- Community Development Workers
- Project steering committees
- Home based care givers
- Village committees
- Volunteers
- Civic organizations
- Non-governmental organizations
- Public pressure groups
- Customers

The municipality uses all forms of media to mobilize stakeholders. Electronic media include social platforms of communication such as Facebook, radio slots and programmes, electronic billboard within the municipality, print media on local newspapers, posters, flyers, newsletters etc.

F. Audit Corrective Action Plan

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
1	Differences between AFS, GL and Listings	MFMA 122 Section 15(2)(b) of the Public Audit Act 25 of 2004 (PAA)	The annual financial statements (AFS) were submitted without a working paper file containing underlying schedules for items of the financial statements. The following underlying schedules were not submitted together with the AFS: • Fruitless and wasteful register • Unauthorised expenditure register Furthermore, the AFS were submitted without a trial	Management should ensure that a thorough review of the working paper file accompanying the AFS is performed. The review will ensure that omission of any underlying schedules supporting information presented in the financial statements and the annual performance report is detected and corrected in a timely manner prior submission of AFS to the	-	Resolved	Accountant B&R Managers DCFO CFO	28-Feb-25	1. Audit file completed and be on soft copy 2. Each department to be allocated its AFS Item and ensure all documents supporting figures and disclosures are accurate and complete 3. Proper reviewal by DCFO and CFO	Not yet implemented

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			balance that agrees to the annual financial statements. The variances identified are detailed in Annexure A of the communication of the audit finding.	Auditor General.						
2	Differences between APR and listings	MFMA 122	Differences were noted between the indicators listing and the Annual Performance Report	Management should ensure that a thorough review of the listing accompanying annual performance report is performed. The review will ensure that omission of any underlying	-	Resolved with APR adjustments	Manager: IDP & PMS	Quarterly	Regular reconciliation of Performance Reports and Evidence Files	In Progress

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
				listing supporting information presented in the financial statements and the annual performance report is detected and corrected in a timely manner prior submission of AFS to the Auditor General.						
3	Presentation and disclosure	MFMA 122	During testing of presentation and disclosure of the indicators in the Annual Performance report (APR). The reasons for not achieving and preventative measures for the indicators in the table below	Management should ensure that from targets that are not achieved are sufficiently explained and reasons as to why achievements were not met are sufficiently explained in the APR in a manner	-	Resolved with APR adjustments	Manager: IDP & PMS	Quarterly	Explicit disclosure of Reasons for Variance for all projects reported as not achieved	In Progress

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			were not sufficiently presented	that user of the APR would be able to understand the reasons.						
4	Suppliers with Interest in state	SCM Regulation 13(c)	Per the computer assisted audit techniques applied to the municipalities financial and employee data, suppliers which have an interest in the state have been identified. A follow up through CIPC search was made by AGSA and it was confirmed that the person identified by CAATs as having interest in the state, were directors of the service provider	Management should perform adequate procedures to ensure compliance of the service providers with the SCM laws and regulations. This includes amongst others proper screening of the service providers at the time of awarding of contracts to confirm whether they are in service of the state or not.	-	Resolved	SCM Manager	Continou s	1. To print CAATs verification and attach 2. Print and attach CSD report	1. All CAATs verification reports are performed and results printed and saved together with the contract. 2. CSD reports are printed and attached with the recommended bidders's documents.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			during the awarding of the tender. Upon inspection of the declaration of interest signed and provided by the suppliers, it is noted that the supplier did not declare the interest. Details of the identified suppliers with directors that are employed by the state are as follows:							

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
5	Indigent beneficiaries indicator	MFMA 122	During testing of Expenditure-indigent relief, we have noted that there is payment voucher EF019354-0007 for supply and distribution of 20L paraffin to 500 household of ULM for an amount of R400 000. In the Annual Performance report, the number of indigent beneficiaries for paraffin were reported as not achieved by 30 June 2024.	Management should ensure that they properly review the APR before submitting to AGSA and ensure that it reports all achievements that were achieved in the current financial year.	-	Resolved with APR adjustments	Manager Revenue DCFO	Monthly	1. Reconcile with IDP office before any submission 2. Improvement in document management. 3. Provision of a proper storage for Indigent files and other information 4. Municipality to consider extra space(containers/new building) 5. Request Registry if the scanning of documents for record keeping is possible 6. Request for the conversion one of the kitchens to be a storage	1. An alternative space for records keeping has been identified and files will be moved into that storage.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
6	Land held for disposal	GRAP 12	The amount of some land plots categorized as inventories - land held for disposal per the Land disposal register does not agree to the amounts per the Municipality's 2018 - 2023 General Valuation Roll. Refer to annexure A attached hereto for a detailed listing of the identified differences.	Management should ensure to perform reviews and reconciliations by agreeing the information (details and amounts) to the source document (General Valuation Roll) prior to including it in the General Ledger and thus the Financial Statements. This will ensure that the information is allocated and valued accurately.	354 374,78	Resolved with AFS adjustment	SCM Manager Asset Manager Revenue Manager	30-Jun-25	1. Reconcile Land listing with GVR/SVR and adjust. 2. Include the Land awaiting sale in the monthly inventory report. 3. Wait for the Council to amend the old Resolution on kwaBhaca land disposal. 4. Request Planning for the splitting of the kwaBhaca land and submit for Supplementary VR.	1. A reconciliation between new Gen Valuation Roll and the inventory listing has been done and adjustments will be made where applicable.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
7	Presentation and disclosure	GRAP 23	Per the testing of the Presentation and disclosure of Receivables from non-exchange transactions disclosed in Note 6 of the Financial Statements, it was noted that an additional summary of the receivables from non-exchange transaction was erroneously shown on page 50 of the financial statements. The summary is a duplication of the disclosure on Page 49; further, incorrect figures were disclosed for the current	Management should implement sufficient review processes over the preparation of the financial statements to ensure that all errors are identified and corrected.	42 517,00	Resolved with AFS adjustment	Manager Revenue DCFO CFO	28-Feb-25	1. Proper reviewal of AFS 2. Continous training of GRAP standards on disclosures	1. GRAP refresher training has been requested from the training institution and will be executed when the dates have been confirmed.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			and prior year property rates balance.							

8	Traffic fines misstatement	GRAP 23	Per the testing of the Receivables from non-exchange transactions relating to traffic fines, differences were noted between the accounting records of the municipality and supporting documents (traffic fines issued for the offences).	Management should perform detailed and regular review procedures to ensure that the accounting records agree with the relevant supporting documents.	8 243 953,00	Resolved with AFS adjustment	Manager Revenue Manager Community Safety Manager ICT	Continous	1. ICT to design the capturing to limit all tickets to R2500 unless authorised by the supervisor. 2. Upon reviewal of tickets extract from the system, no amount should include R2500 unless it's a fine for overload, which is calculated per head. 3. Only the offence code must be typed, the fine amount should be grayed out. 4. Traffic fine issued report to be reconciled monthly and ensure that all, except overload fines, are not exceeding R2500. 5. Some of the key responsibilities are delegated to the Manager for risk elimination.	1. Communication has been made with Truvelo, the system used for tickets to ensure that only the code is type that will generate the offence and the amount of the fine. 2. A reconciliation process has been approved where each day a ticket vs what is captured in the system is performed. 3. Some of the key responsibilities are delegated to the Manager

											for risk elimination.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
8	Refuse removal misstatement	GRAP 9	Per the testing of the Receivables from exchange transactions relating to refuse customers, it was noted that a correcting adjustment to the customer's account was duplicated resulting in the overstatement of the balance.	Management should perform detailed and regular review procedures to ensure that the accounting records agree with the relevant supporting documents.	4 529 747,00	Resolved with AFS adjustment	Revenue Manager	Continous	1. Reviewal of accounts to identify any suspicious transaction and correct as and when. 2. Ensure that whenever there is a method / council resolution to be executed, the accounting entries are well investigated and understood before the execution.	1. Opening balances are monitored to ensure that they agree with Audited AFS. 2. Investigation of possible incorrect write offs that were not identified during Audit is performed.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
9	Advert period < regulated minimum days (30)	SCM regulation par 22(1) (b) (i)	During the audit of competitive bids, we identified the bids and the contracts awarded as detailed on the table below that they all have a contractual period of more than 12 months.	Management should ensure that they comply with SCM regulation par 22(1) (b) (i) when advertising for competitive bids (including the establishment of panels) and monitor compliance with the relevant regulations. Management should further determine the full extent of irregular expenditure and disclose as such.	5 500 000,00	Resolved with AFS adjustment	BSC Chairperson Demand Management Officer SCM Manager DCFO CFO MM	Continou s	1. Properly analyse all tenders to be advertised for budget and duration to ensure compliance. 2. For any Memo as per par 22(2), detailed reasons must be documented. 3. Continuously report irregular expenditure on Panel of Attorneys. 4. Opening balance and Legal cost up to Jan 2025 to be on IFS and tabled to council for process of condonement.	1. All contracts with estimated value of 10million and above and contracts to be executed for more than 12 months are advertised for 30 days or more.

9	Competitive bids - Award to close family members of person in the service of the state	SCM regulation section 45	SMS mobile (with trading name MTN Store) has been sampled for auditing under competitive bids. During the audit of the procurement process followed to award services for Cellphones and tools of trade contract for period of three years, we inspected the bid documents of the winning supplier which includes the MBD 4 (on page 30 of the bid document) of SMS Mobile. We, therefore, identified that Sydwell Maqula as the director of SMS Mobile has specifically declared on 2.13 of the MBD 4 to have a spouse in	Management should monitor and review the compliance with all applicable laws and regulations in the preparation of the annual financial statements of the municipality.	Rates	Resolved with AFS adjustment	SCM manager DCFO CFO	Continou s	1. Review all MBD 4 documents to ensure completeness of the disclosure 2. Related Party Report to be included as monthly report. 3. On Tender Evaluation stage, SCM CAATS verification to be conducted for spousal confirmation on all recommended bidders.	1. All CAATs verification reports are performed and results printed and saved together with the contract. 2. Monthly regulation 45 reports are included as part of MANCO reports.

			provided a contract and is the spouse of the person in the service of the state; • The capacity in which they are in the service of the state; and • The amount of the award.							

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
10	Construction contracts not recorded accurately -	GRAP 11	During the audit of revenue from exchange transactions - Construction Contracts, it was noted that the following revenue is recorded inclusive of VAT.	Management disagrees with audit finding as all transactions for construction contract revenue and expenditure were recognised exclusive of VAT, we have provided the construction contract revenue listing as proof and it agrees with the amount disclose in the face of financial statement.	1 797 733,00	Resolved with no AFS adjustments	B&R Accountant and Manager	Continou s	1. Apply newly developed Circular 16 on VAT of Construction Contract and amend Segment settings	1. Upon recognition of Revenue, output VAT is declared to SARS. 2. A segment where INEP grant is receipted has been amended to take account VAT on receipt and declare to SARS on receipts as per Circular 16. 3. An income received in advance segment will be used to classify the advance receipt from INEP

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
										4. A new segment for deffered income will be included in the next MSCOA tree as it does not reflect currently.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
11	PY misstatements not corrected by management in the current year.	GRAP 1	The following misstatements were identified in the prior year. Management has not made corrections to correct the identified misstatements therefore the prior year misstatements remain as follows:	Management should regularly review the AG findings that were not resolved during the audit process and consider correcting the populations and making the necessary restatements to comparative figures	-	Resolved with AFS adjustment	B&R Accountant BTO Management	28-Feb-25	1. Attend the schedule of overs/unders during IFS preparation. 2. Reviewal of implementation and submission to IA. 3. During Audit, all findings to be adjusted for including immaterial.	1. A schedule of unders and overs is communicated with AG for accuracy in AFS adjustments.
12	Retention is not on the retention schedule but the project listed on WIP	GRAP 19	During the testing of completeness of retentions, noted that there was no retention raised in the retention schedule of one of the projects listed on the WIP register as at year end	Management should ensure to perform reviews and reconciliations by agreeing the information per the WIP Register (details and amounts) to the Retention schedule or the Accrual Listing for completeness	1 078 771,50	Resolved with AFS adjustment	Manager Assets Project Managers I&P	Continous	1. Monthly Reconcile WIP with Retention Register for Retention completeness. 2. Continously request I&P Dept to develop Retention Policy. 3. Include Retention Report and Recon for s71 Reports.	1. Reconciliation between WIP and Retention schedule is performed to ensure that all WIP projects with Retention are included in the retention schedule.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
				prior to including it in the General Ledger and thus the Financial Statements. This will ensure that the information is allocated and valued accurately and is complete.						
13	Presentation and disclosure - Operating lease arrangements figures do not agree to leases	GRAP 13	Per the testing of the Presentation and disclosure of Operating lease receivables disclosed in Note 4 of the Financial Statements, it was noted that there was a difference in the Operating Lease Arrangements disclosed by management	Management should implement sufficient review processes over the preparation of the financial statements to ensure that all errors are identified and corrected.	275 350,00	Resolved with AFS adjustment	Manager Revenue DCFO CFO	28-Feb-25	1. Proper reviewal of AFS 2. Continous training of GRAP standards on disclosures.	1. GRAP refresher training has been requested from the training institution and will be executed when the dates have been confirmed.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			and the auditor's recalculations.							
14	Non-submission of SCM contract management	MFMA 126	1. The following information was requested from RFI 57 SCM: Contract management which was due on the 18 October 2024 and was not submitted by the municipality: 2. The following information for the following suppliers was requested from RFI 90 SCM: Contract management which was due on the 05 November 2024 and was not submitted by the municipality	Management should submit information as requested by AGSA in a timely manner to avoid delays in the audit process.	-	Resolved with internal control deficiency	Project Managers	Continous	1. Monthly submission of s116 reports to SCM Manager and manager MMs office be compulsory. 2. Non payment of invoices for projects with outstanding reports. 3. Report to MM for non complying Project managers for possible consequence management.	1. All s116 report for the 1st half of the year have been requested from project managers and they will be saved and be ready for Audit. 2. S116 reports status reported in MANCO meetings.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
15	Percentage of retention held is incorrect	GRAP 19	During the testing of accuracy, valuation and allocation of retentions, noted that the retention amount per the payment certificate does not correspond to the retention percentage that is supposed to be applied on the value of work done.	Management should ensure to perform reviews, recalculations and reconciliations by agreeing that the amount retained is in accordance with the percentage to be retained per the payment certificate.	863 677,29	AFS adjustment and remaining R63 244.10 goes to overs/unders	Manager Assets Project Managers I&P	Continou s	1. Monthly Reconcile WIP with Retention Register for Retension completeness. 2. Continously request I&P Dept to develop Retention Policy. 3. Include Retention Report and Recon for s71 Reports. 4. Ensure that the next payment on the project settle the raised Debt.	1. All s116 report for the 1st half of the year have been requested from project managers and they will be saved and be ready for Audit. 2. S116 reports status reported in MANCO meetings.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
16	Incorrect debt written off from receivables from exchange and non-exchange transaction	GRAP 9 and 23	Issue 01: During the testing of the Debt waived off expenses, the amount to be written off was recalculated, there are differences noted between the recalculated amount of write off and what management actually written off as per the table below. Issue 02: During the testing of debt waived off expense, it was noted that the debtor in the table below acknowledged less debt than what they owed the municipality at the date of	It is recommended that special due care should be taken in the implementation of the incentive scheme by ensuring that there are sufficient review/ monitoring processes to ensure that the correct debt balances are waived off for customers that have met the conditions	4 248 070,00	Resolved with AFS adjustment	Mnager Revenue DCFO CFO	30-Mar-25	1. Confirm opening balance against Audited figure on debtors. 2. Review all debtor accounts for any write off that is recorded during 2024/25 as the scheme ended 30 June 2024. 3. Engage with rate payers on the final debt due / written off after all the reconciliations are completed.	1. Opening balances are monitored to ensure that they agree with Audited AFS. 2. Investigation of possible incorrect write offs that were not identified during Audit is performed.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			acknowledgement resulting in the debtor not paying 10% of debt as required by the section 5.2 of the Credit Control and Debt Collection Policy 2023-2024, therefore, the debtor did not qualify for a debt write off and the total of R1 481 079 written off should not have been written off.							
17	Inconsistency in disclosure	MFMA 125	During the testing of Note 55 the narration "This committed expenditure relates to property and will be financed	This control weakness indicates a need for improved internal checks to ensure that all financial statements and	-	Resolved with AFS adjustment	Manager Assets DCFO CFO	28-Feb-25	1. Proper reviewal of AFS 2. Continous training of GRAP standards on disclosures. 3. Before the start of the AFS	1. GRAP refresher training has been requested from the training institution

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			by available bank facilities, retained surpluses, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.” has been disclosed, based on the understanding of the municipality, the municipality does not generate income using rights issue of shares, issue of debentures or mortgage facilities, therefore, the narration is inaccurate.	disclosures are thoroughly reviewed and verified for accuracy.					preparation, ensure that the caseware file is up to date.	and will be executed when the dates have been confirmed. 2. Caseware file has been re constructed and up to date.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
18	Presentation - Differences noted in the opening balances of current and prior year	GRAP 1	During the review of the statement of changes in net assets, the following difference was noted, as a result we could not reconcile to the balance of the total net assets to the face of the Financial Statements:	Management should ensure to perform reviews and reconciliations by agreeing the opening balance amounts on the face of the financial statements to the prior year restated amounts and relative disclosed note to ensure accuracy and consistency in presentation.	-	Resolved with AFS adjustment	DCFO CFO	28-Feb-25	1. Proper reviewal of AFS 2. Continous training of GRAP standards on disclosures. 3. Before the start of the AFS preparation, ensure that the caseware file is up to date.	1. GRAP refresher training has been requested from the training institution and will be executed when the dates have been confirmed. 2. Caseware file has been re constructed and up to date.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
19	Difference were noted in the statement of cashflows	GRAP 2	During the review of the statement of cash flows, the following difference was noted in the Net operating activities, as a result we could not reconcile to the balance of the total cash flows to the face of the Financial Statements.	Management should ensure to perform reviews of balance amounts on the face of the financial statements amounts and relative disclosed note to ensure accuracy.	-	Resolved with AFS adjustment	DCFO CFO	28-Feb-25	1. Proper reviewal of AFS 2. Continous training of GRAP standards on disclosures. 3. Before the start of the AFS preparation, ensure that the caseware file is up to date.	1. GRAP refresher training has been requested from the training institution and will be executed when the dates have been confirmed. 2. Caseware file has been re constructed and up to date.

20	1. Incorrect discount rate applied 2. Years remaining on landfill sites incorrect on AFS 3. Escalation rate of 6% instead of 4.9% per report	GRAP 19	Issue 01: During the testing of presentation of note 21 relating to narrations the following issues and inconsistencies were noted in relation to the narration that reads "Due to uncertainties about the amount or timing of these costs, the provision has been made for this cost based on the construction budget to rehabilitate the landfill site at 30th of June 2024 at a rate of 10.5% (2023: 12.62%) taking into account price escalation 'of 6% (2023: 7.39%) relating to inflation. The estimated years for the	This control weakness indicates a need for improved internal checks to ensure that all financial statements and disclosures are thoroughly reviewed and verified for accuracy.	-	Resolved with AFS adjustment	DCFO CFO	28-Feb-25	1. Proper reviewal of AFS 2. Continous training of GRAP standards on disclosures. 3. Before the start of the AFS preparation, ensure that the caseware file is up to date.	1. GRAP refresher training has been requested from the training institution and will be executed when the dates have been confirmed. 2. Caseware file has been re constructed and up to date.

			Actuarial Assumptions used the following issues and inconsistencies were noted • The estimated year for the rehabilitation Mount Ayliff per the presentation is 10 years however per the experts report it is 9 years. • The discount rate of 10.5% disclosed in the note is inconsistent with government bonds rate of 11.5%.							

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
21	A duplicate amount was raised for the VAT Input Accrual. This was due to the 202406 VAT period submission being incorrectly submitted with invoices not paid and VAT on those invoices was claimed.	SAICA and NT Circular on VAT	During the testing of VAT (both the input accrual and receivable account), it was noted that an amount of R2 225 262 was erroneously double debited to the VAT Input Accrual (credited out of VAT Receivable). This R2 225 262 VAT amount relates to payments which were erroneously declared as paid in the 202406 VAT period (and thus input VAT claimed) but which were actually not paid as at year end. Consequently,	Management should ensure to perform reviews and reconciliations by agreeing the information (details and amounts) to the source document (invoices) prior to making declarations to SARS. This will ensure that the information is allocated and valued accurately.	2 225 262,02	Remains a disagreement	Expenditure Unit B&R Unit DCFO CFO	28-Feb-25	1. Attend the schedule of overs/unders during IFS preparation. 2. Reviewal of implementation and submission to IA. 3. During Audit, all findings to be adjusted for including immaterial.	1. A schedule of unders and overs is communicated with AG for accuracy in AFS adjustments.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			these unpaid invoices remain in the supplier age analysis which has a total VAT to be claimed (Input accrual) of R3 259 913. This amount (R3 259 913) has already been correctly raised as a VAT input accrual, and the unpaid invoices (with a VAT amount of R2 225 262) erroneously declared to SARS are already included in the R3 259 913. Therefore, debiting the VAT Input Accrual again with the R2 225 262.06 amounts to double counting.							

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
22	Inconsistency in description of a case per the AFS when compared to external communication from lawyers.	GRAP 19	During the testing of contingent liabilities, we noted that the description of as per the annual financial statement note 57 is different from litigations and claims received from the lawyers. Kindly refer to the attached annexure A for more details.	Management should ensure to perform reviews of the annual financial statements and ensure that all cases disclosed under note 57 contingent liabilities are cases that are on going and reflect current status as at 30 June 2024 year end.	-	Resolved with AFS adjustment	Manager MM Office DCFO CFO	28-Feb-25	1. Proper reviewal of AFS against supporting documents 2. Continous training of GRAP standards on disclosures. 3. Litigations register should be part of MANCO monthly report to ensure accuracy and continous update on pending cases.	1. GRAP refresher training has been requested from the training institution and will be executed when the dates have been confirmed.

23	Most of the debtors with credit balances had duplicate write off amounts such that on recalculation , we determined that their balances should not have been in credit and should still be debtors (with debit balance).	GRAP 19	During the testing of debtors with credit balances, the following findings were discovered; • Existence: We picked up that out of a sample of 10 debtors with credit balances, 6 of them got duplicated write offs of the balance they were owing. Instead of the write-off taking the balance to nil, the duplicate made the balance to end up on a negative. The value of this total misstatement on the sample (before projection) due to the duplication amounted to R1	Management should ensure to perform reviews and reconciliations by agreeing the information (details and amounts) to the source document (invoices) prior to raising it in the general ledger and thus the annual financial statements. This will ensure that debtors with credit balances exist and have been accurately valued and allocated.	2 676 574,55	Resolved with AFS adjustment	Mnager Revenue DCFO CFO	30-Mar-25	1. Confirm opening balance against Audited figure on debtors. 2. Review all debtor accounts for any write off that is recorded during 2024/25 as the scheme ended 30 June 2024. 3. Engage with rate payers on the final debt due / written off after all the reconcilliations are completed.	1. Opening balances are monitored to ensure that they agree with Audited AFS. 2. Investigation of possible incorrect write offs that were not identified during Audit is performed.

			348 454.61. • Furthermore on existence, out of the sample of 10 debtors with a credit balance, 3 of the debtors received a write-off of their debt (90%) but they did not qualify for a write off as the amount paid by them was less than the required 10% of the outstanding balance prior to the write off. The value of the total misstatement in this regard amounted to R542 294.05. • Accuracy, Valuation & Allocation (AVA): 1 out of the 10 sample of debtors with credit balance							

			correctly qualified for a write-off as they had paid the required 10% condition. However, on recalculation of the write-off, the debtor received a write off amount that is more than the amount they were supposed to receive. The misstatement in this sample is R83 289.87 (excess write off).							

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
24	Non-compliance with s116 of MFMA.	MFMA sec 116(1) and (3)(a) ULM SCM Policy	The reasons for the proposed amendment were not tabled in the council of the municipality for the following contracts • Mpemba bridge with 6km done by Bhodlanyama Trading enterprise • DMS Debt management services done by Enigma The circular is not expressly categorized as a section 168 guideline, however, it is also not a regulation, per section 169. Therefore, the circular has neither the	Management should ensure that all circulars are adopted by council if there is a planned use of it.	-	Resolved	SCM manager DCFO CFO	Continuous	1. Continuously comply with Circulars, Guidelines and relevant Laws. 2. Update SCM policy and all other policies with all the new Circulars issued.	1. SCM Policy has been reviewed and amended.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			force of law nor a binding legal effect on a municipality or municipal entity, unless adopted by the relevant municipality's council as prescribed by section 168(3). There is therefore a difference between regulations and guidelines due to the process in which they follow as per section 169.							

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
25	Note 8: Input VAT Receivable erroneously disclosed as "Output" VAT Receivable.	GRAP 1	- During the testing of the presentation and disclosure of VAT, note 8 to the financial statements in particular, we picked up that the VAT Receivable was erroneously disclosed as Output VAT receivable instead of Input VAT receivable. - We further picked up, on the same note 8, that the word receivable was erroneously written as "reciable".	Management should ensure to perform spelling and grammatical error checks prior to processing information and issuing reports.	-	Resolved with AFS adjustment	Manage Expenditure DCFO CFO	28-Feb-25	1. Proper reviewal of AFS against supporting documents 2. Continous training of GRAP standards on disclosures.	1. GRAP refresher training has been requested from the training institution and will be executed when the dates have been confirmed.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
26	The casting of the prior period error note 66 is not accurate.	GRAP 1	While testing the prior period note 66, we noted the following cross casting difference:	Management should ensure to perform reviews of the annual financial statements and ensure that all amounts cast and cross-cast.	23 248 274,00	Resolved with AFS adjustment	DCFO CFO	28-Feb-25	1. Proper reviewal of AFS against supporting documents 2. Perform cross casting with surbodinates during AFS reviewal.	Not yet implemented

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
27	Disclosure of principal arrangements is incomplete	GRAP 109	Umzimvubu Local Municipality has a binding contract with Enigma 15 (Reg no : 2018/059533/07) signed on 01 April 2020. In terms of section 3.1 of the contract, Enigma has been appointed by the Municipality to provide debt management services at a rated of 25% of the collected money (inclusive of VAT). In terms of the section 5.1.8 of the contract, Enigma shall and undertakes to assist in the	Management should adjust Note 64 to include the principal disclosures for the arrangement between Enigma 15 and the Municipality	-	Resolved	DCFO CFO	28-Feb-25	1. Always have a well documented GRAP assessment for any transaction or event or balance where there might be different opinions. 2. Always analyse all SLAs for possible GRAP technical issues.	1. All SLA that might attract GRAP interpretation are reviewed and assessment done.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			collection of all that is due to the Municipality from other entities including but not limited to Municipalities i.e. District Municipality. From GRAP 109 requirements and the SLA it clear that there is Principal Agent arrangement where Enigma 15 acts as an agent for collecting monies from third parties and pay over to the municipality. Management did not assess the relationship between the Municipality and							

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			Enigma 15 and as a result the GRAP 109 disclosure requirements for principal-agent arrangements was not disclosed in the AFS submitted for audit for the year ended 30 June 2024.							

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
28	Vat not disclosed on INEP	GRAP 3 GRAP 11 MFMA Circular 16	Management has correctly accounted for the transactions using GRAP 11, contraction contracts however, the applications of GRAP 03 which required management to correct the prior period errors was not implemented specifically in relation to the impact of VAT.	Management should ensure that GRAP 03 is applied	10 000 000,00	Resolved with AFS adjustment	Manager B&R DCFO CFO	30-Mar-25	1. Follow up with PT on the possible Budget Funding Assessment. 2. Follow up with NT on the progress on the session with SARS regarding possible write off of this Debt.	1. Communicate d with PT regarding the status of the engagement with SARS and there are no updates currently, the discloser will remain the same.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
29	Notes for variances are incomplete	GRAP 24	Issue 1: Budget vs Actual the cash flow statement, there were no narrations in for the differences. Issue 2: When testing the comparison statement, we noted that there were no explanations for the adjustments between the approved budget and the final budget and it required by GRAP 24 and no separate report was issued.	This control weakness indicates a need for improved internal checks to ensure that all financial statements and disclosures are thoroughly reviewed and verified for accuracy.	-	Resolved with AFS adjustment	Manager B&R DCFO CFO	28-Feb-25	1. Proper reviewal of AFS against supporting documents 2. Generate a separate Report detailing the reasons for variances between A and B schedule including all the Virements.	Not yet implemented

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
30	Management does not develop a measure to monitor the transfer of skills from the consultants	MFMA Cost Containment Measures	During the compliance testing of the use of consultants, it was noted that management does not develop a measure to monitor the transfer of skills from the consultants. In addition, there was no evidence that the accounting officer had developed or implemented a consultancy reduction plan to ensure that there is no over-reliance on consultants by the municipality. Management has been using consultants for	Management should ensure that they comply with the MFMA and the applicable regulations and that they have sufficient evidence to ascertain that there are adequate plans to transfer the skills to reduce reliance on the consultants	-	Remains a disagreement and internal control deficiency	DCFO	30-Jun-25	1. Develop monitoring tool with auditable POE.	1. A monitoring tool is yet to be developed.

CoAF #	Finding	Legislation / Standard	Nature	Auditors Recommendation	Amount	AFS or Conclusion	Responsible Person	Due Date	Action Plan	Action Plan Status
			over 3 years and in the current year the municipality reappointed the consultants for an additional 3 years further emphasizing management's reliance.							

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

H.Revenue Collection Performance by Source

REVENUE COLLECTION BY SOURCE

01/07/2023 - 30/06/2024			
Revenue Source	Billing	Receipts	Collection %
Rates	47,151,194.87	41,874,688.32	89%
Refuse	1,262,598.13	540,312.87	43%
Interest	2,628,719.68	446,907.61	17%
Total	51,042,512.68	42,861,908.80	84%
Other Revenue			
Revenue Source	Budget	Receipts	Collection %
Traffic Fines	6,500,004.00	605,108.20	9%
Trading Licences	297,552.00	107,629.39	36%
Drivers & Learners Licenses	1,523,808.00	1,638,112.00	108%
Vehicle Registration	2,665,644.00	2,065,525.78	77%
Vehicle Testing Station	152,892.00	121,803.00	80%
Hall Rental	-	47,725.20	0%
Sophia Park	-	127,740.87	0%
Plant Rental	-	8,810.41	0%
Interest on Investment	9,484,646.00	8,912,431.74	94%
Interest on Current Account	632,628.00	329,897.22	52%
Advertising	-	118,982.69	0%
Building Plan Fees	416,004.00	563,540.64	135%
Clearance Certificates	6,324.00	15,300.17	242%
Funeral Plots	-	23,488.18	0%
LGSeta	500,000.00	699,449.59	140%
Parks	-	7,532.95	0%
Pound Fees	390,000.00	511,611.50	131%
Rezoning Application	7,584.00	10,747.83	142%
Rezoning Certificate	1,620.00	13,020.90	804%
SG Diagrams	252.00	-	0%
Tender Fees	-	289,666.27	0%
Vat Claims SARS	20,800,000.00	16,678,362.93	80%
Licences and permits	62,880.00	90,753.67	144%
TOTAL	43,441,838.00	32,987,241.13	76%

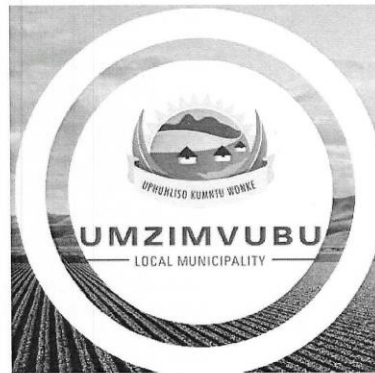
Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

VOLUME 2: Annual Financial Statements

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024



Umzimvubu Local Municipality
Annual Financial Statements
for the year ended 30 June, 2024



Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Legal form of entity	Municipality in terms of section 1 of the Local Government: Municipal Structures Act (Act No. 117 of 1998) read with section 155 (1) of the Constitution of the Republic of South Africa (Act No. 108 of 1996)
Nature of business and principal activities	Provision of services to the community as prescribed by the Local Government: Municipal Structures Act (Act No. 117 of 1998) and the Constitution of the Republic of South Africa (Act No. 108 of 1996) as amended.
Executive Mayor	Cllr Z. Ndevu
Speaker	Cllr N. Nomnganga (Appointed on 1 August 2023) Cllr M. H. Ngqasa (Resigned on 31 July 2023)
Chief Whip	Cllr N.F Ngonyolo
MPAC Chairperson	Cllr M. Mataka
Councillors	W1 - Cllr M. Kiviet W2 - Cllr N.Hlanekela W3 - Cllr A. Mkhonto W4 - Cllr L. Mapala-Bera W5 - Cllr T. Ngxabi W6 - Cllr V. P. Gogela W7 - Cllr N. Xolo W8 - Cllr D. Ndema W9 - Cllr A. Jakuja W10 - Cllr W. Z. Nqakwana W11 - Cllr N. Gogela W12 - Cllr P. P. Magujulwa W13 - Cllr C. L. Noqhakala W14 - Cllr S. Mathebe W15 - Cllr M. G. Ngwaqa W16 - Cllr B. R. Khehle-Salukazana W17 - Cllr N. Jwara W18 - Cllr T. E. Sincindi W19 - Cllr V. B. Sobhayi W20 - Cllr X. Lungu W21 - Cllr N. Nomnganga W22 - Cllr M. Kakaza W23 - Cllr Z. G. Mampemvini W24 - Cllr M. B. Jonase W25 - Cllr N. V Giwu W26 - Cllr M. Tuku W27 Cllr S. Faye W28 Cllr L. Mveku Pr Cllr C.N Mnyayiza Pr Cllr N. Sonyabashi Pr Cllr N. B. Mphekeqana-Mdingi Pr Cllr N. Mantshongo Pr Cllr F. F. Sontsi Pr Cllr M. Hlanekela Pr Cllr P. Thingathinga Pr Cllr M. Sonyabashe Pr Cllr T. Ntsalaze Pr Cllr B. T. Ngqasa

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

	Pr Cllr D. N Ntshobane Pr Cllr C. M. Madyibi Pr Cllr N. P Nogada Pr Cllr N. V. Nomnganga Pr Cllr M. Magobane Pr Cllr L. Gwentshu Pr Cllr F. Ntwakumba Pr Cllr A.N Garane Pr Cllr N. Nkula Pr Cllr X. Jona Pr Cllr T. Sokhanyile Pr Cllr I. Nodali Pr Cllr G.N Mdzinwa
Capacity and grading of local authority	Grade 3
Accounting Officer	Mr G.P.T Nota
Chief Financial Officer	Khaluwe Mehlomakhulu
Registered office	Dabula Street Sophia Kwa-Bhaca 5090
Bankers	First National Bank
Auditors	Auditor-General of South Africa Registered Auditors
Attorneys	Conjwa & Associates Fikile Ntayiya & Associates Madlanga & Partners Inc. Mdledle Incorporation
Legislation governing the municipality's operations	Local Government: Municipal Finance Management Act (Act No. 56 of 2003) Local Government: Municipal Systems Act (Act No. 32 of 2000) Local Government: Municipal Structures Act (Act No. 117 of 1998) Constitution of the Republic of South Africa (Act No. 108 of 1996) Municipal Property Rates Act (Act No. 6 2004) Division of Revenue Act (Act No. 1 of 2007)

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
Index
June, 2024

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

	Page
Accounting Officer's Responsibilities and Approval	4
Statement of Financial Position	5
Statement of Financial Performance	6 - 7
Statement of Changes in Net Assets	8
Cash Flow Statement	9
Statement of Comparison of Budget and Actual Amounts	10 - 13
Accounting Policies	14 - 44
Notes to the Annual Financial Statements	44 - 106

Abbreviations used:

GRAP	Generally Recognised Accounting Practice
PAYE	Pay As You Earn
UIF	Unemployment Insurance Fund
SALGA	South African Local Government Association
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts
CRR	Capital Replacement Reserve
eNaTiS	The National Traffic Information System
ULM	Umzimvubu Local Municipality

* See Note 66

Umzimvubu Local Municipality

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

I as the accounting officer acknowledges that I am ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, there sets of standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I am of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

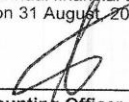
I have reviewed the municipality's cash flow forecast for the year to 30 June, 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is wholly dependent on the municipality for continued funding of operations. The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

I am primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

I certify that the salaries, allowances and benefits of councillors, as disclosed in note 40 - Councillors remuneration to these annual financial statements, are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act (Act No. 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with the Act.

The annual financial statements set out on page 5, which have been prepared on the going concern basis, were approved by the on 31 August 2024 and were signed on its behalf by:


Accounting Officer (G.P.T Nota)
KwaBhaca

31 August, 2024

AUDITOR GENERAL
SOUTH AFRICA

30 NOV 2024

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Statement of Financial Position as at 30 June, 2024

	Note(s)	2024	2023
Current Assets			
Inventories	3	3,899,018	2,869,217
Operating lease receivable	4	21,212,139	18,473,694
Trade and other receivables from exchange transactions	5	2,406,457	579,642
Receivables from Non-exchange transactions	6	13,609,130	18,672,789
VAT input accrual	7	7,043,506	4,269,939
VAT receivable	8	3,070,593	6,842,160
Prepayments	9	1,177,812	-
Other receivables	10	1,141,659	3,707,395
Cash and cash equivalents	11	66,304,389	79,105,291
		119,864,703	134,520,127
Non-Current Assets			
Investment property	12	26,105,040	25,298,064
Property, plant and equipment	13	1,045,761,957	981,911,315
Intangible assets	14	295,922	595,476
Heritage assets	15	17,719	17,719
		1,072,180,638	1,007,822,574
Non-Current Assets		1,072,180,638	1,007,822,574
Current Assets		119,864,703	134,520,127
Total Assets		1,192,045,341	1,142,342,701
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	16	63,001,799	45,337,598
Consumer deposits	17	175,872	161,703
Trade and other Payables from Non-Exchange Transactions	18	18,096,100	6,998,808
Employee benefits obligations	19	13,156,778	13,629,988
VAT output accrual	20	10,676,863	10,507,769
		105,107,412	76,635,866
Non-Current Liabilities			
Employee benefits obligations	19	2,477,000	2,193,000
Provisions	21	9,177,152	6,337,829
		11,654,152	8,530,829
Non-Current Liabilities		11,654,152	8,530,829
Current Liabilities		105,107,412	76,635,866
Total Liabilities		116,761,564	85,166,695
Assets		1,192,045,341	1,142,342,701
Liabilities		(116,761,564)	(85,166,695)
Net Assets		1,075,283,777	1,057,176,006
Reserves			
Capital replacement reserve	22	36,752,837	34,013,373
Accumulated surplus	23	1,038,530,940	1,023,162,633
Total Net Assets		1,075,283,777	1,057,176,006

* See Note 66

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

	Note(s)	2024	2023
Revenue from exchange transactions			
Service charges	26	1,296,952	1,262,598
Construction contracts	27	13,782,609	2,046,041
Rental of facilities and equipment	28	5,139,629	6,356,833
Interest received	29	10,726,289	9,828,365
Agency services	30	3,179,372	2,065,526
Licences and permits		1,921,051	1,759,925
Operational Revenue	31	179,148	211,411
Insurance proceeds	31	-	170,417
Fair value adjustments	32	712,476	3,481,623
Actuarial gains	50	4,190	-
Total revenue from exchange transactions		37,191,048	28,219,808
Revenue from non-exchange transactions			
Taxation revenue			
Licences and Permits	--	158,059	198,383
Interest received	34	2,114,413	2,018,706
Transfer revenue			
Award received	36	-	500,000
Fines, Penalties and Forfeits	37	3,642,390	3,314,779
Donations	38	12,647,449	-
Total revenue from non-exchange transactions		426,992,510	409,181,155
		37,191,048	28,219,808
		426,992,510	409,181,155
Total revenue	24	464,183,558	437,400,963
Expenditure			
Employee related costs	30		
Remuneration of councillors	40	(23,558,458)	(22,742,842)
Construction contract	27	(13,782,609)	(1,747,642)
Depreciation and amortisation	41	(77,989,258)	(71,892,706)
Impairment losses	42	(41,985,260)	(10,766,513)
Finance costs	43	(1,113,935)	(1,037,984)
Lease rentals on operating lease	44	(845,018)	(307,582)
Inventory consumed	46	(6,515,786)	(10,016,062)
Contracted services	47	(93,093,832)	(92,395,566)
Transfers and Subsidies	48	(18,700,091)	(25,007,154)
Loss on disposal of assets and liabilities	49	(629,052)	(850,738)
Actuarial losses	50	-	(19,000)
Unclaimable VAT input		(2,347,536)	-
Operating costs	51	(72,508,964)	(77,009,202)
Total expenditure		(446,077,108)	(405,815,592)
		-	-
Total revenue		464,183,558	437,400,963
Total expenditure		(446,077,108)	(405,815,592)

* See Note 66

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Note(s) 2024 2023

Restated*

Operating surplus/deficit	-	-
Surplus before taxation	18,106,450	31,585,371
Taxation	-	-

* See Note 66

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Statement of Changes in Net Assets

	Capital Replacement Reserve	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported Adjustments	31,842,322	1,005,928,822	1,037,771,144
Prior year adjustments 66			
Balance at 1 July, 2022 as restated*	31,842,322	993,748,313	1,025,590,635
Changes in net assets Surplus (Deficit) for the year			
Transfers to/(from) reserves	2,171,051	(2,171,051)	-
Total changes	2,171,051	29,414,320	31,585,371
Opening balance as previously reported Adjustments	34,013,373	1,035,562,063	1,069,575,436
Prior year adjustments 66			
Balance as at 01 July 2023	34,013,373	1,023,163,954	1,057,177,327
Changes in net assets Surplus (Deficit) for the year			
Transfers to/(from) reserves	2,739,464	(2,739,464)	-
Total changes	2,739,464	15,366,986	18,106,450
Balance at 30 June, 2024	36,752,837	1,038,530,940	1,075,283,777
Note	22		

* See Note 66

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Cash Flow Statement

	Note(s)	2024	2023
Cash flows from operating activities			
Receipts			
Rates and service charges		45,070,717	45,470,800
Sale of goods and services		27,900,464	9,099,513
Grants		369,782,311	356,569,872
Interest income		10,726,289	9,241,276
		453,479,781	420,381,461
Payments			
Employee costs and remuneration of councillors		(117,033,787)	(112,959,707)
Suppliers		(186,731,587)	(195,160,693)
Finance costs		(450,665)	(1,037,984)
Other cash item	68	-	(60)
		(304,216,039)	(309,158,444)
Total receipts		453,479,781	420,381,461
Total payments		(304,216,039)	(309,158,444)
Net cash flows from operating activities	53	149,263,742	111,223,017
Investing activities			
Purchase of property, plant and equipment	13	(162,465,928)	(135,025,838)
Proceeds from sale of property, plant and equipment	13&49	495,784	-
Purchase of investment property	12	(94,500)	-
Net cash flows from investing activities		(162,064,644)	(135,025,838)
Financing activities			
Cash and cash equivalents at the beginning of the year		79,105,291	102,908,112
Cash and cash equivalents at the end of the year	11	66,304,389	79,105,291

The accounting policies on pages 14 to 44 and the notes on pages 44 to 106 form an integral part of the annual financial statements.

* See Note 66

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments on comparable basis	Final Budget	Actual amounts	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
transactions						
Service charges	1,297,920	102,080	1,400,000	1,296,952	(103,048)	
Rental of facilities and equipment	3,203,400	1,493,850	4,697,250	5,139,629	442,379	N2
Interest received (trading)						
Agency services	2,900,000	-	2,900,000	3,179,372	279,372	
Licences and permits	1,765,000	-	1,765,000	1,921,051	156,051	
Operational revenue	-	6,387,015	6,387,015	179,148	(6,207,867)	N4
Total revenue from exchange	22,051,030	24,533,695	46,584,725	36,474,382	(10,110,343)	
transactions						
Revenue from non-exchange						
transactions						
Taxation revenue						
Licences and Permits (Non-exchange)		100,000	100,000	158,059	58,059	N5
Interest, Dividends and Rent on Land		-	-	2,114,413	2,114,413	N7
Transfer revenue						
Fines, Penalties and Forfeits	7,205,600	(3,800,000)	3,405,600	3,642,390	236,790	N9
Donations received	-	-	-	12,647,449	12,647,449	N10
Total revenue from non-exchange	575,383,022	56,130,800	631,513,822	426,992,510	(204,521,312)	
exchange transactions						
Total revenue from exchange	22,051,030	24,533,695	46,584,725	36,474,382	(10,110,343)	
exchange transactions						
Expenditure						
Personnel						
Remuneration of councillors	(23,323,036)	(252,709)	(23,575,745)	(23,558,458)	17,287	
Depreciation and amortisation	(80,695,944)	(10,574,665)	(91,270,609)	(77,989,258)	13,281,351	N11
Impairment loss/ Reversal of impairments		(60,000,000)	(60,000,000)	(41,985,260)	18,014,740	N12
Bad debts written off	(2,280,000)	(6,500,000)	(8,780,000)	-	8,780,000	N14

Inventory consumed	(9,015,510)	237,174	(8,778,336)	(6,515,786)	2,262,550	N16
Commercial Services	(18,100,000)	11,514,315	(121,975,978)	(106,876,441)	15,099,537	N16
Transfers and Subsidies	(25,659,549)	5,662,500	(19,997,049)	(18,700,091)	1,296,958	
General Expenses	(8,093,270)	(9,177,448)	(97,270,716)	(74,451,970)	22,818,746	N17
Total expenditure	(452,616,923)	(70,994,915)	(528,611,838)	(443,100,520)	80,511,318	

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments on comparable basis	Final Budget	Actual amounts	Difference between final budget and actual	Reference
597,434,052	80,664,495	678,098,547	463,466,892	(214,631,655)		
(452,616,923)	(70,994,915)	(523,611,838)	(443,100,520)	80,511,318		
Operating surplus	144,817,129	9,669,580	154,486,709	20,366,372	(134,120,337)	
Loss on disposal of assets and liabilities	-	-	-	(629,052)	(629,052)	N18
Fair value adjustments	-	-	-	712,476	712,476	N23
Actuarial gains/losses	-	-	-	4,190	4,190	N19
VAT unclaimable	-	-	(2,347,536)	(2,347,536)		
-	-	-	(2,259,922)	(2,259,922)		
144,817,129	9,669,580	154,486,709	20,366,372	(134,120,337)		
-	-	-	(2,259,922)	(2,259,922)		
Surplus before taxation	144,817,129	9,669,580	154,486,709	18,106,450	(136,380,259)	
Deficit before taxation	144,817,129	9,669,580	154,486,709	18,106,450	(136,380,259)	
Taxation -	-	-	-	-		
Actual Amount on Comparable Budget and Actual Comparative Statement Basis as Presented in the						

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Statement of Financial Position Assets

Current Assets

Inventories	758,240	203,174	961,414	3,899,018	2,937,604	N20
Operating lease asset	-	-	-	21,212,139	21,212,139	N21
Trade and other receivables from exchange transactions	(9,050,600)			40,718,600	31,668,000	2,406,457 (29,261,543)
Receivables from Non-exchange transactions						
			32,869,783	(3,381,380)	29,488,403	13,609,130 (15,879,273)
						N23
VAT receivable	-	-	-	7,043,506	7,043,506	N24
Other receivables			-	-	-	1,177,812 1,177,812
	1,765,000	100,000	1,865,000	1,141,659	(723,341)	N25 Other receivables
	-	-	3,070,593	3,070,593	N26 VAT receivable	-
60,207,405	66,304,389	6,096,984				N27
						N24 Cash and cash equivalents
						130,558,287 (70,350,882)

156,900,710 (32,710,488) 124,190,222 119,864,703 (4,325,519)

Non-Current Assets

Investment property	18,071,000	-	18,071,000	26,105,040	8,034,040	N28
Property, plant and equipment		1,086,469,953	1,895,000	1,088,364,953	1,045,761,957	(42,602,996)
Intangible assets	3,370,004	(500,000)	2,870,004	295,922	(2,574,082)	N29
Heritage assets	-	-	-	17,719	17,719	N30

1,107,910,957 1,395,000 1,109,305,957 1,072,180,638 (37,125,319)

Non-Current Assets	1,107,910,957	1,395,000	1,109,305,957	1,072,180,638	(37,125,319)
Umzimvubu Local Municipality					
Current Assets	156,900,710	(32,710,488)	124,190,222	119,864,703	(4,325,519)
Annual Financial Statements for the year ended 30 June, 2024					
Total Assets	1,264,811,667	(31,315,488)	1,233,496,179	1,192,045,341	(41,450,838)

Liabilities

Current Liabilities

Trade and other payables from exchange transactions	139,937,458	(115,473,742)	24,463,716	63,001,794	38,538,078	N31

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved	Adjustments	Final Budget	Actual amounts	Difference	Reference
budget						
				on comparable	between final	
				basis	budget and actual	
Taxes and transfers payable(58,742,778)	94,088,000	35,345,222	-		(35,345,222)	N32
(non-exchange)						
Consumer deposits	132,471	-	132,471	175,872	43,401	N33
Trade and other Payables from-	-	-	-	18,096,100	18,096,100	N32
Non-Exchange Transactions						
VAT output accrual	-	-	-	10,676,863	10,676,863	
	106,178,561	(35,678,527)	70,500,034	105,107,407	34,607,373	
Non-Current Liabilities						
Employee benefits obligations						
Provisions	6,884,000	-	6,884,000	9,177,152	2,293,152	N37
	6,884,000	-	6,884,000	11,654,152	4,770,152	
	106,178,561	(35,678,527)	70,500,034	105,107,407	34,607,373	
	6,884,000	-	6,884,000	11,654,152	4,770,152	
	-	-	- 77,384,034	-	- 39,377,525	
Assets	1,264,811,667	(31,315,488)	1,233,496,179	1,192,045,341	(41,450,838)	
Liabilities	(113,062,561)	35,678,527	(77,384,034)	(116,761,559)	(39,377,525)	
Net Assets	1,151,749,106	4,363,039	1,156,112,145	1,075,283,782	(80,828,363)	
Net Assets						
Net Assets Attributable to						
Owners of Controlling Entity						
Reserves						
Accumulated surplus	1,116,152,290	4,363,039	1,120,515,329	1,038,530,942	(81,984,387)	
Total Net Assets	1,151,749,106	4,363,039	1,156,112,145	1,075,283,777	(80,828,368)	

Cash flows from operating activities Receipts

Property rates	46,803,000	(2,834,000)	43,969,000	43,688,251	(280,749)	
Services charges	1,298,000	-	1,298,000	1,382,466	84,466	
Other revenue	43,559,000	4,611,000	48,170,000	27,900,459	(20,269,541)	N38
Interest income	10,200,000	270,000	10,470,000	10,726,289	256,289	
Transfers and subsidies - operational	281,594,000	56,877,000	338,471,000	282,621,310	(55,849,690)	N39
Transfers and subsidies - capital	-	229,584,000	229,584,000	87,161,000	(142,423,000)	N40
	383,454,000	288,508,000	671,962,000	453,479,775	(218,482,225)	
Payments						
Suppliers and employees	(228,305,000)	(115,567,000)	(343,872,000)	(285,065,277)	58,806,723	N41
Finance costs	-	15	-	(450,665)	(450,665)	N42
Transfers and Grants	-	(19,690,000)	(19,690,000)	(18,700,091)	989,909	

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Statement of Comparison of Budget and Actual Amounts

(228,305,000) (135,257,000) (363,562,000) (304,216,033) 59,345,967

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved	Adjustments	Final Budget	Actual amounts	Difference	Reference
	budget			on comparable basis	between final budget and actual	
Total receipts	383,454,000	288,508,000	671,962,000	453,479,775	(218,482,225)	
Total payments	(228,305,000)	(135,257,000)	(363,562,000)	(304,216,033)	59,345,967	
Net cash flows from operating activities	155,149,000	153,251,000	308,400,000	149,263,742	(159,136,258)	
Purchase of property, plant and equipment	(314,687,000)	(71,969,000)	(386,656,000)	(162,465,928)	224,190,072	N43
Proceeds from sale of property, plant and equipment	-	-	-	495,784	495,784	N44
Purchase of investment property	-	-	-	(94,500)	(94,500)	N45
Net cash flows from investing activities	(314,687,000)	(71,969,000)	(386,656,000)	(162,064,644)	224,591,356	
Net increase/(decrease) in cash and cash equivalents	(159,538,000)	81,282,000	(78,256,000)	(12,800,902)	65,455,098	
Cash and cash equivalents at the beginning of the year	138,464,000	-	138,464,000	79,105,291	(59,358,709)	
Cash and cash equivalents at the end of the year	(21,074,000)	81,282,000	60,208,000	66,304,389	6,096,389	

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Note(s)	2024	2023

1. Material accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparations

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

These accounting policies are consistent with the previous period.

The municipality implemented the Municipal Standard Chart of Accounts(mSCOA) during the year ended 30 June 2024 as required in terms of the Municipal Regulations on Standard Chart of Accounts, announced by Government Gazette No 37577 of 22 April 2014, in section 168 of the Local Government: Municipal Finance Management, Act (Act 56 of 2003) and through directives and guidelines from National Treasury.

1.2 Presentation currency

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

These annual financial statements are presented in South African Rand, and rounded off to the nearest Rand which is the functional currency of the municipality.

1.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.5 Investment property

Investment Property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the municipality measures Investment Property at cost including transaction costs once it meets the definition of Investment Property. However, where an Investment Property was acquired through a non transaction (i.e. where it acquired the Investment Property for no or a nominal value), its cost is its fair value as at the date of acquisition.

The cost of self-constructed Investment Property is the cost at date of completion.

Based on management's judgement, the following criteria have been applied to distinguish Investment Properties from owner occupied property or property held for resale:

- Land held for long term capital appreciation rather than for short-term sale in the ordinary course of operations;Based on management's judgement, the following criteria have been applied to distinguish Investment Properties from

owner occupied property or property held for resale:

- Land held for a currently undetermined future use (If the municipality has not determined that it will use the land as owner occupied property or for short-term sale in the ordinary course of operations, the land is regarded as held for capital appreciation);
- A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases on a commercial basis (this will include the property portfolio rented out on a commercial basis on behalf of the municipality);
- Property that is being constructed or developed for future use as investment property.

The rent earned does not have to be at a commercial basis or market related for the property to be classified as investment property.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Equipment or Inventory as appropriate:

- Property held for sale in the ordinary course of operations or in the process of construction or development for such sale;
- Property being constructed or developed on behalf of third parties;
- Owner occupied property, including (among other things) property held for future use as owner occupied property, property held for future development and subsequent use as owner occupied property, property occupied by employees such as housing for personnel (whether or not the employees pay rent at market rates) and

owner occupied property;

- Property that is leased to another entity under a finance lease;
- Property held to provide goods and services and also generates cash inflows; and
- Property held for strategic purposes which would be accounted for in accordance with the Standard of GRAP on Property, Plant and Equipment.

Subsequent Measurement

Fair value

Subsequent to initial measurement investment property is measured at fair value. The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the entity determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property. Valuations are to be carried out with sufficient frequency owing to the prevailing

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.5 Investment property (continued)

circumstances, that may warrant a revaluation. i.e erection of a new block of flats next to the rental flat.

Once the entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

Derecognition

The gain or loss arising from the derecognition of an item of Investment Property is included in Surplus or Deficit when the item is derecognised. Gains are not classified as Revenue.

1.6 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.6 Property, plant and equipment (continued)

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight-line	8 -50
Mobile offices	Straight-line	5 - 10
Electrical infrastructure	Straight-line	3 - 80
Infrastructure assets (Roads, pavements, bridges and stormwater)	Straight-line	3 - 80
Landfill Sites	Straight-line	10 - 55
Community assets	Straight-line	5 - 80
Transport assets	Straight-line	4 - 20
Computer equipment	Straight-line	3 - 10
Furniture, Fittings & Office Equipment	Straight-line	3 - 15
Bins & Containers	Straight-line	10 - 15
Specialised Plant and Equipment	Straight-line	2 - 15
Library Books	Straight-line	5 - 20
Leased equipment	Straight-line	Lease period

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 13).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 13).

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.7 Intangible assets

An intangible asset is an identifiable, non-monetary asset without physical substance. The municipality has classified computer software and municipal website

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Computer software, other Website	Straight-line	1-4

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.7 Value Added Tax (continued)

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.8 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Assets are resources controlled by an municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an municipality's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Heritage Assets are not depreciated owing to uncertainty regarding to their estimated useful lives. The municipality assess at each reporting date if there is an indication of impairment.

Heritage assets are non-cash generating assets.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that an municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential. Subsequently all Heritage Assets are measured at cost, less accumulated impairment losses.

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 shall be measured at its fair value as at the date of acquisition.

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.8 Heritage assets (continued) Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If a heritage asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.9 Financial instruments (continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life

of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions. Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.9 Financial instruments (continued)

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Impairment of Financial Assets

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Financial Assets, other than those at fair value, are assessed for indicators of impairment at the end of each reporting period. Financial Assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised through the use of an allowance account.

A provision for impairment of Accounts Receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The provision is made whereby the recoverability of accounts receivable is assessed individually and then collectively after grouping the assets in financial assets with similar credit risk characteristics. The amount of the provision is the difference between the Financial Asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Future cash flows in a group of Financial Assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Cash flows relating to short-term receivables are not discounted where the effect of discounting is immaterial.

Government accounts are not provided for as such accounts are regarded as receivable for the following reasons:

- It is management's judgement that the accounts are not "lost events" in terms of GRAP 104.58.
- State Departments and Entities have to pay their creditors within 30 days in terms of the MFMA.
- Interest is charged on all outstanding balances at a rate of 10% per annum.
- There is an urge from National Treasury that State Departments and Entities should start paying their outstanding debt.

The carrying amount of the Financial Asset is reduced by the impairment loss directly for all Financial Assets carried at Amortised Cost with the exception of Consumer Debtors, where the carrying amount is reduced through the use of an allowance account. When a Consumer Debtor is considered uncollectible, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against revenue. Changes in the carrying amount of the allowance account are recognised in Surplus or Deficit.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.9 Financial instruments (continued) Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

,

Class	Category

Cash and cash equivalents	Financial asset measured at amortised cost

Receivables from exchange transactions	Financial asset measured at amortised cost	Receivables from non-exchange transactions	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

,

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Class Category

Consumer deposits Financial liability measured at amortised cost

Payables from exchange transactions Financial liability measured at amortised cost Payables from non-exchange transactions Financial liability measured at amortised cost

1.10 Inventories

Inventories comprise stationery for distribution during the ordinary course of business and land held for sale. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the Inventories to their current location and condition.

Where Inventory 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 the item on the date acquired.

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of finished goods inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.11 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs. Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use. Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash- generating assets, are as follows:

An impairment of assets measured per the revaluation method reduces the Revaluation Surplus for that asset. The decrease shall be debited directly to a Revaluation Surplus to the extent of any credit balance existing in the Revaluation Surplus in respect of that asset.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

An impairment loss is recognised for cash generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase and would be credited directly against the Revaluation Surplus to the extent of any previous impairments recognised against said reserve in respect of that asset.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

1.12 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.12 Impairment of non-cash-generating assets (continued)

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality. The municipality assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the non-cash generating unit to which the asset belongs is determined.

The recoverable service amount of a non-cash generating asset is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

An impairment loss is recognised for non-cash generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

1.13 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.13 Provisions and contingencies (continued)

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

-
- the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
 - has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 57.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.13 Provisions and contingencies (continued)

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, an municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money.

The impact of the periodic unwinding of the discount is recognised in Surplus or Deficit as a finance cost as it occurs.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.13 Provisions and contingencies (continued) Decommissioning, restoration and similar liability

Estimated long-term environmental provisions, comprising rehabilitation and landfill site closure, are based on the municipality's policy, taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises. To the extent that the obligations relate to the asset,

they are capitalised as part of the cost of those assets. Any subsequent changes to an obligation that did not relate to the initial related asset are charged to Surplus or Deficit.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficit.

1.14 Revenue from exchange transactions

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.14 Revenue from exchange transactions (continued)

Revenue is derived from a variety of sources which include revenue from trading activities and other services provided.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the municipality's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

Service Charges

Service Charges are levied in terms of approved tariffs.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to all properties that have improvements. Tariffs are determined per category of property usage, and are levied based on the extent of each property.

Rentals Received

Revenue from the rental of facilities and equipment is recognised on a Straight-line Basis over the term of the lease agreement.

Finance Income

Interest earned on investments is recognised in Surplus or Deficit on the Time-proportionate Basis that takes into account the effective yield on the investment.

Tariff Charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

Revenue from Agency Services

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Revenue for agency services is recognised on a daily basis once the revenue collected on behalf of agents has been quantified. The revenue recognised is in terms of the agency agreement.

Construction Revenue

Construction contract revenue is recognised as revenue by reference to the stage of completion of the contract activity at the reporting date.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.15 Revenue from non-exchange transactions Rates and taxes

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-proportionate Basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

Rates and taxes are statutory revenue.

Fines

Fines constitute both spot fines and summonses.

Revenue for fines is recognised when the fine is issued at the full amount of the receivable. The municipality uses estimates to determine the amount of revenue that the municipality is entitled to collect that is subject to further legal proceedings.

Traffic fines are statutory revenue.

Public Contributions

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. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Revenue from public contributions 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 are brought into use.

Assets acquired from non-exchange transactions are measured at fair value in accordance with GRAP 23.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Government Grants and Receipts

Equitable share allocations are recognised in revenue at the start of the financial year if no time-based restrictions exist. 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.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, are recognised in Surplus or Deficit in the period in which they become receivable.

Unspent conditional grants are financial liabilities that are separately reflected on the statement of financial position. They represent unspent government grants, subsidies and contributions from government organs.

This liability always has to be cash-backed. The following provisions are set for the creation and utilisation of this creditor:

- Unspent conditional grants are recognised as a liability when the grant is received.
- When grant conditions are met an amount equal to the conditions met are transferred to revenue in the statement of financial performance.
- The cash which backs up the creditor is invested as individual investment or part of the general investments of the Municipality until it is utilised.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.15 Revenue from non-exchange transactions (continued)

- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest, it is recognised as interest earned in the statement of financial performance.

Unpaid conditional grants are assets in terms of the Framework that are separately reflected on the statement of financial position. The asset is recognised when the Municipality has an enforceable right to receive the grant or if it is virtually certain that it will be received based on that grant conditions have been met. They represent unpaid government grants, subsidies and contributions from the public.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest, it is recognised as interest earned in Surplus or Deficit.

Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure

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 as revenue when the recovery thereof from the responsible councillors or officials became virtually certain in a financial period subsequent to the period when the actual unauthorised, irregular, fruitless and wasteful expenditure was incurred.

1.16 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.16 Significant judgements and sources of estimation uncertainty (continued)

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Impairment of Financial Assets

Accounting Policy 1.11 on Impairment of Financial Assets describes the process followed to determine the value at which Financial Assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management of the municipality is satisfied that impairment of Financial Assets recorded during the year is appropriate.

Accounting Policy 1.11 on Impairment of Financial Assets describes the process followed to determine the value at which Financial Assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management of the municipality is satisfied that impairment of Financial Assets recorded during the year is appropriate.

Impairment of Trade Receivables

The calculation in respect of the impairment of Debtors is based on an assessment of the extent to which Debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This is performed per service-identifiable categories across all classes of debtors.

Useful lives of Property, Plant and Equipment, Intangible Assets and Investment Property

As described in Accounting Policies 1.6, 1.7 and 1.5 the municipality depreciates its Property, Plant & Equipment and amortises its Intangible Assets, over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets are available for use.

In making the above-mentioned estimates and judgement, management considered the subsequent measurement criteria and indicators of potential impairment losses. In particular, the calculation of the recoverable service amount for PPE and Intangible Assets and the Net Realisable Value for Inventories involves significant judgment by management.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

In making the above-mentioned estimates and judgement, management considered the subsequent measurement criteria and indicators of potential impairment losses. In particular, the calculation of the recoverable service amount for PPE and Intangible Assets and the Net Realisable Value for Inventories involves significant judgment by management.

Estimated impairments during the year to Plant and Equipment, and Intangible Assets are disclosed in Notes 13 and 14 to the Annual Financial Statements, if applicable.

Defined Benefit Plan Liabilities

As described in Accounting Policy 1.19 Employee Benefits – Post-employment Benefits, the municipality obtains actuarial valuations of its Defined Benefit Plan Liabilities. The defined benefit obligations of the municipality that were identified are Post retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in the relevant Notes to the Annual Financial Statements.

Provisions and Contingent Liabilities

Management judgement is required when recognising and measuring Provisions and when measuring Contingent Liabilities. Provisions are discounted where the effect of discounting is material using actuarial valuations.

Budget Information

Deviations between budget and actual amounts are regarded as material difference

Segment reporting

In applying GRAP 18 segment reporting, management makes judgements with regard to the identification of reportable segments, as well as regarding what constitutes segment results. This enables users to evaluate the nature and financial effects of the activities in which the segment engages, and the economic environments in which it operates.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.16 Significant judgements and sources of estimation uncertainty (continued) Principal-agent arrangements

Management's judgement is required in determining whether it has entered into a principal-agent arrangement, as set out in note 63. A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf and for the benefit of another entity (the principal). The assessment of whether an entity is a principal, or an agent requires the entity to evaluate the rights and obligations of all parties to each binding arrangement so as to establish whether the transactions it undertakes with third parties are for the benefit of another entity or for its own.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price. The fair value of investment property reflects market conditions at the reporting date. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the key assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. The Non-payment percentage is determined for each debtor.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 19 - Provisions.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.16 Significant judgements and sources of estimation uncertainty (continued) Impairment of statutory receivables

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures and impairment loss. The impairment loss is measured as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, are reduced, either directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable are revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

1.17 Site restoration and dismantling cost

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which a municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

If the related asset is measured using the revaluation model:

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

- (a) changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:
 - a decrease in the liability (subject to (b)) is credited to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit
 - an increase in the liability is recognised in surplus or deficit, except that it is debited to the revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.
- (b) in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in surplus or deficit; and
- (c) a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Any such revaluation is taken into account in determining the amounts to be taken to surplus or deficit or net assets under (a). If a revaluation is necessary, all assets of that class are revalued.

1.18 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.18 Leases (continued) Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis. Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.19 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.19 Employee benefits (continued) Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Actuarial assumptions

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

1.20 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.20 Commitments (continued)

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.21 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all deficits of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales. Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

1.22 Accounting by principals and agents Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.22 Accounting by principals and agents (continued)

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.23 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.24 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.25 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.26 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.27 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.27 Budget information (continued)

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2023-07-01 to 2026-06-30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Statement of comparative and actual information has been included in the annual financial statements as the recommended disclosure when the annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

1.28 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the ventures).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

Significant influence is the power to participate in the financial and operating policy decisions of another entity but is not control or joint control of those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.29 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date);
and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.29 Events after reporting date (continued)

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.30 Accumulated Surplus

In order to finance the provision of Infrastructure and other items of Property, Plant and Equipment from internal sources, amounts are transferred from the Accumulated Surplus/(Deficit) to the CRR in terms of delegated powers.

The following provisions are set for the creation and utilisation of the CRR:

- The cash funds that back up the CRR are invested until utilised. The cash may only be invested in accordance with the Investment Policy of the municipality.
- The CRR may be utilised for the purpose of purchasing items of Property, Plant and Equipment and may not be used for the maintenance of these items.
- Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from the CRR and the Accumulated Surplus/(Deficit) is credited by a corresponding amount.

1.31 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

1.32 Statutory receivables Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.32 Statutory receivables (continued)

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

-
- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
 - It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
 - A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
 - Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, an municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.32 Statutory receivables (continued)

- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.33 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

Some equity investments are included in cash equivalents when they are, in substance, cash equivalents.

Bank overdrafts which are repayable on demand forms an integral part of the entity's cash management activities, and as such are included as a component of cash and cash equivalents.

1.34 Bad Debts written off Consumer debtors

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

When the municipality identifies consumer debtors whose debts appear to be irrecoverable even after the whole credit control and debt collection process has been followed in terms of trying to obtain payment, then such accounts be regarded as irrecoverable.

Once the debt is regarded as irrecoverable during the year it must be grouped with others so that the report is presented to Council to solicit a resolution to write off irrecoverable debts.

Traffic fines

Traffic fines debtors are assessed for each reporting period to establish their collectability. Once traffic fines debtors are regarded as irrecoverable during the course of the year, a report of all traffic fines doubtful debtors is presented to Council to solicit a resolution to write off irrecoverable debts

Traffic fines infringements that have not been served within a period of 18 months of the date of the alleged offence be withdrawn and/or warrants to the arrest that have not been executed within 2 years after the date of authorisation thereof be returned with the control documents to the relevant Magistrate for cancellation as per the National Prosecuting Authority of South Africa. (Uniform national instruction in respect of Traffic Infringements matters issued by various law enforcement agencies)

1.35 Waiver of debt

The waiver of debt is the eradication of debt to achieve specific objectives. An entity may waive its right to receive future receipts (in cash or another financial asset) in accordance with legislation or similar means, for example through a specific policy decision such as a tax amnesty programme.

When a debtor applies for the debt incentive scheme, 90/10 ratio is applied where if a payment of 10 percent is paid in lumpsum or over 6 months, the debtor qualifies for a 90 percent waiver on their debt.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.36 Construction contracts

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date.

Contract revenue is measured at the fair value of the consideration received or receivable shall comprise the initial amount of revenue agreed in the contract, variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue; and they are capable of being reliably measured.

When a contract covers a number of assets, the construction of each asset shall be treated as a separate construction contract when: (a) separate proposals have been submitted for each asset; (b) each asset has been subject to separate negotiation, and the contractor and customer have been able to accept or reject that part of the contract relating to each asset; and (c) the costs and revenues of each asset can be identified.

Issue costs are apportioned between the liability and equity components of the compound instruments based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

1.37 Accrued income

The municipality is a beneficiary of small-town revitalisation programs initiated by the Eastern Cape Office of the Premier. The municipality can only receive funds from the office of the premier after the work has been completed (conditions met) by the service provider and the invoice approved by the municipality. Where work has been completed satisfactory by the service provider and invoice approved by the municipality, but no funds have been received from the funder, the municipality recognises an accrued income receivable at the end of the reporting period.

1.38 Transfer payments

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

The municipality transfers goods to organisations from time to time, through the Local Economic Development initiative. In making these transfers, the municipality does not:

- received any goods or services directly in return as would be expected in a purchase or sale transaction.
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period during which the events giving rise to the transfer occurred.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30
June, 2024

1.39 Value Added Tax

Identifying different VAT transactions.

The transaction between the municipality and customer/supplier includes the provision of goods or services in cash or credit; and the levying and/or collection of VAT by the municipality from the customer. Both elements of the transaction arose from the contractual arrangement to provide goods or services in return for consideration. Thus, the entire receivable/payable due in

that transaction (consideration for goods or services together with the VAT element) is classified as a contractual receivable / payable and accounted for in accordance with GRAP104.

The transaction between the municipality and SARS is the VAT payable to / receivable from SARS on transaction date when cash is received/paid, arises from legislation (i.e., VAT Act) and is classified as statutory arrangement and will be accounted for in accordance with GRAP 19.

Therefore, VAT payable to or receivable from SARS is a statutory payable or receivable. Therefore, as it is a statutory receivable/payable, it does not meet the definition of a financial instrument as should not be disclosed in the financial instrument note as per GRAP104.

The amount of VAT receivable from or payable to SARS is calculated as the net amount of output VAT collected and input VAT paid. As the amount due from or to SARS is already a net amount, there is no separate recognition of a receivable or payable.

Notes to the Annual Financial Statements

2024	2023

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation: Effective date:	Expected impact:
Years beginning on or after	

- GRAP 106 Transfer of Functions Between Entities Not Under Common Control 1 April, 2023 The impact of the is not material
- GRAP 25 (as revised): Employee Benefits 1 April, 2023 The impact of the is not material.
- iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction 1 April, 2023 The impact of the is not material.
- GRAP 2020: Improvements to the standards of GRAP 2020 1 April, 2023 The impact of the is not material.
- GRAP 1 (amended): Presentation of Financial Statements 1 April, 2023 The impact of the is not material.

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 1 July, 2024 or later periods:

Standard/ Interpretation: Effective date:	Expected impact:
Years beginning on or after	

- GRAP 103 (as revised): Heritage Assets Not yet determined Not expected to impact results but may result in additional disclosure
- Guideline: Guideline on the Application of Materiality to Financial Statements Not yet determined Not expected to impact results but may result in additional disclosure

Umzimvubu Local Municipality

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

- GRAP 104 (as revised): Financial Instruments 1 April, 2025 Not expected to impact

results but may result in additional disclosure

3. Inventories

Consumables	1,558,418	528,617
Land held for sale	2,340,600	2,340,600
	3,899,018	2,869,217

Inventory consumables are held for own use and measured at the lower of cost and current replacement cost. No write downs of inventory to net realisable value were required and no previously written down was reversed during the current year.

Land held for sale is measured at its fair value as determined on the date the decision to dispose off the land was made. This was based on the valuation roll of the municipality applicable during the 2020.

Inventory pledged as security

No inventories have been pledged as collateral for the liabilities of the municipality. There was no inventory retained as personal protective equipment, by the municipality.

Land held for sale

Land held for sale consist of land parcels awaiting to be disposed. Council took a resolution to dispose off Land in June 2020, the municipality is in the process of disposing these assets.

Umzimvubu Local Municipality

4. Operating lease receivable

Current assets	21,212,139	18,473,694

Operating Leases are recognised on the straight-line basis as per the requirement of GRAP 13. The lease receivable recognised is in respect of Non-cancelable Operating Leases.

Leasing Arrangements

The operating lease relate to Property owned by the municipality with lease terms of 2 to 50 years (2023 - 2 to 50 years) with an option to extend. All lease agreements payments have an annual increase between 7% - 10%.

All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period. No unguaranteed residual values accruing to the municipality.

Amounts receivable under Operating Leases

At the Reporting Date the following minimum payments were receivable under Non-cancelable Operating Leases for Property, plant and equipment, which are receivable as follows:

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

4. Operating lease receivable (continued)

Reconciliation

Effects of straightlining for the year	2,738,445	4,589,014
	21,212,139	18,473,694

Operating Lease Arrangements

2 to 5 years	6,778,085	8,354,933
More than 5 years	136,726,298	137,102,909
	145,750,065	147,520,513

Department of Human Settlement	949,708	-
Consumer debtors - Refuse	1,110,308	561,367
Consumer debtors - Rentals	346,441	18,275
	2,406,457	579,642

Other debtors - Department of Human Settlements

Agency services expenditure recoverable	7,940	-
	949,708	-

Refuse

31 - 60 Days	137,950	158,789
61- 90 Days	134,542	154,157
More than 90 days	8,815,626	12,268,417
Impairment	(8,440,470)	(12,188,665)
	1,110,309	561,367

Rentals

31 - 60 Days	121,437	8,918
61- 90 Days	11,611	6,284
More than 90 days	986,183	935,452
Impairment	(985,717)	(941,801)
	346,441	18,275

Financial asset receivables included in trade and other receivables from exchange transactions above	2,406,457	579,642

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

5. Trade and other receivables from exchange transactions (continued)

Total trade and other receivables from exchange transactions	2,406,457	579,642

Business / commercial

31 - 60 Days	26,770	31,050
61- 90 Days	26,271	29,157
More than 90 days	2,062,059	3,397,751
Impairment	(2,156,562)	(3,465,943)
	90,399	25,193

Government

31 - 60 Days	18,387	14,790
61- 90 Days	17,987	13,490
More than 90 days	689,306	402,432
	805,758	445,772

Residential

31 - 60 Days	92,793	112,949
61- 90 Days	90,284	111,509
More than 90 days	6,064,261	8,468,235
Impairment	(6,283,908)	(8,722,722)
	214,152	90,402

There are no trade and other receivables pledged as security.

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed for indicators of impairment. The municipality considers that the above financial assets that are not impaired at each of the reporting dates under review are of good credit quality. The municipality continuously monitors consumers and identified groups by reference to annual payment rates and incorporates this information into its credit risk credit control. No external credit ratings is performed.

Consumers receivables from refuse removal are billed monthly. Interest is charged on overdue receivables from exchange transactions at a rate of 10% per annum.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

The municipality enforces its approved credit policy to ensure the recovery of receivables. None of the financial assets that are fully performing have been renegotiated in the last year.

Fair value of trade and other receivables

The management of the municipality is of the opinion that the carrying value of receivables approximate their fair values.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

5. Trade and other receivables from exchange transactions (continued) Trade and other receivables past due but not impaired

Receivables from exchange transactions which are government debt and past due are not considered to be impaired.

The ageing of amounts past due but not impaired is as follows:

2 months past due	17,987	13,490
3 months past due	689,306	380,432

Trade and other receivables impaired

As of 30 June, 2024, trade and other receivables of 10,077,179 (2023: 13,264,336) were impaired and provided for.

The amount of the provision was 9,426,187 as of 30 June, 2024 (2023: 13,130,466).

The creation and release of provision for impaired receivables have been included in operating expenses in surplus or deficit (note 42). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

Reconciliation of provision for impairment of trade and other receivables - Refuse

Opening balance		
Provision for impairment - Charge Debts waived off	- (1,725,816)	1,258,808
Provision for impairment - Reversal	(2,022,379)	-
	8,440,470	12,188,665

Reconciliation of provision for impairment of trade and other receivables - Rentals

Provision for impairment - Charge Provision for impairment - Reversal	43,916	- (25,113)
	985,717	941,801

** During the year, the Council took a resolution to waive its rights to 90% of a customers debt on condition that the debtor pays off 10% of their debtor account in cash. An amount of 1 725 816 was waived, this amount was previously provided for.

6. Receivables from Non-exchange transactions

Traffic Fines	780,084	6,595,923

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

Rates	12,829,046	12,076,866
	13,609,130	18,672,789

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

6. Receivables from Non-exchange transactions (continued)

**Statutory receivables included in receivables from non-exchange transactions above
are as follows:**

Traffic fines	780,084	6,595,923
Rates	12,829,046	12,076,866
	13,609,130	18,672,789

Traffic fines		
31 - 60 Days	38,300	247,291
61 - 90 Days	99,750	183,259
91 - 120 Days	9,488,534	7,509,703
Provision for Impairment	(8,965,399)	(1,564,770)
	780,084	6,595,923

Rates		
31 - 60 Days	1,056,945	697,276
61 - 90 Days	591,917	598,535
+91 Days	38,182,245	39,892,588
Provision for Impairment	(27,955,813)	(29,860,555)
	12,829,046	12,076,866

Ageing of rates per debtor type Residential

31 - 60 Days	174,902	200,052
61 - 90 Days	158,987	193,732
+91 Days	10,052,243	7,587,293
Provision for Impairment	(10,207,262)	(7,525,001)
	541,499	667,188

Business		
31 - 60 Days	417,048	497,224
61 - 90 Days	372,640	404,803
91 - 120 Days	18,234,608	21,760,502
Provision for Impairment	(17,748,551)	(22,335,543)
	1,784,267	864,896

Government		
31 - 60 Days	464,994	-
61 - 90 Days	60,290	-
91 - 120 Days	9,895,393	10,544,782

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

	10,503,278	10,544,782

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

6. Receivables from Non-exchange transactions (continued) Statutory receivables general information

Transaction(s) arising from statute

Statutory receivables arise from the implementation of the Municipality Property Rates Act through levying of property rates to the properties in Umzimvubu and also through implementation of the Administrative Adjudication of Road Traffic Offences Act through issuing of traffic fines to offenders.

Statutory receivables are as summarised in this note above.

The credit quality of receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed for indicators of impairment. The municipality considers that the above financial assets that are not impaired at each of the reporting dates under review are of good credit quality. The municipality continuously monitors consumers and identified groups by reference to annual payment rates and incorporates this information into its credit risk credit control. No external credit ratings is performed.

Consumers receivables from rates are billed monthly for business and residential households. Government accounts are billed annually. Interest is charged on overdue consumers receivables at a rate of 10% per annum.

No interest is charged on overdue traffic fines debtors.

The municipality enforces its approved credit policy to ensure the recovery of receivables. None of the financial assets that are fully performing have been renegotiated in the last year.

Statutory receivables impaired

As of 30 June, 2024, Statutory receivables of R 50,572,474 (2023: 41,937,422) were impaired and provided for. The amount of the provision was R 36,921,212 as of 30 June, 2024 (2023: 31,425,325).

Statutory receivables past due but not impaired

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

Receivables from non-exchange transactions which are government debt and past due are not considered to be impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	464,994	-
2 months past due	60,290	-
3 months past due	9,895,393	12,752,165

Reconciliation of provision for impairment of receivables from non-exchange transactions - Assessment rates

Opening balance	29,860,555	25,588,222
Provision for impairment	4,195,945	4,272,333
Debts waived off **	(6,082,586)	-
Other	(18,101)	-
	27,955,813	29,860,555

Reconciliation of provision for impairment of receivables from non-exchange transactions - Traffic fines

Provision for impairment	7,400,629	(590,190)
	8,965,399	1,564,770

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

6. Receivables from Non-exchange transactions (continued)

** During the year, the Council took a resolution to waive its rights to 90% of a customers debt on condition that the debtor pays off 10% of their debtor account in cash. An amount of 11 701 209 was waived, of this, 9 985 845 had been previously provided for and the balance of R1 715 364 was not provided for and has been recognised as an expense in the current year.

7. VAT input accrual

VAT	7,043,506	4,269,939

VAT input accrual relates to VAT on Trade and other payables that have not yet been paid at year end. Only once payment is made to creditors, the VAT becomes receivable from SARS.

8. VAT Receivable

Input VAT receivable	3,070,593	6,842,160

VAT is payable/refundable on the receipts/payment basis. Only once payment is received from debtors, payment made to creditors, VAT is paid over/received from to SARS. At year end, the municipality is a net receiver and has off set the receivable and payable.

VAT Receivable is a statutory receivable.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

9. Prepayments

SALGA subscription fees	1,177,812	-
Receivables from Small Town Revitalisation Grant (N1)	493,571	3,707,395
Retention receivable (N2)	648,088	-
	1,141,659	3,707,395

N1: During the 30 June 2023 period, the municipality has incurred and met all the conditions on this project, asset and creditor was recognised but the OTP has not paid the amount to the municipality as at 30 June 2024.

N2: This relates to incorrect release of amount withheld as retention to a service provider. The amount will be recovered through withholding of future payments on the project.

11. Cash and cash equivalents

Bank balances	1,670,558	3,305,357
Current Investments	64,633,831	75,799,934
Net Bank, Cash and Cash Equivalents	66,304,389	79,105,291

Total cash and cash equivalents pledged as collateral for security deposit to ESKOM This 161,400 161,400
guarantee is neither negotiable nor transferable and is to be returned to the bank upon payment
or cancellation

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

11. Cash and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description		Bank statement balances			Cash book balances		
30 June, 2024	30 June, 2023	30 June, 2022	30 June, 2024	30 June, 2023	30 June, 2022		
FNB-Primary Account - 620-2218-3727		1,709,942	1,765,059	3,516,063	1,670,558	1,592,180	
			3,516,063				
FNB-Service Delivery Reserve - 620-3325-4723		53,340	31,531,147	63,217,351	53,340	31,531,147	54,552,329
FNB-Operational Investment - 620-2945-0715							
FNB-Municipal Infrastructure Grant(MIG) - 620-8603-6714		9,308	2,878,627	2,967,181	9,308	2,878,627	2,967,181
FNB-Guarantee Investment- 620-6874-2157		3,057,968	6,594,484	17,396	3,057,968	6,594,484	17,396
FNB-Financial Management Grant (FMG) - 622-7618-7294		162,463	334,465	317,973	162,463	334,465	3,217,973
FNB-Electrification Programme - 622-8856-0925		186,165	7,539	3,160	186,165	7,539	3,160
FNB-Traffic Fine - 627-5889-3905		1,136,753	351,550	2,352,948	1,136,753	351,550	2,352,948
FNB-Housing Project Fund - 628-9151-9971		952	244,135	572,481	952	244,135	572,481
FNB Solidarity Fund 628-5499-2099		186	88,749	775,112	186	88,749	775,112

		217,067	203,361	194,150	217,067	203,361	194,150
Umzimvubu Local Municipality							
FNB Retention 628-6002-9000		4,108,217		825,571	165,848	3,926,615	825,571 165,848
Annual Financial Statements for the year ended 30 June,							
2024	FNB NATIS Transactions 629-	114,996	440,110	2,619,920		114,996	440,110 2,619,920
1034-4837							
Nedbank - Capital Replacement							
03 / 7881112786		36,520,208		34,013,373		31,842,322	36,752,837 34,013,373
				31,953,552			
FNB Disaster Relief 630-9365-							
2965							
		19,015,181	-	-		19,015,181	- -
Total	66,292,746	79,278,170	108,561,905	66,304,389	79,105,291	102,908,113	

12. Investment property

2024	2023						
Cost / Valuation		Accumulated depreciation and impairment	Carrying value	Cost / Valuation	Accumulated depreciation and impairment	Carrying value	
Investment property	26,105,040	-	26,105,040	25,298,064	-	25,298,064	

Reconciliation of investment property - 2024

Opening balance		Additions	Fair	Total
		value adjustments		

Annual Financial Statements for the year ended 30 June,
2024

Reconciliation of investment property - 2023

Opening	Fair value		Total
Investment property	balance	adjustments	
	21,816,441	3,481,623	25,298,064

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

	2024	2023

12. Investment property (continued)

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality. No impairment losses have been recognised on Investment Property of the municipality at the reporting date.

Details of valuation

Investment properties fair value determination was performed by a Independent Registered Property Valuer.

Afroteam Consultants instructed by Nyalambisa Financial Services. The last valuation was performed on 30th of June 2024.

The valuation methodologies used to determine the fair value was the income based approach as well as the comparable market values approach.

Amounts recognised in surplus or deficit

Rental revenue from Investment property	4,955,552	6,165,024

Investment property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, for administration purposes, or the sale of an asset in the ordinary course of operations. Property with a currently undetermined use, is also classified as investment property.

Investment property is recognised as an asset when it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the Municipality, and the cost or fair value of the investment property can be measured reliably.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

All of the municipality's Investment Property is held under freehold interests and no Investment Property had been pledged as security for any liabilities of the municipality.

There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal. There are no contractual obligations on Investment Property.

Impairment of Investment property

No impairment losses have been recognised on Investment property of the municipality at the reporting date.

Work-in-progress

The municipality had no capital projects for Investment property which were not completed at year-end.

Delayed projects

No projects that are currently in progress are experiencing significant delays. No projects for the period was halted.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

13. Property, plant and equipment

			impairment			impairment	
Land		34,005,270	-	34,005,270	34,005,270	-	34,005,270
Buildings		528,474,496	(162,686,473)	365,788,023	471,199,690	(143,800,308)	327,399,382
Infrastructure		1,967,787,166	1,363,657,996	604,129,170	1,860,898,624	1,280,408,324	580,490,300
Computer equipment		16,888,501	(8,107,450)	8,781,051	16,005,216	(6,589,224)	9,415,992
Office equipment		13,656,137	(8,151,248)	5,504,889	13,517,972	(6,946,415)	6,571,557
Machinery and Equipment		14,688,408	(9,859,324)	5,328,484	14,615,954	(8,826,345)	5,989,609
Transport Assets		33,557,541	(11,332,471)	22,225,070	26,279,009	(8,239,804)	18,039,205
Total		2,609,057,519	(1,563,295,562)	1,045,761,957	2,436,221,735	(1,454,310,420)	981,911,315

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,

Reconciliation of property, plant and equipment - 2024

	balance			received		loss	
Land	34,005,270	-	-	-	-	-	34,005,270
Buildings	327,399,382	44,714,315	-	12,560,492	(14,487,733)	(4,398,433)	365,788,023
Infrastructure	580,490,300	107,775,165	(825,897)	-	(55,383,815)	(27,926,583)	604,129,170
Computer equipment	9,415,992	1,490,454	(111,002)	-	(2,014,393)	-	8,781,051
Office equipment	6,571,557	211,769	(28,528)	-	(1,249,909)	-	5,504,889
Machinery and Equipment	5,989,609	995,693	(117,038)	-	(1,539,780)	-	5,328,484
Transport Assets	18,039,205	7,278,532	-	-	(3,092,667)	-	22,225,070
	981,911,315	162,465,928	(1,082,465)	12,560,492	(77,768,297)	(32,325,016)	1,045,761,957

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

13. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment -

	Opening balance	Additions	Disposals	Other changes, movements	Depreciation	Impairment loss	Total
	34,005,270					-	
Buildings	308,247,076	34,459,211	-	-	(13,458,611)	(1,848,294)	327,399,382
Roads Infrastructure	552,358,846	86,518,771	(578,036)	(1,520,937)	(52,656,804)	(3,631,540)	580,490,300
Computer equipment	7,038,023	3,764,907	(14,875)	-	(1,322,707)	(49,356)	9,415,992
Office equipment	5,841,956	2,237,523	(179,199)	-	(1,259,705)	(69,018)	6,571,557
Machinery and Equipment	5,867,436	1,454,426	-	-	(1,323,391)	(8,862)	5,989,609
Transport Assets	13,177,360	6,591,000	(78,628)	-	(1,650,527)	-	18,039,205
	926,535,967	135,025,838	(850,738)	(1,520,937)	(71,671,745)	(5,607,070)	981,911,315

Assets pledged as security

The municipality did not pledge any of its assets as security.

Change in estimate

A change in the estimated remaining useful lives of various assets of the Municipality based on their assessment of remaining useful lives conducted as at 30 June 2024 will result in the following decreases in depreciation for property plant and equipment in the 2024 financial year and future periods:

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Computer equipment				Furniture and office equipment	Machinery and equipment
The impact on the statement of financial performance (Depreciation) in the 2024 financial year:	11,738	21,647	8,122		
The impact on the statement of financial performance (Depreciation) in the future periods	28,457	62,351	22,239		
	40,195	83,998	30,361		

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

13. Property, plant and equipment (continued)

Reconciliation of Work-in-Progress 2024

	Infrastructure 35,800,068	Buildings	
Additions/capital expenditure	107,775,200	45,362,402	153,137,602
Transferred to completed items	(85,547,474)	(34,931,297)	(120,478,771)
	58,027,794	42,715,461	100,743,255
	Included within Infrastructure	Included within Buildings	Total
	28,392,646		
Additions/capital expenditure	86,518,772	34,459,210	120,977,982
Transferred to completed items	(79,111,350)	(7,279,229)	(86,390,579)
35,800,068	32,284,356		68,084,424

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Contracted services 17,878,083 18,895,810

Total Expenditure related to Repairs and Maintenance Projects

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

Maintenance of Buildings and Facilities	1,701,570	2,451,310
Maintenance of Infrastructure assets	12,787,568	12,528,905
Maintenance of Machinery and Transport assets	3,388,945	5,132,073

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

13. Property, plant and equipment (continued) Delayed projects

Fencing of EmaXesibeni botanical garden phase 2	920,740	920,740

The project had been affected by unresolved Dutyini Land Claim and the municipality which have since been resolved during the 2024 financial year. An advert for completion of works was made but bidders were non responsive. A new advert has since been made.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Notes to the Annual Financial Statements

14. Intangible assets

2024	2023						
Cost / Valuation			Accumulated amortisation and accumulated impairment	Carrying value Cost / Valuation		Accumulated amortisation and accumulated impairment	Carrying value
Municipal Website	150,000	-		150,000	150,000	-	150,000
Computer software	1,372,953	(1,227,031)		145,922	3,207,707	(2,762,231)	445,476
Total	1,522,953	(1,227,031)		295,922	3,357,707	(2,762,231)	595,476

	Opening balance	Disposals	Amortisation	Total
Computer software	150,000 445,476	(78,592)	(220,962)	145,922

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

2024 2023

14. Intangible assets (continued) Other information

The amortisation expense has been included in the line item "Depreciation and Amortisation" in the Statement of Financial Performance see Note 41.

All of the municipality's Intangible Assets are held under freehold interests and no Intangible Assets had been pledged as security for any liabilities of the municipality.

No restrictions apply to any of the Intangible Assets of the municipality.

Intangible Assets with Indefinite Useful Lives

The municipality amortises all its Intangible Assets, but not the Website as it is considered to be constantly maintained and therefore have an indefinite economic useful life and such assets are regarded as having indefinite useful lives.

The useful lives of the Intangible Assets remain unchanged from the previous year.

Impairment of Intangible Assets

No impairment losses have been recognised on Intangible Assets of the municipality at the reporting date.

Work-in-Progress

The municipality had no capital projects for Intangible Assets during the year.

Delayed Projects

The municipality had no capital projects for Intangible Assets during the year.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

15. Heritage assets

2024		2023			
Cost / Valuation				Accumulated impairment losses	Carrying value Cost / Valuation
				Accumulated impairment losses	Carrying value
Mayoral chain	17,719 -	17,719	17,719 -	17,719	

Reconciliation of heritage assets 2024

Opening balance

Umzinvubu Local Municipality

Total

Annual Financial Statements for the year ended 30 June,
Mayoral chain 17,719 17,719
2024

Reconciliation of heritage assets 2023

Opening balance

Total

Mayoral chain 17,719 17,719

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

15. Heritage assets (continued)

All of the municipality's Heritage Assets are held under freehold interests and no Heritage Assets had been pledged as security for any liabilities of the municipality. No restrictions apply to any of the Heritage Assets of the municipality.

Depreciation and Impairment

In accordance with GRAP 103, a Heritage Asset have an indefinite life and their value appreciates over time due to their cultural, environmental, educational, natural scientific, technological, artistic or historical significance; and shall not be depreciated but an entity shall assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the entity shall estimate the recoverable amount or the recoverable service amount of the heritage asset.

Impairment of Heritage Assets

No impairment losses have been recognised on Heritage Assets of the municipality at the reporting date.

Heritage Assets measured after recognition using the Cost Model

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

The municipality's Heritage Assets are accounted for according to the cost model and therefore no fair value has been determined.

Work-in-Progress

The municipality had no capital projects for Heritage Assets during the year.

Delayed Projects

The municipality had no capital projects for Heritage Assets during the year.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

	2024	2023
16. Trade and other payables from exchange transactions		
Trade payables	35,542,896	25,182,996
Accruals	14,866,049	15,349,430
Retention	12,099,984	4,169,302
Department of Transport	492,870	635,870
	63,001,799	45,337,598
 Rental Deposits	 175,872	 161,703
 Trade and other Payables from Non-Exchange Transactions comprises of:		
Trade and other payables from Non-Exchange Transactions		
Department of Housing amounts held in trust	-	88,260
Debtors with credit balances	6,611,283	3,254,526
Other Payables from Non-Exchange Transactions	-	45,280
	18,096,100	6,998,808
 Unspent conditional grants and receipts		
Disaster Relief Management Grant	- 1,757,472	3,500,000
Municipal Disaster Recovery Grant	9,727,345	-
	11,484,817	3,610,742
 Balance at the beginning of the year	 3,610,742	 462
Additions during the year	94,298,000	77,708,000
Income recognition during the year	(86,423,925)	(74,097,720)
	11,484,817	3,610,742

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised. See note 35 for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Notes to the Annual Financial Statements

19. Employee benefits obligations Reconciliation
of employee benefits obligations -

	Opening Balance 2,618,973	Additions	Utilised during the period	Interest costs	Acturial gain	Total
Provision for leave pay	9,543,488	1,884,120	(2,078,745)	-	-	9,348,863
Provision for performance bonus	754,527	771,386	(754,527)	-	-	771,386
Long Service Awards Liability	2,906,000	414,000	(675,810)	283,000	(4,190)	2,923,000
	15,822,988	5,660,035	(6,128,055)	283,000	(4,190)	15,633,778

	Opening Balance 2,366,878	Additions	Utilised during the period	Interest costs	Acturial loss	Total
Provision for leave pay	8,257,101	2,159,618	(873,231)	-	-	9,543,488
Provision for performance bonus	689,273	754,528	(689,274)	-	-	754,527
Long Service Awards Liability	2,429,000	410,000	(208,000)	256,000	19,000	2,906,000
	13,742,252	5,943,119	(4,137,383)	256,000	19,000	15,822,988

Staff Leave accrues to the staff of the municipality on an annual basis, subject to certain conditions. The liability is an estimate of the amount due at the reporting date.

19. Employee benefits obligations (continued) Provision for performance bonus

A performance bonus, is for senior managers and managers. It is not guaranteed and as it is based on the achievements of the individual against the targets set out in his/her performance agreement. The payment of bonuses is purely based on performance then there is no legal obligation on a municipality to make such payments.

However a constructive obligation is created through the assessment of employees' performance throughout the year and the fact that the municipality has a practice of paying performance bonuses.

Long service awards liability

Long Service Awards are provided to employees who achieve certain predetermined milestones of service within the municipality

The following members are eligible for long service bonuses:

Eligible Employees	Female	Male	Total
Average annual earnings	249,450	250,832	250,020
Average age	42.4	44.0	43.1
Average past service	9.4	9.9	9.6
	-	-	-

The earnings disclosed above and used in the valuation include an increase of 5.40% as at 1 July 2025, as per the SALGBC Circular No.: 01/2023.

Unfunded Accrued Liability

Value of assets	-	-
	2,923,000	2,906,000
Expected non-current portion of liability (due thereafter)	2,477,000	2,193,000
	2,923,000	2,906,000
Discount rate	10.89%	11.08%
General Salary Inflation (long-term)	6.00%	6.47%
CPI inflation rate	5.00%	5.47%
Net Effective Discount Rate applied to salary-related Long Service	4.62%	4.33%
Average retirement age	62	62

19. Employee benefits obligations (continued)

The next general earnings increase was assumed to take place on 1 July 2025.

Last Valuation

The last valuation was performed in July 2023.

Actuarial Valuation Method

The Projected Unit Credit Method has been used to value the liabilities. The valuation meets the requirements of GRAP 25 as well as those of Advisory Practice Note 301 issued by the Actuarial Society of South Africa. The valuation was prepared by ARCH Actuarial Consulting.

The amounts recognised in the Statement of Financial Performance are:

Finance Charges - Interest Cost	283,000	256,000
Actuarial Losses / (Gain)	(4,190)	19,000
Expected benefits vesting / paid during the year (N1)	(675,810)	(208,000)
	17,000	477,000

N1 - This is the total value of the long-service awards that were expected to be awarded to eligible employees over the year, based on the data at the previous valuation date. Employees are usually entitled to take this award in whole or in part as cash, with the remainder taken as leave. Therefore, this figure should not be confused as being only the amount of cash paid out in respect of the award. It represents the amount actually paid out in cash and the portion that was either taken or "stored" as leave.

If the actual amount of benefits vested is to be included instead in the above table, then the Actuarial Loss / (Gain) must change to exactly offset the impact, such that the Closing Accrued Liability remains unchanged. For example, if the actual amount of benefits vested was R100,000 lower than the estimate (based on last year's data), then the Actuarial Loss / (Gain) would have to reduce by R100,000 to leave the Closing Accrued Liability as is.

Sensitivity Analysis on the Unfunded Accrued Liability

Assumption	% Change	Liability	% Change
Central assumptions		2,923,000	
General earnings inflation rate	+1%	3,067,000	5%
	-1%	2,790,000	-5%
Discount rate	+1%	2,784,000	-5%
	-1%	3,074,000	5%
Average retirement age	+2 years	2,989,000	2%
	-2 years	2,769,000	-5%
Withdrawal rates	x2	2,375,000	-19%
	x0,5	3,278,000	12%

Sensitivity Analysis on Current-Service and Interest Costs for period ending 30 June 2024

Assumption	Change	CurrentSvc. Cost	Interest Cost	Total	% Change
Central assumptions		414,000	283,000	697,000	
General earnings inflation rate	+1%	439,000	298,000	737,000	6%

19. Employee benefits obligations (continued)

Discount rate	1%	394,000	293,000	687,000	-1%
	-1%	436,000	272,000	708,000	2%
Average retirement age	+2 years	424,000	292,000	716,000	3%
	-2 years	397,000	268,000	665,000	-5%
Withdrawal rates	x2	312,000	225,000	537,000	-23%
	x0,5	484,000	321,000	805,000	15%

Sensitivity Analysis on Current-Service and Interest Costs for year ending 30 June 2025

	Change	CurrentSvc. Cost 435,000	Interest 295,000	CostTotal	% Change
General earnings inflation rate	+1%	461,000	310,000	771,000	6%
Discount rate	+1%	413,000	305,000	718,000	-2%
	-1%	458,000	283,000	741,000	2%
Average retirement age	+2 years	445,000	302,000	747,000	2%
	-2 years	415,000	278,000	693,000	-5%
Withdrawal rates	x2	331,000	236,000	567,000	-22%
	x0.5	506,000	333,000	839,000	15%

VAT output accrual	1,115,003	485,542
VAT output accrual - provision for debt impairment	(935,814)	(475,447)
VAT output accrual not declared to SARS (INEP GRANT) - N1	10,497,674	10,497,674
	10,676,863	10,507,769

VAT output accrual relates to VAT on Service charges receivable that have not yet been received at year end and the vat on provision for impairment on those receivables.

N1 - Management have in the past recognised the revenue received from National Treasury relating to the INEP grant as a conditional grant. During the 2023 audit, this was clarified to be incorrect treatment and should have recognised the revenue as revenue from Exchange transactions. Furthermore, the municipality ought to have declared output VAT on these amounts on receipt, which was not done. The municipality has raised the liability relating to the output VAT on the INEP grant from 2020 financial year, which is inline with the requirement of a Vendor to retain information as per Section 55 of the VAT Act of 1991 as ammended

21. Provisions

The municipality operates two landfill sites situated at emaXesibeni (Mount Ayliff) and kwaBhaca (Mount Frere). In accordance with legislation and to comply with the Department of Water Affairs (DWA) and Department of Economic Development and Environmental Affairs (DEDEAT) on the landfill waste sites, the municipality raises a provision every year for the estimated cost of rehabilitating the land over which the sites are situated.

21. Provisions (continued)

Due to uncertainties about the amount or timing of these costs, the provision has been made for this cost based on the construction budget to rehabilitate the landfill site at 30th of June 2024 at a rate of 11.5% (2023: 12.62%) taking into account price escalation of 4.9% (2023: 7.39%) relating to inflation. The estimated years for the rehabilitating these sites are 9.1 years for at emaXesibeni (Mount Ayliff) and 36.4 years for kwaBhaca (Mount Frere).

A valuation of the rehabilitation was conducted by an independent valuer Ekolaw Consulting (2023: One Pangaea Expertise & Solutions) and a liability has been raised. Movements in the provision are recognised in the Statement of Financial Performance. The Provision has been determined on the basis of a recent independent financial requirement and viability.

Reconciliation of provision for environmental rehabilitation

Current liabilities	- 9,177,152	- 6,337,829
	9,177,152	6,337,829

Reconciliation of provision for environmental rehabilitation

Change in discount factor	2,459,053	(1,520,937)
Interest cost	380,270	781,984
	9,177,152	6,337,829

Key Actuarial Assumptions used are as follows:

	2024	2023	2022	2021
Consumer price inflation	4.9%	7.39%	7.23%	7.07%
Net Discount rate $((1+D)/(1+H)-1)$		4.87%	3.56%	3.5%
Remaining life of site: Mt Frere	36	37	35	36
Remaining life of site : Mt Ayliff	9	10	11	12
	-	-	-	-

Capital replacement reserve opening balance	34,013,373	31,842,322
Transfer into capital replacement reserve (interest earned)	2,739,464	2,171,051
	36,752,837	34,013,373

Accumulated Surplus/(Deficit) due to the results of operations

<u>Accumulated Surplus</u>	1 088 012 127	<u>1 026 070 640</u>

	2024	2023
24. Revenue		
Sale of goods	249,332	1,037,069
Service charges	1,296,952	1,262,598
Construction contracts	13,782,609	2,046,041
Rental of facilities and equipment	5,139,629	6,356,833
Interest received - Exchange	10,726,289	9,828,365
Agency services	3,179,372	2,065,526
Licences and permits - Exchange transactions	1,921,051	1,759,925
Insurance proceeds	- 196,845	170,417
Actuarial gains	4,190	-
Fair value adjustments	712,476	3,481,623
Operational Revenue	179,148	211,411
Licences and Permits - non-exchange transactions	158,059	198,383
Property rates	46,521,963	46,982,299
Interest received - Non-exchange	2,114,413	2,018,706
Government grants & subsidies	361,908,236	356,166,988
Public contributions and donations	-	500,000
Fines, Penalties and Forfeits	3,642,390	3,314,779
Donations	12,647,449	-
	464,380,403	437,400,963

The amount included in revenue arising from exchanges of goods or services are as follows:

Service charges	1,296,952	1,262,598
Construction contracts	13,782,609	2,046,041
Rental of facilities and equipment	5,139,629	6,356,833
Interest received - Exchange	10,726,289	9,828,365
Agency services	3,179,372	2,065,526
Licences and permits	1,921,051	1,759,925
Insurance proceeds	- 196,845	170,417
Actuarial gains	4,190	-
Operational Revenue	179,148	211,411
Fair value adjustments	712,476	3,481,623
	37,387,893	28,219,808

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue		
Licences or permits	158,059	198,383
Interest received - Non-exchange	2,114,413	2,018,706
Transfer revenue		
Public contributions and donations	-	500,000
Fines, Penalties and Forfeits	3,642,390	3,314,779
Donations	12,647,449	-
	426,992,510	409,181,155

	2024	2023
25. Sale of goods and other services		
Advertisement	47,152	118,892
Building plans	164,507	615,217
Cemetery and burials	14,950	23,488
Clearance certificate	6,474	15,300
Sale of goods	16,249	264,172
	249,332	1,037,069
 Refuse removal	 1,296,952	 1,262,598

The amounts disclosed above for revenue from Service charges are in respect of services rendered which are billed to the consumers on a monthly basis according to approved tariffs.

27. Construction contracts

Contract between UML and Department of Energy

An amount of R13 782 609 (2023: R2 046 042) was recognised by the municipality as revenue during the current financial year. As the outcome of a construction contract can be estimated reliably, contract revenue and contract cost associated with the construction contract are recognised by reference to the stage of completion of the contract at reporting date.

The municipality determines the stage of completion of contract in progress by the accumulative actual work performed i.e contract cost divide by contract price.

During the period a total contract cost to the amount of R13 782 609 (2023: R1 747 642) was recognised. During the period, the municipality received an advance amount of R0 (2023: R0) from the Department of Energy. Refer to note 16

No retentions were held for this construction contract during the year, (2023: R0).

Facilities and equipment

Investment property	4,955,552	6,165,024

	5,139,629	6,356,833
	-	-

Rental income generated are at market related premiums. All rental income recognised is therefore market related.

29. Interest received - Exchange Transactions

Interest received - debtors	600,377	587,089
Interest received - bank	643,263	329,879
Interest received - investments	9,482,649	8,911,397
	10,726,289	9,828,365
	-	-
	10,726,289	9,828,365

	2024	2023
30. Agency services		
Housing project management fees	818,929	-
Vehicle Registration	2,360,443	2,065,526
	3,179,372	2,065,526

The municipality is an agent for the Provincial Department of Transport as well as the Eastern Cape Department of Human Settlements. Refer to Note 64 for further details.

31. Operational revenue and Insurance proceeds

Insurance proceeds	-	170,417
	179,148	381,828
Fair value adjustment for investment properties	712,476	3,481,623

	2024	2023
33. Property rates		
Rates received		
Property rates	46,521,963	46,982,299
Residential	1,383,601	1,751,911
Commercial	4,395,515	4,912,578
Vacant land	440,610	425,685
Public Service Purpose	40,296,523	39,881,550
Public Service Infrastructure Places of Worship	5,881	10,575
Municipal Properties	-	-
	46,522,130	46,982,299

Annual valuation are processed on a continuous basis to take into account changes in individual property values due to alterations and subdivisions. Rates tariffs applicable are as shown in the table below.

Rates are levied monthly on property owners and are payable on the 7th of each month. Property owners can request that the full amount for the year be raised in July in which case the amount has to be paid by 30 September. Interest is levied at a rate of 10% per annum as determined by council on outstanding rates amounts.

Welfare organisations are exempted from the payment of rates, while the first R15 000 of the valuation on improved residential and vacant properties exempted from payment of rates.

An additional rebate of 25% of the current year rates are allowed for senior citizens, disabled persons and medically boarded property owners. There is a 15% rebate of rates allowed for the three years of a newly developed property from the date of issuance of certificate of occupancy

Tariff structure

Residential	0.0058	0.0058
Business	0.0140	0.0140
Vacant stands	0.0140	0.0140
Government properties	0.0186	0.0186
Public service Infrastructure	0.0015	0.0015
	-	-

Residential	314,909,200	316,310,500
Commercial	349,193,000	350,898,500
Public Service Purpose	2,163,018,973	2,146,400,673
Vacant land	36,387,100	46,388,000
Places of Worship	42,267,800	40,590,800
Municipal Properties	87,460,500	107,794,100
Public Service Infrastructure	4,192,100	7,049,300
RDP	10,588,300	10,588,300
3,008,016,973	3,026,020,173	

Valuations on land and buildings are performed every 5 years. The last general valuation came into effect on 1 July 2018. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions. The last interim valuation was compiled and implemented

The new general valuation will be implemented on 01 July 2024.

2024

2023

34. Interest received - Non-Exchange Transactions

	2024	2023
35. Government grants and subsidies		
Operating grants		
Equitable share	275,356,743	260,936,000
Departmental agencies and accounts (SETA)	238,310	699,450
Expanded Public Works Programme (EPWP)	2,917,000	3,352,000
Provincial Arts and Culture grants - Library	742,528	2,150,000
Finance Management Grant (FMG)	1,720,000	1,720,462
Disaster Relief Management Grant	3,500,000	10,500,000
Extended Public Works Programme - Cleansing Project Peri-Urban	-	3,700,000
	284,474,581	283,057,912
Capital grants		
Municipal Disaster Recovery Grant Small Town Revitalisation	26,049,655	- 20,433,819
	77,433,655	73,109,076
	284,474,581	283,057,912
	77,433,655	73,109,076
	361,908,236	356,166,988
Included in above are the following grants and subsidies received:		
Conditional grants received	94,298,000	77,708,000
Unconditional grants received	275,484,310	278,361,874
	369,782,310	356,069,874
Balance unspent at beginning of year	3,610,743	462
Current-year receipts	367,282,310	333,493,911
Conditions met - transferred to revenue	(361,165,708)	(329,883,630)
	9,727,345	3,610,743
Provincial governments		
Current-year receipts	2,500,000	22,576,424
Conditions met - transferred to revenue	(742,528)	(26,283,819)
Other	-	3,707,395
	1,757,472	-

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members and funding of municipal operations.

Current-year receipts	275,246,000	260,936,000

Transferred from unspent Municipal Infrastructure Grant	110,743	-
Recognised as revenue	(275,356,743)	(260,936,000)
	-	-

	2024	2023
35. Government grants and subsidies (continued)		
Municipal Infrastructure Grant		
Balance unspent at beginning of year	110,742	-
Current-year receipts	51,384,000	52,786,000
Conditions met - transferred to revenue	(51,384,000)	(52,675,258)
Unspent conditional grant transferred to Equitable share	(110,743)	-
	(1)	110,742

These grants are allocated for the construction of roads. Provide for new, rehabilitation and upgrading of municipal infrastructure as part of upgrading of poor households, micro enterprises and social institutions.

Financial Management Grant

Balance unspent at beginning of year	-	462
Current-year receipts	1,720,000	1,720,000
Conditions met - transferred to revenue	(1,720,000)	(1,720,462)
	-	-

This grant is allocated for the implementation of financial management reforms required by the MFMA. All conditions are met.

Expanded Public Works Programme Grant

Current-year receipts	2,917,000	3,352,000
Conditions met - transferred to revenue	(2,917,000)	(3,352,000)
	-	-

This grants is implementation of labour intensive programmes and help in creating employment in the community. All conditions met.

Small Town Revitalization

Current-year receipts	-	16,726,424
Conditions met - transferred to revenue	-	(20,433,819)
Recognised as a receivable	-	3,707,395
	-	-

This is a town revitalization project initiated by the Office of the Premier to revitalize EmaXesibeni town and KwaBhaca. Invoices are paid by the office of the premier on presentation by the service provider. No allocation for the current year.

Disaster Relief Management Grant

Current-year receipts	-	14,000,000
Conditions met - transferred to revenue	(3,500,000)	(10,500,000)
	-	3,500,000

Provincial Arts and Culture grants - Library

Current-year receipts	2,500,000	2,150,000
Conditions met - transferred to revenue	(742,528)	(2,150,000)

2024 2023

35. Government grants and subsidies (continued)

1,757,472 -

Conditions still to be met - remain liabilities (see note 18).

This grants is used for to pay for Kwa-Bhaca and EmaXesibeni Library expenses.

Municipal Disaster Recovery Grant

Current-year receipts	35,777,000	-
Conditions met - transferred to revenue	(26,049,655)	-

9,727,345 -

Conditions still to be met - remain liabilities (see note 18).

This grant is used to rehabilitate and reconstruct disaster damaged municipal infrastructure.

SETA Grant

Current-year receipts	238,310	699,450
Conditions met - transferred to revenue	(238,310)	(699,450)

- -

Grant received from SETA and used for employee trainings and development. All conditions met.

Solid Waste Management Grant (EPWP - Cleansing Project Peri-Urban)

Current-year receipts	-	3,700,000
Conditions met - transferred to revenue	-	(3,700,000)

- -

This grant is used to create job opportunities through the cleaning of rivers and water reticulation sites. No allocation for the current year.

Changes in level of government grants

Based on the allocations set out in the Division of Revenue Act, (Act 9 of 2021), no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

36. Award received

Law Enforcement Fines	2,109,150	2,803,147
Pound Fees Fines	1,533,240	511,632

3,642,390

3,314,779

2024 2023

38. Donations

Donated assets - ECDC	12,560,492	-
Cash donations - Alfred Nzo DM	86,957	-

12,647,449	-

Eastern Cape Development Corporation donated Hawker Stalls to the municipality for the use by the Local Economic Development Directorate. Alfred Nzo DM donated cash for the assistance in IDP outreach.

39. Employee related costs

Bonus	5,491,126	5,303,836
Medical aid - company contributions	4,954,550	4,722,289
Unemployment Insurance Fund	424,512	425,627
Workers Compensation Fund	139,221	1,115,104
Skills Development Levy	958,767	930,479
Leave pay provision charge	2,097,527	2,247,617
Defined contribution plans	10,132,657	9,656,624
Travel, motor car, accommodation, subsistence and other allowances	4,160,348	4,614,997
Overtime payments	707,614	655,979
Long-service awards	28,903	383,660
Housing benefits and allowances	2,591,269	2,505,214
Bargaining Council Levy	27,096	26,224
Standby Allowance	1,403,318	1,273,377
	93,007,309	92,022,601
Executive Mayor	1,003,179	964,345
Speaker	792,620	776,785
Chief Whip	762,569	733,908
Executive Committee	5,586,723	5,329,305
Councillors	15,413,367	14,938,499

	23,558,458	22,742,842

The Executive Mayor and Speaker are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Executive Mayor and Speaker have use of a Council owned vehicle for official duties.

Additional information

The salaries, allowance and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa and within the limits set by the Remuneration of Public Office Bearers Act No 20 of 1998.

41. Depreciation and amortisation

Property, plant and equipment	77,768,297	71,671,745
Intangible assets	220,961	220,961
Total Depreciation and Amortisation	77,989,258	71,892,706

	2024	2023
42. Impairment losses		
Impairments		
Receivables from Exchange Transactions - Rentals Receivables from Exchange Transactions	43,916	- 1,195,656
Refuse		
Statutory Receivables - Rates	4,195,945	4,579,069
Statutory Receivables - Traffic fines	7,442,762	-
Describe the events and circumstances that led to the recognition or reversal of the impairment loss. The recoverable amount or irrecoverable service amount of the asset was based on its		
	44,007,639	11,381,796
Reversal of impairments		
Receivables from Exchange Transactions - Rentals Receivables from Exchange Transactions	(2,022,379)	(25,113)
- Refuse		-
Describe the events and circumstances that led to the recognition or reversal of the impairment		
	(2,022,379)	(615,283)
	44,007,639	11,381,796
	(2,022,379)	(615,283)
Total impairment losses recognised /(reversed)	41,985,260	10,766,513
Interest on employee benefits	283,000	256,000
Interest on provision for landfill sites	380,270	781,984
Interest on overdue account	450,665	-
	1,113,935	1,037,984
Equipment		
Landline phones		
	845,018	307,582
Debts waived off - Non-exchange receivables	1,715,364	-
Inventory consumed	6,515,786	10,128,713

	2024	2023
47. Contracted services		
Outsourced Services		
Catering Services	676,382	855,048
Cleaning Services	286,180	375,000
Internal Auditors	1,150,196	708,375
Personnel and Labour	12,237,535	13,617,412
Professional Staff	120,000	-
Security Services	23,018,528	19,028,947
Consultants and Professional Services		
Infrastructure and Planning	568,082	940,000
Legal Cost	4,908,149	4,209,939
Contractors		
Building	720,000	891,958
Catering Services	2,559,742	3,766,222
Employee Wellness	910,750	174,500
Event Promoters	705,375	771,717
Maintenance of Buildings and Facilities	1,701,570	2,451,310
Maintenance of Equipment	3,388,945	5,132,073
Maintenance of other Assets	12,787,568	12,528,905
Tracing Agents and Debt Collectors	6,882,887	8,095,485
Presented previously Outsourced Services	- 39,366,758	- 35,762,328
Consultants and Professional Services	24,070,237	22,625,068
Contractors	29,656,837	34,008,170
	93,093,832	92,395,566
Other subsidies		
Monetary allocations	3,137,963	2,747,073
Expenditure incurred to electrify houses and handed over to eskom	849,180	9,041,796
SMME Development	13,352,570	12,557,238
Section 21 Schools services rendered	539,992	-
	18,700,091	25,007,154
Other subsidies	18,700,091	25,007,154

Management has taken a decision to dispose of some assets that are deemed excess of requirements or assets broken and no longer useful in provision of services to the community.

Carrying value of assets disposed off - Property, plant and equipment	(256,568)	(850,738)
Carrying value of assets disposed off - Intangible assets	(78,592)	-
Cash receipts	495,784	-
Replacement asset value	36,221	-
	196,845	(850,738)

49. Gain / (Loss) on disposal of assets (continued) Facts and circumstances of the disposal

Municipal assets were either damaged, lost or they were found to offer limited service potential and were thus disposed. An auction of municipal assets took place on the 13th of July 2023 and a total of R495 784 was realised. A computer laptop lost from a former employee and was replaced by a new laptop purchased by that employee.

50. Actuarial gains / (loss)

Achievements and awards	1,721,090	1,060,950
Advertising	2,682,982	3,051,267
Auditors remuneration	4,482,103	4,120,787
Bank charges	446,227	420,216
Bursaries (Employees)	706,999	624,144
Communication	4,691,927	5,440,242
Drivers licences and permits	206,773	189,679
External computer services	1,268,233	1,735,984
Financial loss	703,521	-
Hire charges	10,360,308	7,574,116
Indigent relief	4,036,613	6,011,867
Insurance	4,304,827	5,771,879
Learnerships and internships	374,154	519,891
Municipal services	6,472,851	6,213,166
Printing publications and books	555,015	838,337
Professional bodies membership and subscriptions	1,209,897	1,878,948
Registration fees	4,111,290	5,705,634
Remuneration to ward committees	4,658,160	4,694,818
Resettlement cost	3,916	6,500
Seating allowance for traditional leaders	76,218	46,147
Signage	207,600	429,170
Transport provided as part of departmental activities	1,914,220	1,499,023
Travel agency and visa's	785,411	787,573
Travel and subsistence	8,071,753	8,111,358
Uniform and protective clothing	1,837,073	3,212,261
Vehicle Tracking	1,075,013	550,394
Vehicle licensing	129,538	84,501
Wet fuel	5,415,252	6,430,350
	72,508,964	77,009,202
Fees	4,482,103	4,120,787

	2024	2023
53. Cash generated from operations		
Surplus for the year Adjustments for: Depreciation and amortisation	18,106,450	31,585,371
(Gains) / Losses on Disposal of Property, Plant and Equipment	629,052	850,738
Fair value adjustments	(712,476)	(3,481,623)
Impairment loss	41,985,260	10,766,513
Movements in operating lease assets and accruals	(2,738,445)	(4,589,013)
Contribution to Provisions - Current	37,549	(20)
Contributions to employee benefit for the year	9,605	857,282
Actuarial gain - Employee benefit	(4,190)	19,000
Donations	(12,560,492)	-
Provision for leave	(194,625)	1,140,275
Finance costs - Landfill site provision Changes in working capital: Inventories	2,839,323	1,037,984
Trade and other receivables from exchange transactions	151,648	(1,249,298)
Consumer debtors	(6,575,048)	(9,072,126)
Other receivables	1,387,924	1,082,117
Trade and other payables from exchange transactions	17,664,194	16,074,308
VAT	1,167,095	(9,410,331)
Trade and other Payables from Non-Exchange Transactions	11,097,292	7,235,004
Increase in Operating lease liability	14,169	17,332
Other receivables	-	(3,707,395)
	149,263,742	111,223,017

54. Risk management Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance. The municipality uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out by a central treasury department (entity treasury) under policies approved by the . Municipality treasury identifies, evaluates and hedges financial risks in close co-operation with the municipality's operating units. The provide written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and nonderivative financial instruments, and investment of excess liquidity.

Additional text

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, municipality treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are

set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Market risk Interest rate risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with First National Bank and Nedbank. No investments with a tenure exceeding twelve months are made.

The municipality is not exposed to credit interest rate risk as the municipality has no borrowings.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

The municipality had no floating rate long-term financial instruments at year-end requiring an Interest Rate Sensitivity Analysis.

55. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Buildings	4,017,383	29,661,848
• Infrastructure	50,260,736	9,221,280
	54,278,119	38,883,128

Total capital commitments

Total commitments

Internal funding	4,435,002	36,578,348
	54,278,119	38,883,128

This committed expenditure relates to property and will be financed through government grants and internally generated funds.

56. Financial instruments disclosure Categories of financial instruments 2024

Financial assets 2024

	At amortised cost 1,110,308	Total
Trade and other receivables from exchange transactions - Rentals	346,441	346,441
Cash and cash equivalents - Bank balances	1,670,558	1,670,558
Cash and cash equivalents - Investments	64,633,831	64,633,831
Human Settlement Receivables	949,708	949,708
	68,710,846	68,710,846

	At amortised cost	Total
	35,542,896	
Retentions	12,099,984	12,099,984
Accruals	14,866,049	14,866,049
Debtors with credit balances	6,611,283	6,611,283
Department of transport	492,870	492,870
	69,613,082	69,613,082

Financial assets 2023

	At amortised cost 561,367	Total
Trade and other receivables from exchange transactions - Rentals	18,275	18,275

56. Financial instruments disclosure (continued)

Cash and cash equivalents - Bank balances	3,305,358	3,305,358
	79,684,634	79,684,634

	At amortised cost	Total
	25,182,996	
Retentions	4,169,302	4,169,302
Accruals	15,349,430	15,349,430
Debtors with credit balances	3,254,526	3,254,526
Department of transport	635,870	635,870
	48,592,124	48,592,124

57. Contingencies Contingent Assets

Umzimvubu Local Municipality vs Vuyo Chitha	102,000	102,000

An Application to release Mr Vuyo Chitha's pension fund to ULM where Mr Chitha is liable to pay the Municipality an amount of R 102 000 to ULM. As it stands counsel has been briefed to make an application in court ordering the Pension fund to release the funds to ULM for settlement. The pension fund number and pension fund that Mr Chitha was registered to has been requested

Contingent Liabilities

The plaintiff is claiming a sum of R37 484,55 resulting from the damage to her motor vehicle as a result of a pothole in one of the municipal roads. Still waiting for notice of set down of the matter from the plaintiff's attorneys

Umzimvubu Local Municipality vs Thandeka Mgeyi and 4 others Case No.2914/2019	The400,000	400,000

municipality seeks eviction order from the court. The respondents invaded RDP houses at Chithwa Viliage, EXT5, MaXesibeni. The matter was referred for oral evidence and it is trial ready. The matter was before court on 7 March 2022 and was removed from the roll to allow the Municipality to bring its witness to court. The matter is still pending before court.

Umzimvubu Local Municipality vs Rawutini Yicokise Gawulana & Others	150,000	200,000

Land Invasion on ERF 188 in EmaXesibeni. The matter appeared in court on the 9th of February 2021. Application dismissed with costs. ULM shall file documents to appeal. Application for leave to appeal has since been filed and awaiting judgement on same. Application for leave to appeal

Andiswa Gxobole -Nomthwa's Projects v Umzimvubu Local Municipality	200,000	200,000

Demand for full payment of monies paid by the Director of Nomthwa Projects to effect repairs and installation of electricity at the Fresh Produce Market building belonging to ULM. The municipality is to prepare and file a plea as per the amended particulars of claim. The matter has
Umzimvubu Local Municipality vs M Zibuke Clothing & Multipurpose & Another: Case No.400,000
2570/2017

The municipality seek an eviction order against the respondents at TRANSIDO KwaBhaca. The matter is in the process of re-enrolment. We have drafted explanatory affidavit to open temporal
Jane Ntombesithathu Nkondlwana vs Umzimvubu Local Municipality

	200,000	200,000

ULM is 3rd respondent to the matter and the court has instructed as follows: "that the third respondent if need be, be and is hereby ordered to conduct an investigation into the welfare of respondent no 1 and 2 and provide them with accommodation where necessary as being part of its Constitutional mandate. The matter was finalised on 20 January 2022 and judgement in favour
Prince Mbusi Mdlalose vs Umzimvubu Local Municipality Case No. 3359/2019

	1,500,000	1,500,000

The plaintiff alleges that he was unlawfully arrested by the Municipal Traffic Officer on 10 September 2017, then handed him over to Mt Frere Police Station allegedly for exceeding the speed limit detained for 7 hours and released on bail of R500 00

57. Contingencies (continued)

Municipality Case No. 1986/2021

The applicant is concerned group of sigidini administrative area a group whose house were demolished by the municipality. the matter was before Court and was postponed to 06 July 2021 and the Court directed that the Municipality file its replying affidavit.

PriceWaterHouseCoopers vs Umzimvubu Local Municipality Case No. 1351/2020 Claim in respect of services allegedly rendered in 2015, 2016 and 2019. The matter has been defended and consultation with the client is due. Application for rescission of default judgement granted in favour of the Municipality and a plea shall follow. The Municipality is preparing to file its plea.	910,209	910,209
Economic Freedom Fighters vs Umzimvubu Local Municipality Case No. 983/2021 High Court Application wherein the EFF seeks to declare ULM's dress code policies unlawful and unconstitutional and in the alternative to review and set aside ULM's dress code policies. A notice of intention to oppose was served and filed. Also, Answering Affidavit has also been prepared, served and filed. Awaiting Applicant's reply, if any. Applicants have since filed a supplementary founding affidavit. Filing of the supplementary answering affidavit was dismissed with costs.	1,500,000	1,500,000
Simphiwe Mhlongo vs Umzimvubu Local Municipality Case No. 91/2014	400,000	400,000
This matter dates back to 2014 where the Municipality was sued by the Plaintiff for his unlawful arrest by the second defendant who at the time was employed by the Municipality. The trial commenced, evidence was led and argued to completion.		
Dumisile Yozi vs Umzimvubu Local Municipality	300,000	300,000
The plaintiff intends to sue the Municipality for damages amounting to R300 000 as a result of unlawful conduct he was subjected to by the Municipality's law enforcement officers. Notice of intention to institute legal proceedings received. Awaiting receipt of summons.		
Umzimvubu Local Municipality vs Nolubabalo Khuzani & 62 Others	500,000	500,000
The municipality is seeking a court order to evict the respondents illegally occupying RDP houses at Chithwa Viliage, EXT5 in MaXesibeni. The matter is still pending before court.		
Fikile Bhekizulu vs Umzimvubu Local Municipality and others	500,000	500,000
Application to declare immovable property belonging to the respondent that of the applicant as		
Umzimvubu Local Municipality vs Jabulani Hardware	350,000	-
Application by the Municipality for declaratory relief as well as interdictor relief arising from land		
This claim is not financially related and there is no monetary value estimated. It is uncertain whether, or not, the municipality will be liable to pay for the legal fees and the timing of such. Matter is still ongoing.		

57. Contingencies (continued)

Notice of intention to institute legal proceedings received pertaining allegations of motor collision by Municipal vehicle. Letter by the municipal legal representatives denying liability on the part of the municipality and further requesting proof that the persons mentioned in the Letter of Demand are indeed the employees of the Municipality was dispatched to the Plaintiff. Awaiting the service of Summons by the Plaintiff and will soon remove the matter from the register as it will have

Siti Cargo vs Umzimvubu Local Municipality	2,500,000	2,500,000

Damages of R5 861 678 allegedly suffered by the plaintiff in respect of the termination of contract, contract number: UMZ/2018/19/INFRA/MIG/005 for construction of Silindini bridge. The Municipality is in the process of drafting its plea and is considering taking the matter on alternative dispute resolution in terms of Rule 41A(2)(a) of the Uniform Rules of Court. Municipal Geolocate vs Umzimvubu Local Municipality

500,000	500,000

The plaintiff is claiming an amount of R152 720 allegedly due by ULM in respect of services rendered. Letter of demand. The municipality is still to determine work done by the service provider then advise lawyers. Summons have since been received and the Municipality has filed Norman Ndongeni vs ULM : Case no. 4779/2021

200,000	200,000

This matter is primarily between the applicant and the first respondent Miss Thembisa Ndongeni. The applicant seeks to evict the first respondent together with various other persons allegedly in unlawful occupation of the property in question. The ULM is cited in the application as the 4th respondent for compliance purposes only and no order is sought against it. However, legal representation is necessary as the Court may mero motu require the Municipality to intervene.

The Municipality has since filed its affidavit/report as directed by the Court. The matter was set down for hearing in the opposed roll of 28 April 2022. Application dismissed with costs. On 19 AM Engineering (Pty) Ltd v ULM : Case no. 6030/2022

1,800,000	1,800,000

The matter relates to a contractual dispute between the Plaintiff and the Municipality. The Plaintiff alleges that the Municipality unlawfully repudiated the contract between the parties without any just cause. The plaintiff now sues the Municipality for outstanding invoices and loss of profits. An notice of intention to defend the matter has since been filed by the Municipal attorneys together with a notice calling upon plaintiff's attorneys to produce proof of authority to act on behalf of the plaintiff.

Nokuzola Christella Canca v ULM : Case no. 5981/2022	500,000	500,000

The Applicant Mrs. NC Canca seeks an order declaring the decision of the Municipality to approve the building plans of ERF 242 (KwaBhaca Mall) as unlawful, illegal and irregular and stands to be reviewed and set aside as such decision is in contravention of the Municipality's SPLUMA By-laws. The Municipality has filed its intention to

57. Contingencies (continued)

The applicant claims damages which amount to R900 000 as a result of alleged unlawful conduct which include assault and arrest by the employees of the defendant (ULM) while conducting evictions on ERF 188 EmaXesibeni. The matter is still pending before the High Court

Bhekinkosi Makhasana vs Umzimvubu Local Municipality - High Court - Case no: 1441/2023	200,000	200,000

The applicant claims damages which amount to R 1000 000 as a result of alleged unlawful conduct which include assault and arrest by the employees of the defendant (ULM) while conducting evictions on ERF 188 EmaXesibeni. The matter is still pending before the high court.

Ngubela Malibaba vs Umzimvubu Local Municipality - High Court - Case no: 1419/2023	200,000	200,000

The applicant claims damages which amount to R1 200 000 as a result of alleged unlawful conduct which include assault and arrest by the employees of the defendant (ULM) while conducting evictions on ERF 188 EmaXesibeni. The matter is still pending before the high court.

Nelisiwe Nkalitshana vs Umzimvubu Local Municipality - High Court - Case no: 1442/2023	200,000	200,000

The applicant claims damages which amount to R1 100 000 as a result of alleged unlawful conduct which include assault and arrest by the employees of the defendant (ULM) while conducting evictions on ERF 188 EmaXesibeni. The matter is still pending before the high court.

Sibusiso Bonakele & Others vs Umzimvubu Local Municipality - High Court - Case no: 1443/2023	200,000	200,000

The applicant claims damages which amount to R450 000 per individual and a total of R22 950 000 as a result of alleged unlawful conduct which include assault and arrest by the employees of the defendant (ULM) while conducting evictions on ERF 188 EmaXesibeni. The matter is still pending before the high court.

Nonyamezela Khwebulana & Others vs Umzimvubu Local Municipality	-	500,000

The applicants seek temporary accommodation as a result of houses that were demolished on the 04th of April 2023 on the municipal land, ERF 188 EmaXesibeni. The matter was before Judge Zilwa on an urgent basis on 02 May 2023, and the matter postponed to 30 May 2023. The matter was finalised during the year in the favour of the plaintiff.

Silindile Mhlwana and others vs Umzimvubu Local Municipality	600,000	600,000

The plaintiffs launched a claim for damages to the amount of R350 000 resulting from the Municipality having allegedly demolished their homes which were unlawfully built on a portion of land belonging to the Municipality. The matter shall go on trial still waiting for pre-trial minutes

Nomagalati Dyantyi vs Umzimvubu Local Municipality	200,000	200,000

The Applicant is seeking an order for the eviction of the second respondent from the residential homestead no 41 at Badibanise administrative area Mount Frere. The municipality is cited herein only for comply purposes in terms of the PIE Act. The matter was before court on 29 July 2022,

57. Contingencies (continued)

The municipality in this matter has instituted civil proceedings against the deceased estate in terms of which it seeks to recoup municipal funds. The municipality has since filed an application for default judgment and is awaiting the courts ruling in this regard. The municipal attorneys have

Nontuthuzelo Shazi vs Umzimvubu Local Municipality -

500,000

The above matter concerns an employee who alleges that she has been unlawfully dismissed by the municipality and the matter has now been referred to the South Africa Local Government Bargaining council for a ruling. The matter has been referred for Arbitration and will be heard. Judgment was issued in October 2023 in favour of the municipality.

Nduku Mbonisi vs Umzimvubu Local Municipality - Case no:106/2023

500,000

-

Yandu Consulting Engineers are claiming fees owed by the municipality under contract number: UMZ/2014/-15/INFRA/MIG/035, designing of Mandileni Cluster Sports Facility. Amount claimed

is R266 868 09. The Plaintiff has issued summons and the matter is being defended. The Umzimvubu Local Municipality vs Andiswa Ketwa and Others - Case no : 3525/2024 The

200,000
municipality is an applicant in this matter seeking a demolition order over the unlawful invasion and building of structures on ERF 351, KwaBhaca. The matter is still pending before the High

Court
SGM Tyres and Car wash vs Umzimvubu Local Municipality - Case no:4244/2023

250,000

-

The applicant SGM TYRES and car wash cooperative have approached the high court in effort to interdict and set aside the awarding of the tender of supplying uniforms by FG Uniforms CC to ULM. The Municipalities external attorneys have opposed the matter. Part A of the application has been granted in favour of the applicant which was to interdict the process of supplying the

Uniform by FG Uniforms. Part B of the application in which the applicant sought to set aside the Cecil Nomvume Makaula and others vs Umzimvubu Local Municipality - Case no: 4759/2023

500,000

-

IN Makaula and Others vs Umzimyubu Local Municipality. The applicants in the this matter sought relief against the municipality. The court ordered that the matter be mediated and that a report be furnished to court reporting on the outcome of the mediation. The mediation has commenced

Bulelani Mvundlela and Ndlovukazi Mdlalo vs Umzimvubu Local Municipality

500,000

-

The applicant in this matter Bulelani Mvundlela has instituted contempt proceedings against the municipality on allegations that the municipality has not complied with a court order which directs it to build a drainage system in a stadium at Badibanise Location. The Matter was initially set down

Nikitha Matiba Ntanja vs Umzimvubu Local Municipality

200,000

-

The applicant Nikkita Matiba Ntanja seeks an order to the effect that the title deed issued to the first respondent by the deeds office be declared null and void. The Municipality being the 5th respondent in the matter is being cited for compliance in terms of the PIE Act. The matter is

57. Contingencies (continued)

The applicant sought an order to compel the first respondent Nkosikhona Gxumisa and all those who occupy a rural site commonly known as Eshoweni bus depot, to be vacated from the premises with 30 days. The Municipality is being cited for compliance purposes. This is a new matter and has been set down for hearing for the 28th of November 2023 and subsequently Bulelani Mvundlela vs Umzimvubu Local Municipality

500,000 -

The plaintiff Bulelani Mvundlela has instituted damages claim against the municipality resulting from storm water damage to plaintiffs property due to defective drainage systems in the Umzimvubu Local Municipality vs Lwazi Masiko and others - High Court Case no: 3301/2023

150,000 -

The Municipality as applicants in this matter sought an order declaring that the buildings, structure and rudimentary structures upon the remainder of ERF 188 Mount Ayliff are illegal. An intervention application was brought by Mr, Makala and others which varied the final that was initially obtained into a Rule Nisi. The intervening parties failed to file any further papers. The Nothemba Manxusa vs Umzimvubu Local Municipality - Case no : 3209/2023

200,000 -

The applicant Nothemba Manxusa sought a reversion application against the initial order which was granted against the respondent in the main application bearing the case number 3209/2019 on grounds that it was fraudulently granted to the applicant. The matter was initially an eviction matter where applicant sought the eviction of the first respondent and the municipality was cited Nomxolisi Makaula and another vs Umzimvubu Local Municipality

400,000 -

The Municipality as applicants in this matter herein sought an urgent order prohibiting the First to the Fifth respondent (hereinafter referred to as the respondents) from persisting the unlawful conduct they are perpetrating on the property of the applicant which is the Municipality's land. The matter was set down for hearing in Mthatha High Court and the interim order granted in

19,510,209	16,610,209

For all the legal matters above, there are uncertainties regarding the timing and the estimated future monetary outflows and whether, or not, the municipality will be liable to pay for the legal fees and the timing of such. These matters are still ongoing.

58. Related parties Related party balances**Receivables from related parties****Staff and councilors debt**

Cllr N Garane	1,736	-
GPT Nota (Municipal Manager)	5,850	1,470
KP Dlamini-Tshazi (Senior Manager - Manager Community Services) AR Makanda- 434		2,291

(Senior Manager Local Economic Development)

The services rendered to Related Parties are charged at approved tariffs that were advertised to the public. No bad debts were written off or recognised in respect of amounts owed by related parties.

The amounts outstanding are unsecured and will be settled in cash. Consumer deposits were received from Councillors, the Municipal Manager and Section 57 personnel. No expense has been recognised in the period for bad or doubtful debts in respect of the amounts owed by related parties.

Purchases from Related Parties - GRAP 20 disclosure**The municipality bought goods from the following companies, which are considered to be Related Parties:**

Glenhope Trading	3,436,710	-

Related person: Qaba Zembe

Company Capacity: Owner (wife)

Municipal Capacity: Snr Manager

2nd World Guest House Related person:	-	22,825

Mr Mdzinwa

Company Capacity: Owner (husband)

Municipal Capacity: Pr Councillor.

Moepangauta T/A Madlanga Partner

Related person: L. Mandlanga

Company Capacity: Owner (Brother)	1,104,840	2,083,233
Municipal Capacity: Official		
Brotherly Love Trading and Projects	169,986	-
Related person: Qaba Zembe		
Company Capacity: Owner (wife)		
Municipal Capacity: Snr Manager		
Myoza-Myoza Trading Related	4,935,785	10,351,536
person: B. Jokazi		
Company Capacity: Owner (wife)		
Municipal Capacity: Official		
Nkwali AM Trading Enterprise Related person: F Nyembezi	3,372,898	-
Company Capacity: Brother		
Municipal Capacity: Bid Specification Committee member		

The related parties to the above companies were not involved in procurement processes undertaken in appointing them.

13,020,219	12,457,594

Leave accrual owed to Executive Management

Manager - GPT Nota	130,925	117,701
Chief Financial Officer - FT Fundira	-	105,424
Senior Manager Local Economic Development - SC Ntinzi	-	105,424
Senior Manager Infrastructure and Planning - LJ Moleko	46,992	70,327
Senior Manager Chief Operations Officer - N Zembe	88,802	105,424
Senior Manager Corporate Services - TT Madotyeni-Ngcongca	-	101,032
Senior Manager Local Economic Development - AR Makanda	50,965	-
Chief Financial Officer- K Mehlomakhulu	50,965	-
Senior Manager Community Services - KP Dlamini-Tshazi	112,217	96,683

Staff Leave accrues to the staff of the municipality on an annual basis, subject to certain conditions. The liability is an estimate of the amount due at the reporting date.

The cost of leave accrual is 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 entity measure the expected cost of accumulating compensated absences as the additional amount that the municipality expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The leave accrual is expected to be paid out through the compensated absence of employees in the next 12 months.

No leave encashment is made unless an employee has left the municipality.

There are no assets that have been set aside for the leave accrual, these are provided for through the three year MTREF budgeting of employee costs.

Provision for bonus

Chief Financial Officer - FT Fundira*	-	32,030
Senior Manager Local Economic Development - SC Ntinzi*	-	32,030
Senior Manager Infrastructure and Planning - LJ Moleko	31,150	32,030
Senior Manager Chief Operations Officer - N Zembe	34,080	32,030
Senior Manager Corporate Services - TT Madotyeni-Ngcongca	-	32,030
Senior Manager Community Services - KP Dlamini-Tshazi	34,080	32,030
Chief Financial Officer - K Mehlomakhulu	26,700	-
Senior Manager Local Economic Development - A Makanda	26,700	-

The above amounts have not yet been paid to the managers.

* - Resigned during the year

Key management information

Class	Description	Number
Councillors	Councillors	55
Municipal Manager	Municipal Manager	1
Senior management	Senior management	5

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

58. Related parties (continued) Remuneration of management Management class:

Councillors

	Basic salary	Allowances	Contributions to funds	Total
Executive Mayor - Cllr Z Ndevu	498,095	365,503	139,581	1,003,179
Speaker - Cllr N Nomnganga (N1)	351,270	331,654	50,284	733,208
Speaker - Cllr HM Ngqasa (N1)	29,556	21,983	7,873	59,412
Chief whip -Cllr FN Ngonyolo	373,572	293,962	95,034	762,568
Executive committee	2,699,493	2,325,102	562,128	5,586,723
Councillors	7,006,127	7,224,969	1,182,272	15,413,368
	10,958,113	10,563,173	2,037,172	23,558,458

	Basic salary	Allowances	Contributions to funds	Total
Executive Mayor - Cllr Z Ndevu	461,136	362,838	131,142	955,116
Former Executive Mayor - Cllr SK Mnukwa (2022 backpay)	9,229	-	-	9,229
Speaker - Cllr HM Ngqasa	375,831	309,266	91,688	776,785
Chief whip -Cllr FN Ngonyolo	353,236	289,613	91,059	733,908
Executive committee	2,538,293	2,293,248	535,429	5,366,970
Councillors	6,596,243	7,131,350	1,173,241	14,900,834
	10,333,968	10,386,315	2,022,559	22,742,842

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

58. Related parties (continued)

Councillors were compensated within the limits set by the Remuneration of Public Office Bearers Act No 20 of 1998.

In-kind Benefits

Councillors may utilise official Council transportation when engaged in official duties.

The Executive Mayor and Speaker have use of Council owned vehicles for official duties.

Notes

N1 - Speaker, Cllr HM Ngqasa resigned on the 31st of July 2023 and a new Speaker, Cllr N Nomnganga was appointed from the 1st of August 2023. Cllr N Nomnganga has since resigned as Speaker in July 2024.

Name

Basic
salary

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024									
Description	Car and other allowances				Annual bonus	Contributions to Funds		Total	
					allowance	Acting			
Remuneration of Municipal Manager - GPT Nota	887,050	-	482,174	145,731	-	2,262	1,517,217		
Remuneration of the Chief Financial Officer - K Mehlomakhulu (N1)	310,167	-	180,931	-	-	1,131	492,229		
Remuneration of the Chief Financial Officer - FT Fundira (N2)	109,841	117,636	32,991	118,968	-	189	379,625	Remuneration of the Acting Chief Financial Officer - S	
Mbusi (N3)	-	-	-	43,808	-		43,808		
Remuneration of the Senior Manager Local Economic Development - A Makanda (N4)	293,692	-	180,931	-	16,475	1,131	492,229		
Remuneration of the Senior Manager Local Economic Development - SC Ntinzi (N5)	222,952	135,779	98,972	47,130	-	566	505,399		
Remuneration of the Senior Manager Infrastructure and Planning - LJ Moleko (N6)	528,258	90,534	277,068	42,417	-	1,697	939,974		
Remuneration of the Senior Manager Chief Operations Officer - N Zembe	731,954	-	395,889	189,455	-	2,262	1,319,560		
Remuneration of the Senior Manager Corporate Services - TT Madotyeni-Ngcongca (N7)									
Remuneration of the Acting Senior Manager Corporate Services - T Funani (N8)	640,563	88,801	342,579	137,225	4,242	2,239	1,215,649		
	-	-	- 94	-	21,563	-	21,563		

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

58. Related parties (continued)

Remuneration of the Senior Manager Community Services - KP Dlamini-Tshazi 731,954 - 395,889 133,428 - 2,262 1,263,533

4,456,431 432,750 2,387,424 814,354 86,088 13,739 8,190,786

		benefits	allowances		to Funds	
Name						
Remuneration of Municipal Manager - GPT Nota	850,041	189,166	464,095	168,096	2,067	1,673,465
Remuneration of the Chief Financial Officer - FT Fundira	698,784	-	381,045	108,194	2,255	1,190,278
Remuneration of the Senior Manager Local Economic Development - SC Ntinzi	698,784	-	381,045	54,097	2,255	1,136,181
Remuneration of the Senior Manager Infrastructure and Planning - LJ Moleko	698,784	-	381,045	110,358	2,255	1,192,442
Remuneration of the Senior Manager Chief Operations Officer - N Zembe	701,261	114,527	381,046	180,035	2,067	1,378,936
Remuneration of the Senior Manager Corporate Services - TT Madotyeni-Ngcongca	698,784	-	381,046	116,850	2,255	1,198,935
Remuneration of the Senior Manager Community Services - KP Dlamini-Tshazi	698,784	-	381,046	110,357	2,255	1,192,442
	5,045,222	303,693	2,750,368	847,987	15,409	8,962,679

*Refer to note "Employee related costs"

N1: K Mehlomakhulu was appointed as the Chief Financial Officer from 1 January 2024. N2: T Fundira's term as the Chief Financial Officer ended on 31 of July 2023

Umzimvubu Local Municipality

N3: S Mbusi acted as Chief Finance Officer from 1 August 2023 to 31 December 2023

Annual Financial Statements for the year ended 30 June,

N4: M Makanda was appointed as Senior Manager for Local Economic Development from 1 January 2024. He also acted in the position in December 2023 before his appointment. N5: SC Ntinzi's

term as the Senior Manager Local Economic Development ended on 30 September 2023

N6: LJ Moleko's term as the Senior Manager Infrastructure and Planning ended on 31 August 2023 and was reappointed in December 2023.

N7: Madotyeni-Ngcongca acted as Senior Manager Infrastructure and Planning from September 2023 to November 2023, Furthermore, Madotyeni-Ngcongca's contract as Senior Manager Corporate Services ended in April 2024.

N8: T Funani acted as Senior Manager Corporate Services from May 2024.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

59. Fruitless and wasteful expenditure

Add: Fruitless and wasteful expenditure identified - current	Less: Amount recovered -450,665	- (23,004)
	- (450,665)	-
Closing balance	839,721	839,721

The case relates to 3 officials that were formally placed at the eNaTis officials and the result of Disciplinary proceedings led to the recovery that is in progress at reporting date. In addition, there is an amount paid to an incorrect service provider and was not recovered.

After investigation by the MPAC, on the 26th June 2024 as per Council Resolution CR 060/2023/2024, it was resolved that an amount of R450, 665 be written off by Council.

60. Additional disclosure in terms of Municipal Finance Management Act Contributions to organised local government - SALGA

Current year subscription / fee	1,186,062	1,082,117
Amount paid - current year (1,186,062)	(1,082,117)	

- -

Audit fees

Current year subscription / fee	5,164,451	4,738,905
Amount paid - current year (5,164,451)	(4,738,905)	

- -

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

PAYE and UIF

Current year subscription / fee	20,984,023	20,208,926
Amount paid - current year (20,984,023)	(20,208,926)	

- -

Pension and Medical Aid Deductions

Current year subscription / fee	21,944,058	20,610,137
Amount paid - current year (21,944,058)	(20,610,137)	

- -

Councillors' arrear consumer accounts

Refer to the related party disclosure note 58

30 June, 2024	Outstanding
less than 90 days	

Outstanding more than 90 days

Total

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

Councillor Mdzinwa	332	-	332
Councillor AN Garane	1,736	-	1,736
2,068	-	2,068	

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

60. Service concession liabilities (continued) Supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the City Manager and noted by Council. There were no transactions incurred through deviations during the year.

61. SCM regulation 45 disclosures

The municipality bought goods from the following companies, where the directors are (related to) government officials.

The transactions were concluded in full compliance with the municipality's Supply Chain Management Policy and the transactions are considered to be at arm's length:

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

61. SCM regulation 45 disclosures (continued)

Related person: N. Xashimba Company Capacity: Owner (brother) Municipal
Capacity: Official

MNP Daughters	-	27,200

Related person: A .Mdledle Company Capacity: Owner (mother) Municipal Capacity:
Official

Zimomo Trading	-	78,490

Related person: A .Fikeni Company Capacity: Owner (Child) Municipal Capacity:
Official

SMS Mobile PTY Ltd	-	-

Related person: N. J. Maqulai Company Capacity: Owner (Spouser) Municipal
Capacity: Official

Kwik Way Solutions Related person: A .Tandwa	-	144,104

Company Capacity: Owner (Wife)

Government official: Department of Social Development Official Funkymilla Trading	-	2,402,671

Related person: A. Mandlana Company Capacity: Owner (Brother) Municipal
Capacity: Official

Smondez Dyetype Trading Related person: A. Fikeni Company Capacity: Owner- (Son) Municipal Capacity: Official		25,419

Mfalo Farming and Projects Related person: S. Tshekela	237,188	330,809

Company Capacity: Owner (Spouse) Municipal Capacity: Official

Nomako Trading and Construction Related person: P. Conjwa	50,995	29,265

Company Capacity: Owner (Daughter) Municipal Capacity: Official

Aphola Trading Related person:	-	29,500

Company Capacity: Owner (Spouse)

Government official: Department of Sports and Cultural Lihlume Ilizwe Trading Related person: Ntlamba	298,590	282,445

Company Capacity: Owner (Spouse) Municipal Capacity: Official

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June,
2024

61. SCM regulation 45 disclosures (continued)

Lito Trading Enterprises Related person: Canca	-	1,668,414

Company Capacity: Owner (Spouse) Municipal
Capacity: Official

Yakhalungisa Engineering Related person: N. Ndongeni	8,425,450	8,306,581

Company Capacity: Owner (Sister)
Municipal Capacity: Official

9,012,223	13,399,898

62. Unauthorised expenditure

Opening balance as previously reported	11,030,132	-

Add: Unauthorised expenditure - current	-	11,030,132

Add: Unauthorised expenditure - prior period	623,511 - Less: Amount written off (11,653,643)	-

Closing balance -	11,030,132

Umzimvubu Local Municipality

2024 financial year

Annual Financial Statements for the year ended 30 June,

2024
No unauthorised expenditure was incurred during the year.

2023 financial year

This is impairment of infrastructure assets of R5 607 071 that were damaged due to heavy rains and was not budgeted for. Furthermore due to the slow rate of payments of debtors, there was impairment of receivables from exchange and non exchange transactions of R6 046 572 recognised at year end inline with GRAP 104 requirements. This unauthorised expenditure is a non-cash expenditure.

After investigation by the MPAC, on the 26th June 2024 as per Council Resolution CR 060/2023/2024 it was resolved that an amount of R11 653 643 be written off by Council.

The over expenditure incurred by municipal departments during the year is attributable to the following categories:

Non-cash	-	11,030,132
Provision of impairment	-	11,030,132
Opening balance as previously reported	26,840,657	-
Add: Irregular expenditure - current	24,323,341	26,840,657
Less: Amount written off - current	(45,633,423)	-
Closing balance	5,530,575	26,840,657

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

Notes to the Annual Financial Statements

63. Irregular expenditure (continued)

Incidents/cases identified/reported in the current year include those listed below:

Disciplinary steps taken/criminal proceedings		
services		
approved		
panels		
	24,323,341	26,660,657

After the council committee investigations, council adopted the council committee recommendation to write-off an amount of 45,633,423 from the total irregular expenditure amount as it was proven without reasonable doubt that the amount was not recoverable. The write off was approved on the 26th June 2024 as per Council Resolution CR 060/2023/2024.

N1: The council resolved that no disciplinary steps / criminal proceedings would be taken against any municipal official as services were rendered and value for money received.

N2: The contract was declared irregular during the 2024 audit. There are no disciplinary steps that have been taken as yet.

64. Accounting by principals and agents

The entity is a party to a principal-agent arrangement.

Entity as Agent

Department of Transport

The Municipality is an agent for the Department of Transport wherein it is delegated to register and licence motor vehicles on its behalf.

There are no assets or liabilities that are held or incurred on behalf of the principal and recognised in our financial statements. The risks associated with the principal-agent relationship that exist on any monies collected by the municipality on behalf of the principal lies solely with the municipality.

During the year, all collections made are banked and paid over to the Department of Transport two times a month. The income due to the municipality according to the agreement is 19% of the amount collected subject to certain conditions as per the Service Level Agreement and National Road Traffic Act, Act 93 of 1996. During the year, a total of R14 600 427

(2023: R12 746 633) was collected gross of commission, and the municipality has recognised a revenue of R2 360 443 (2023: R2 065 526) exclusive of VAT.

Monies due to the principal at year end was R492 870 (2023: R635 870).

Minimal risk was transferred from the Department of Transport, as the principal, to Umzimvubu Municipality, as the agent, beyond the cash collected on behalf of the principal.

Eastern Cape Department of Human Settlements.

The Municipality is acting as an agent to the Eastern Cape Department of Human Settlement into a principal agent arrangement entered between the municipality and the department. In this agreement between Eastern Cape Department of Human Settlements and the municipality, transactions are done with a third party in building the houses on behalf of the Department.

The amount received from the Department that remained unspent at 30 June 2024 was R0 (2023: R88 259), and the municipality has paid an amount of R7 839 (2023: R0) on behalf of the Department. The department did not transfer any risks to the municipality in this arrangement. A total of R2 482 200 (2023: R3 484 362) was spent on behalf of the principal during the current reporting period. The municipality has returned an amount of R88 260 (2013: R0) to the principal.

The municipality has recognised a revenue of R818 929 (2023: R0) exclusive of VAT.

Independent Development Trust

The Umzimvubu Local Municipality (ULM) has entered into a Memorandum of Agreement (MoA) with the Independent Development Trust (IDT). In this agreement, the IDT will manage the implementation of the development / construction of new ULM offices to an extent of 4ha in Sophia Town Kwa Bhaca and a the alterations to existing offices in Kwa Bhaca. ULM is a principal to this arrangement.

The purpose of this relationship is to change the face of the Municipality towards service delivery, value additions and to build offices that are accessible to the community of Umzimvubu Local Municipality.

IDT will be responsible for providing and managing all necessary facilities, equipment, internal finances and personnel for the performance of its functions. During the year there has been no changes in the terms and conditions of this agreement.

Amongst others, this arrangement is exposed to the poor delivery by suppliers resulting to slow turnaround time, abandoned variation orders and non compliance with laws and regulations resulting to litigations. The arrangement has a risk management plan in place to address and minimise all the risk identified.

During the current period, the municipality has paid a gross amount of R0 (2023: R7 255 712) which is capitalised as part of the project cost. The total gross amount paid include a 5.5% commission paid to the agent for the current period of R0

(2023: R399 064), which is included in the amount paid to the project.

64. VAT output accrual (continued)

IDT does not hold any assets or liabilities on behalf of the municipality in its custody. There were no changes made during the year to this arrangement.

There are no risks transferred to the agent in implementing this agreement.

Eskom Holding

FREE BASIC ELECTRICITY

Eskom, on behalf of Umzimvubu Local Municipality (ULM), provides free basic electricity through its prepaid and conventional meters to eligible customers falling within the municipal boundaries of the ULM. The municipality provides Eskom with an indigent list and shall review and resubmit the list but limited to four times a year.

Eskom supplies tokens or allocations to eligible customers on a targeted basis as provided in the FBE Policy or as agreed between the municipality and Eskom.

Eskom provides this service (50kWh) in advance, submit tax invoice and reimbursed by the municipality on the basis of the recommended National Tariff for the provision of FBE as amended by the National Energy Regulator of South Africa (NERSA). Eskom receives no further compensation in terms of the agreement. ULM is a principal to this arrangement.

ULM has paid an amount of R972 771 (2023: R974 062) to Eskom as a reimbursement for the free services provided by Eskom to indigent beneficiaries and no compensation has been paid to Eskom during the current and prior years.

Resource and/or cost implications for the entity if the principal-agent arrangement is terminated

There will be no cost implications for ULM if the arrangement is terminated

65. Going concern

The Annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these are listed below:

- (i) The Council adopted the 2024 to 2027 Budget. This three-year Medium Term Revenue and Expenditure Framework (MTREF) to supported the ongoing delivery of municipal services to residents reflected that the Budget was cash-backed over the three-year period.
- (ii) The municipality's Budget is subjected to a very rigorous independent assessment process to assess its cash-backing status before it is ultimately approved by Council.
- (iii) Strict daily cash management processes are embedded in the municipality's operations to manage and monitor all actual cash inflows and cash outflows in terms of the cash-flow forecast supporting the Budget. The cash management processes is complemented by monthly and quarterly reporting, highlighting the actual cash position, including the associated risks and remedial actions to be instituted.
- (iv) As the municipality has the power to levy fees, tariffs and charges, this will result in an ongoing inflow of revenue to support the ongoing delivery of municipal services. Certain key financial ratios, such as liquidity, cost coverage, debtors' collection rates and creditors' payment terms are closely monitored and the necessary corrective actions instituted.

Taking the aforementioned into account, management has prepared the Annual financial statements on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

66. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

	Note	As reported	previously error	Correction of Change in Restated accounting policy	
Property, Plant and Equipment (N1)		925,086,445	1,449,522	-	926,535,967
VAT receivables (N3)		6,860,717	-	(4,013,594)	2,847,123
VAT input accrual (N3)		-	-	2,373,869	2,373,869
VAT output accrual (N3)		-	(10,190,768)	(10,642)	(10,201,410)
Receivables from non-exchange transactions (N2)		15,445,112	(1,708,796)	-	13,736,316
Accumulated surplus		(1,005,928,822)	10,530,142	1,650,367	(993,748,313)
		(56,115,848)	-	-	(56,115,848)

2023

Note	As previously reported			Correction error	of Change accounting policy	in Re- classification	Restated
Inventories (N5)	2,949,317	(80,100)	-	2,869,217			
Property, Plant and Equipment (N1)	980,505,106	1,406,208	-	-	981,911,314		
Trade and other Payables from Non-Exchange Transactions (N3)		(3,389,169)	1,104	-	(3,610,742)	(6,998,807)	
Trade and other Payables from Exchange Transactions		(45,336,507)	(1,091)	-	-	(45,337,598)	
Unspent conditional grants and receipts (N4)			(3,610,742)	-	-	3,610,742	-
VAT receivables (N3)	12,605,799	-	(5,763,639)	-	6,842,160		

VAT input accrual (N3)	-	-	4,269,939	-	4,269,939	
VAT output accrual (N3)	-	(10,497,674)	(10,094)	-	(10,507,768)	
Receivables from non-exchange transactions (N2)			20,395,551	(1,722,762)	-	18,672,789
Accumulated surplus	(1,035,560,743)	10,894,315	1,503,794	-	(1,023,162,634)	
(71,441,388)	-	-	-	(71,441,388)		

N1: The error relates to a Library that was donated to the municipality in 2022 and was not accounted for. This has since been recognised. The cost of the library is R1 462 219. The depreciation for the 2023 was also restated by R43 313.

N4: Unspent conditional grants have been reclassified and are now included in the Trade Payables from Non-exchange transactions. This was necessitated by the fact that the unspent conditional grants are also payables from Non-Exchange transactions and the current disclosure represents an accurate presentation of the liability.

N5: This error relates to the valuation of inventory that had been incorrectly done in the valuation report.

Statement of financial performance

66. Prior-year adjustments (continued) 2023

	Note	As reported	previously reported Correction error	of Restated
Property rates (N2)		(47,151,195)	168,895	(46,982,300)
Interest received - Non-Exchange Transactions (N2)		(2,041,631)	22,925	(2,018,706)
Construction contracts revenue (N3)		(2,352,948)	306,906	(2,046,042)
Fines, Penalties and Forfeits (N8)		(3,337,402)	22,623	(3,314,779)
Depreciation (N1)		71,849,393	43,313	71,892,706
Impairment losses (N2 and N3)		11,030,132	(263,619)	10,766,513
Operational costs (N6)		76,896,550	112,652	77,009,202
Inventory consumed (N6)		10,128,713	(112,652)	10,016,061
Surplus for the year		31,802,972	(217,600)	31,585,372
Surplus for the year		146,696,617	-	146,696,617

N1: The error relates to Land that was previously authorised for disposal by council and was not transferred from Land owned for use to Land owned for disposal. Furthermore, an analysis of moveable's useful lives resulted in the municipality changing these and recognising an error as the assets had no carrying amounts and yet they were still in use. This has led to a increase in depreciation and an increase in the carrying amounts of assets.

N2: On a quarterly basis the Department of Cooperative Governance and Traditional Affairs convenes arear debt forum meetings where all Government Departments and Municipalities attend to discussed property ownership issues and progress on payments to municipalities. It was from these meetings that the Umzimvubu local municipality discovered that Isipetu Hospital does not fall within the jurisdiction of the municipality as such an amount billed in 2021-2022 financial year had to be reversed. The municipality further found that ERF 1571 that is owned by Millenium Development trust was subdivided into various ERVEN with only 1571 that is registered at the Deeds office, however ERVEN that are not registered were billed. An adjustment had to be made for billing, interest and impairment for these accounts. Also an RDP house was erroneously billed as government property and was subsequently corrected.

N3: During the year, NT issued a guideline informed by the ASB fact sheet stating that VAT should be split between what is declared to SARS and what is not yet paid to the creditor or received from the debtor. Furthermore, an amount of R10 497 674 relates to the output VAT on INEP Grant that had not been recognised. The error corrected is for a period from 2020 to 2023 financial year.

N6: Correction of printing costs that had been incorrectly classified as inventory consumed. N7: Being correction of revenue incorrectly recognised.

N8: Being the adjustment to traffic fines which had been incorrectly recorded on the traffic fines schedule.

67. Budget differences

Material differences between budget and actual amounts

Below are explanations of variances that are more than 10% between budgeted amounts and actual amounts for the year.

N1 The anticipated revenue was based on the historical performance on the sale of goods but the municipality could not collect the projected revenue.

N2 Some rental properties for the municipality are still vacant and advertised for occupancy N3 Variance is as a result of having less investments than anticipated

N4 The anticipated management fee from human settlement could not be achieved

N5 The identified variance is caused by enforcement made on businesses that failed to pay their licences

67. Budget differences (continued)

N6 The identified variance is as a result of VAT being budgeted as a revenue line item N7 The interest was budgeted for under exchange transactions

N8 The Department of Human Settlement issued an addendum to increase allocation to implement housing projects but the actual amount will be received for work done on sites.

N9 The current year budget was based on the prior year actuals but fines could not be collected as anticipated N10 Public donations and contributions were not anticipated during the budget process hence the variance

N11 The variance is as a result of anticipated assets to be acquired during the year

N12 The impairment budget was adjusted upwards due to damages caused by heavy rains on infrastructure N13 The municipality did not anticipate to incur interest when budgeting hence the variance

N14 The cause of the variance is the incentive scheme granted to consumer debtors N15 The implementation of cost containment measures is the cause of the variance N16 The implementation of cost containment measures is the cause of the variance N17 The implementation of cost containment measures is the cause of the variance N18 The identified variance is as a result of budget not being allocated to this line item N19 The identified variance is as a result of budget not being allocated to this line item

N20 The identified variance is as a result of inventory acquired at year end which was not anticipated N21 The line item was budgeted for under receivables from exchange transactions

N22 The variance is as a result of inclusion of other receivables from exchange transactions N23 Collection from debtors who took advantage of the incentive scheme caused the variance

N24 The identified variance is as a result of VAT being budgeted under non exchange transactions

N25 The identified variance is a result of taking advantage of 5% discount on SALGA fees by paying in advance N26 The variance is caused by unanticipated debtors during the year

N27 There was over budgeting that caused the variance on this line item N28 Under budgeting is the cause of the variance

N29 The free WiFi project could not be implemented in the year under review hence the variance N30 The cause of the variance is as result of assets not being budgeted for

N31 The increase in the value of accruals is the cause of the variance

N32 Unspent conditional grants from DSRAC and MDRF is the cause of the variance N33 There was an increase
in advance payments by consumers

N34 Newly introduced VAT regulations caused the variance

N35 There was an increase in provisions which were not anticipated

67. Budget differences (continued)

N36 The variance is caused by the line item not being budgeted for N37 There was an increase in provisions which was not anticipated

N38 The anticipated revenue budget was based on the prior year actuals however there was under collection in the current year

N39 The identified variance is caused by INEP being budgeted for as a transfer

N40 The variance is caused by Human Settlement Grant being over budgeted for ever since the addendum received in November 2023.

N41 The identified variance is caused by increase in the value of accruals and payables at year-end N42 Finance costs were not budgeted for hence the variance

N43 The municipality anticipated to acquire more PPE during the year through implementation of Human settlement housing projects.

N44 The variance was caused by disposals that were not anticipated during budgeting N45 PPE purchases were re-classified as investment property

68. Segment reporting

A segment is an activity of an entity.

- a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- (b) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- (c) for which separate financial information is available.

ULM Identification of segments

For management purposes, the municipality is organised and operates in four key functional segments (or business units). To this end, management monitors the operating results of these business units for the purpose of making decisions about resource allocations and assessment of performance. Revenues and expenditures relating to these business units are allocated at a transactional level. However, management could not be able to allocate individual assets and liabilities to these business units as budgeting is on financial performance and not financial position. Costs relating to the governance and administration of the municipality are not allocated to these business units.

The four key business units, which are reportable segments, comprise of:

- Economic and Environmental Services which includes hawkers permits, trading licences and SMMEs support;
- Public safety which includes vehicle licencing, driver learners licencing, traffic fines, animal poundage and DoT agency services;

- Roads & Infrastructure which include building plan approvals, construction of houses on behalf of Department of Human Settlement, construction and maintenance of municipal infrastructure for service delivery, municipal plant hire and construction of electric infrastructure on behalf of Department of Energy and Mineral Resources;
- Community services which includes rental of halls and facilities, selling of burial plots, cleaning of municipal facilities, solid waste removal and library services.

The identification of these segments is consistent with the functional classification of government activities which considers the nature of the services, the beneficiaries of such services and the fees charged for the services rendered (if any), no aggregation of segments.

Management does monitor performance geographically and presently, have reliable separate financial information for decision making purposes. Processes have been put in place to generate this information at a transaction level and in the most cost-effective manner.

Non-segments Goods and/or services

Administration and corporate Administration services. Office of the Municipal Manager Strategic services Budget and treasury Financial Services.

Council support Political administration.

For detailed presentation of the segment information, refer to Annexure A.

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

ANNEXURE A to the Annual Financial Statements

	Economic & Environmental				
	Services	Infrastructure	Services	Public Safety	Total
2024					
	Economic & Environmental Services	Roads & Infrastructure	Community Services	Public Safety	Total
Service charges	-	-	1,296,952	-	1,296,952
Rental of facilities and equipment	-	8,821	182,503	-	191,324
Construction contract revenue	-	13,782,609	-	-	13,782,609
Sale of goods	7,651	221,939	14,950	-	244,540
Income from agency services	-	818,929	-	2,360,443	3,179,372
Licenses and permits	-	-	-	1,921,051	1,921,051
Revenue from non-exchange transactions					
Donations	12,560,492	-	-	-	12,560,492
Fines	-	-	-	3,642,390	3,642,390
Licenses and permits	158,059	-	-	-	158,059
Total segment revenue	12,726,202	95,765,953	5,153,933	7,923,884	121,569,972
Interest earned- Exchange					10,726,289
Operational Revenue					179,148
Sale of goods					4,792
Rental of facilities and equipment					4,948,305
Interest earned on outstanding debtors - non-Exchange					2,114,413
Property Rates					46,521,963
Actuarial gains					4,190
Donations					86,957
Fair value adjustment					712,476
Government grants and subsidies					277,315,053
Total revenue reconciling items					342,613,586
Municipality's revenue					464,183,558

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

ANNEXURE A to the Annual Financial Statements

Economic & Environmental Services

Roads & Community
Infrastructure Services Public Safety Total

Expenditure

Depreciation and amortisation	-	-	(27,711,591)	-	(27,711,591)
Impairment losses	-	-	(1,322,706)	-	(1,322,706)
Finance costs	-	-	(380,270)	-	(380,270)
Operating lease rentals	-	-	-	(24,108)	(24,108)
Inventory consumed	(62,866)	-	(2,857,901)	(359,706)	(3,280,473)
Contracted services	(491,758)	(12,195,248)	(13,249,841)	(23,642,651)	(49,579,498)
Transfers and subsidies	(14,442,270)	(849,180)	(645,055)	(509,174)	(16,445,679)
Operational costs	(3,162,465)	(12,452,105)	(4,019,582)	(1,231,874)	(20,866,026)
Construction contract expenditure	-	(13,782,609)	-	-	(13,782,609)
Total segment expenditure	(21,807,027)	(50,631,914)	(65,858,367)	(46,445,588)	(184,742,896)
Total segmental surplus/(deficit)	(9,080,825)	45,134,039	(60,704,434)	(38,521,704)	(63,172,924)
Total expenditure reconciling items					(261,334,207)
Employee costs					(41,657,371)
Remuneration of councillors					(23,558,458)
Depreciation and amortisation					(50,277,667)
Impairment losses					(40,662,554)
Finance costs					(733,665)
VAT Provision write off					(2,347,536)
Operating lease rentals					(820,910)
Inventory consumed					(3,235,313)
Transfers and subsidies					(2,254,412)
Contracted services					(43,514,334)
Operational costs					(51,642,935)
Loss on disposal of assets					(629,052)
Entity's surplus (deficit) for the period					18,106,455

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

ANNEXURE A to the Annual Financial Statements

Economic & Environmental Services

Roads & Community
Infrastructure Services Public Safety Total

Statement of financial Position**

Segment liabilities	(2,335,883)	199,934,212	(35,233,574)	(7,466,405)	154,898,350
Segment net assets	(86,599,098)	292,959,806	(406,812,348)	(53,545,957)	(253,997,597)
Unallocated assets					1,600,941,288
Unallocated liabilities					(271,659,914)
Total net assets as per Statement of financial Position					1,075,283,777

Economic & Non-reportable

Services Services

Other information

Non-cash items

Non-cash revenue (included above)	(12,560,492)	-	(716,666)
Non-cash expenses (included above)	-	26,388,885	93,585,633

Umzimvubu Local Municipality

(12,560,492) 26,388,885 92,868,967

Annual Financial Statements for the year ended 30 June, 2024

ANNEXURE A to the Annual Financial Statements

Umzimvubu Local Municipality

Annual Financial Statements for the year ended 30 June, 2024

ANNEXURE A to the Annual Financial Statements

2023

	Environmental Services	Roads & Infrastructure	Community Services	Public Safety	Total
Revenue					
Service charges	-	-	1,262,598	-	1,262,598
Rental of facilities and equipment	-	8,810	182,999	-	191,809
Construction contract revenue	-	2,046,041	-	-	2,046,041
Income from Agency services	-	-	-	2,065,526	2,065,526
Other income	654	1,023,776	23,488	-	1,047,918
Licenses and permits	-	-	-	1,759,925	1,759,925
Revenue from non-exchange transactions					
Government grants and subsidies	-	73,109,077	9,201,999	-	82,311,076
Licenses and permits	198,383	-	-	-	198,383
Fines	-	-	511,612	2,803,167	3,314,779
Awards received	-	-	500,000	-	500,000
Total segment revenue	199,037	76,187,704	11,682,696	6,628,618	94,698,055
Interest earned on outstanding debtors - Exchange					9,828,364
Rental of facilities					6,165,024
Other income					(10,848)
Operating revenue					211,410
Insurance proceeds					170,417
Fair value adjustments					3,481,623
Government grants and subsidies					273,855,912
Interest earned on outstanding debtors - non-Exchange					2,018,849
Property rates					46,982,156
Total revenue reconciling items					342,702,907
Municipality's revenue					437,400,962
Employee costs	(4,175,427)	(12,283,107)	(14,948,165)	(19,032,276)	(50,438,975)
Depreciation and amortization	-	-	(71,388,843)	-	(71,388,843)
Impairment losses	-	-	(1,195,657)	-	(1,195,657)
Lease rentals on operating lease	-	-	-	(22,684)	(22,684)
Construction contract expenditure	-	(1,747,642)	-	-	(1,747,642)
Finance costs	-	-	(1,037,984)	-	(1,037,984)
Inventory consumed	(243,242)	-	(3,498,044)	(340,798)	(4,082,084)
Contracted services	(376,450)	(14,248,302)	(12,965,456)	(19,729,525)	(47,319,733)
Transfers and subsidies	(13,522,238)	(9,041,796)	(611,962)	(261,175)	(23,437,171)
Operational costs	(3,581,889)	(6,004,023)	(9,646,564)	(1,188,404)	(20,420,880)
Total segment expenditure	(21,899,246)	(43,324,870)	(115,292,675)	(40,574,862)	(221,091,653)
Total segmental surplus/(deficit)	(21,700,209)	32,862,834	(103,609,979)	(33,946,244)	315,789,708

	Economic &			
	Environmental	Roads & Community		
	Services Infrastructure	Services Public Safety	Total	
Total revenue reconciling items	(184,723,938)			
Employee costs	(41,583,620)			
Remuneration of councilors	(22,742,841)			
Depreciation and amortization	(503,863)			
Impairment losses	(9,570,856)			
Lease rentals on operating lease				(284,898)
Actuarial loss				(19,000)
Inventory consumed	(5,933,977)			
Contracted services	(45,075,832)			
Transfers and subsidies	(1,569,983)			
Loss on disposal of assets	(850,738)			
Operational costs	(56,588,330)			
Entity's surplus (deficit) for the period				31,585,371

Statement of financial Position**					
Segment Liabilities	(3,585,387)	158,125,288	(29,347,805)	(3,941,681)	121,250,415
Net assets /(liabilities) of the	(75,421,530)	221,985,837	(281,243,767)	(29,197,914)	(163,877,374)
<u>segments</u>					
Non segment assets					1,427,470,490
Non segment liabilities					(206,417,110)
Total assets as per Statement of					1,057,176,006
<u>financial Position</u>					

The municipality has only reported the detailed financial performance of the identified segments and only the summary on the financial position. Upon aggregating the assets and liabilities for the identified segments, the municipality has identified that there are segments liabilities that are reported as positive and assets reported as negative.

Amongst others, these are some of the reasons why the municipality has these unusual item balances:

The municipality is only budgeting for its financial performances per segments and not the financial position per segment.

Revenue sources like equitable share and property rates, which contribute majority of operational expenditure and internally funded capital projects are only budgeted for and received by finance department, which is not a reportable segment.

Reportable Segments fund their operations through funding from non-reportable segment, making it not possible to report on the financial position rather the performance.

The performance of each reportable segment is measured mainly on its operational budget implementation, rather than capital.

Despite the unusual account balances on reportable segments' total assets and total liabilities, the overall municipal financial position in the segment reporting is the true reflection of the whole entity as reported in its statement of financial position.

SERVICE PROVIDERS PERFORMANCE REPORTING

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
1	Upgrading Of Majojweni Access Road	Upgrading Of Majojweni Access Road	Expired	Suppliers	Construction Contracts		10849	Myoza Myoza Trading	Maaa0106159	1cdab7f9-B937-42da-98b6-E1d5fc28c38d176	Roads:Upgrading Of Majojweni Ar - Mig	R4813824,93	R786027,05	R5599851,98	R0,00	2022/09/29	2023/05/29	8
2	Nkungwini Access Road	Nkungwini Access Road	Expired	Suppliers	Construction Contracts	Umz/222-23/Infra/Mig/006	65985	Gamadze Trading And Projects	Maaa0004890	1cdab7f9-B937-42da-98b6-E1d5fc28c38d153	Roads:Nkungwini Ar - Mig	R2190972,53	R59027,47	R2250000,00	R0,00	2022/09/23	2023/03/23	6
3	Mpemba Bridge With 6km	Mpemba Bridge With 6km	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Mig/007	1457	Bhodlinya ma Trading	Maaa0155720	Cf831a2d-A071-4f08-82c7-Bd47291de170006	Road Structures:Mpemba Bridge - Mig	R12166112,20	R1180426,60	R13346538,80	R0,00	2022/09/12	2024/01/31	17
4	Butsheni Bridge	Butsheni Bridge	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Mig/008	10031	Intlangula 86 Trading Enterpri	Maaa0085518	Cf831a2d-A071-4f08-82c7-Bd47291de170007	Road Structures:Butsheni Bridge - Mig	R9968200,00	R500000,00	R10468200,00	R0,00	2022/09/12	2023/03/12	6
5	Supply And Delivery Of Refuse Bags	Supply And Delivery Of Refuse Bags	Active	Suppliers	Purchase Agreement		20780	Slatsha Trading And Projects		115ceba4-E7e1-472f-98ee-Bf4cab5ac6da002	Clean-Up Actions:Refuse Bags & Bins.	R1955000,00	R0,00	-R977500,00	R977500,00	2022/10/13	2024/10/13	24
6	Supply And Delivery Of Personal Protective Clothing	Supply And Delivery Of Personal Protective Clothing	Active	Suppliers	Purchase Agreement	Umz/2022-23/03	12225	Odior Trading Enterprise Pty L		115ceba4-E7e1-472f-98ee-Bf4cab5ac6da004	Clean-Up Actions:Protective Clothing	R4282960,00	R0,00	-R2009586,00	R2273374,00	2022/10/12	2024/10/12	24
7	Supply And Delivery Of Personal Protective Clothing	Supply And Delivery Of Personal Protective Clothing	Pending Auth	Suppliers	Purchase Agreement	Umz/2022-23/03	12225	Odior Trading Enterprise Pty L		115ceba4-E7e1-472f-98ee-Bf4cab5ac6da004	Clean-Up Actions:Protective Clothing	R4282960,00	R0,00		R4282960,00	2022/10/12	2024/10/11	24

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
8	Supply And Delivery Of Tools And Equipment	Supply And Delivery Of Tools And Equipment	Active	Suppliers	Purchase Agreement	Umz/2022-23/C&Cs/01	19423	Ngakane Holdings	Maaa0509598	115ceba4-E7e1-472f-98ee-Bf4cab5ac6da003	Clean-Up Actions:Waste Management.	R3 697 527,65	R0,00	-R2 605 897,36	R1 091 630,29	2022/10/21	2024/10/20	24
9	Badibanise Community Hall	Badibanise Community Hall	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Mig/005	1481	Kig Constructi on	Maaa1154944	E2287c96-937b-4ee9-A092-0fa8b0979655083	Roads:Badibanise Community Hall - Mig	R2 556 285,95	R0,00	-R1 588 032,41	R96 8253,54	2022/10/28	2023/02/27	4
10	Ntshakeni Community Hall	Ntshakeni Community Hall	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Mig/003	72389	Nkamangana Constructi on	Maaa0136067	A1afa386-678b-4e1c-8227-70a66eda64b0014	Halls:Ntshakeni/Sikhemane Community Hall - Mig	R2 532 542,25	R0,00	-R1 647 605,38	R88 4936,87	2022/11/01	2023/02/28	4
11	Construction Of Vulnerable House In Ward 07	Construction Of Vulnerable House In Ward 07	Expired	Suppliers	Construction Contracts	Umz/2022-23/Vulnerable Ward 07 (Infra)	5596	King Soyisile Con & Plant Hire	Maaa0579903	2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housin g Projects	R196 843,19	R0,00		R19 6843,19	2022/11/09	2023/01/08	2
12	Panel For Repairs And Maintenance Of Streetslights (Kwabhaca And Emaxesibeni)	Panel For Repairs And Maintenance Of Streetslights (Kwabhaca And Emaxesibeni)	Active	Suppliers	Panel Contract	Umz/2022-23/Infra/Rm-Stl/001				2da801bc-9264-4ab8-87ad-57a792e502bf001	Public Lighting:Repair Street Lights.		R0,00		R0,00	2022/11/01	2024/10/30	24
13	Review Of Land Use Scheme Regulations And Land Audit	Review Of Land Use Scheme Regulations And Land Audit	Expired	Suppliers	Service Level Agreement		1482	Tps Developme nt Projects	Maaa0221703	144800aa-3f05-4759-B0cf-8897e3d23175001	Spatial Planning:Survey And Planning.	R1 150 000,00	R0,00	- R34 5000,00	R80 5000,00	2022/09/28	2023/09/27	12
14	Provision Of Security Services For Kwabhaca Municipal Properties	Provision Of Security Services For Kwabhaca Municipal Properties	Active	Suppliers	Service Level Agreement	Umz/2022-23/C&Cs/Ps/001	65971	Phiko Security	Maaa0571286	Fecca159-7acc-4f60-8f27-283ec3548d3f002	Public Protection And Safety:Council Security	R45 855 619,20	R0,00	- R17 727 329,02	R28 128 290,18	2022/10/31	2025/10/30	36

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
15	Compilation Of General Valuation Roll For The Financial Years 01 July 2023 To 30 June 2028	Compilation Of General Valuation Roll For The Financial Years 01 July 2023 To 30 June 2028	Active	Suppliers	Service Level Agreement	Umz/2022-23/Bto/Rev/001	1253	S C B Property Valuers And	Maaa0557791	Cec9926f-8296-469a-A485-8d0fc57042fe001	Interim Valuations:Interim Valuation	R500000,00	R0,00	-R2010233,35	R47989766,65	2022/10/28	2025/10/27	36
16	Solani Concrete Slab	Solani Concrete Slab	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/008	1487	Route17cve Trading And Projects	Maaa0858199	E2287c96-937b-4ee9-A092-0fa8b0979655076	Roads:Solani Concrete Slab 150m - Cap	R568588,75	R0,00	-R568585,88	R2,87	2022/12/13	2023/06/12	6
17	Construction Of Auction Pens Phase 03	Construction Of Auction Pens Phase 03	Expired	Suppliers	Construction Contracts	Umz/2021/Led/2021-2022/012	433	Qholo Civils		93222d91-1fc9-4561-9b6d-3a9d8da3718f001	Building Plan Offices:Construction Of Auction Pens	R2565255,26	R0,00	-R2302881,98	R262373,28	2022/06/23	2024/01/30	19
18	Umz/2022/Bto/001	Umz/2022/Bto/001	Expired	Warranty	Purchase Agreement	Umz/2022/Bto/001	20795	Bth Events Pty Ltd	Maaa0538897	4c5459fb-48ef-4954-Bfba-969d3cc07913001	Indigent And Cultural Management And Services:Indigent Support	R2816000,00	R0,00		R2816000,00	2022/03/09	2024/03/09	24
19	Supply And Delivery Of Volumetric Park Homes Offices	Umz/2021-22/C&Cs/Ps/001	Expired	Warranty	Purchase Agreement	Umz/2021-22/C&Cs/Ps/001	433	Qholo Civils		A4deec2d-9a2a-4d94-A633-Ab17bed8781d001	Furniture And Office Equipment:Furniture & Office Equipment.	R298632,00	R0,00		R298632,00	2022/07/15	2022/10/15	3
20	Lease, Installation, Monitoring, Automation And Maintainance Of Multifunctional Printing/Photoc	Umz/Cs/Sg/2021-2023/	Expired	Suppliers	Service Level Agreement	Umz/Cs/Sg/2021-2023/	20110	Genbiz Trading 1001	Maaa0023122	53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R642568,32	R0,00		R642568,32	2021/12/13	2023/12/13	24

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
	copying Machines																	
21	Provision Of A Collaborative Electronic Document Management System And Records Management For Umzimvubu Municipality	Umz/Cs/Sg/2021-2023/001	Expired	Suppliers	Service Level Agreement	Umz/Cs/Sg/2021-2023/001	1386	Blaqchild Digital X	Maaa1115399	96128939-C1cc-4169-8a62-4bbe6f21a1d6001	Administrative Strategy And Planning:Document Management	R1590766,00	R0,00	-R567200,00	R1023566,00	2022/01/17	2024/01/17	24
22	Supply Distribution Of Alternative Energy(Paraffin) To Indigent Households	Umz/2022/Bto/001	Expired	Suppliers	Service Level Agreement	Umz/2022/Bto/001	20795	Bth Events Pty Ltd	Maaa0538897	4c5459fb-48ef-4954-Bfba-969d3cc07913001	Indigent And Cultural Management And Services:Indigent Support	R2816000,00	R0,00		R2816000,00	2022/03/09	2024/03/09	24
23	Provision Of Municipal Fleet Tracking System For The Period Of Three Years	Umz/2020-21/Bto/Tracking System/003	Active	Suppliers	Service Level Agreement	Umz/2020-21/Bto/Tracking System/003	20057	Mumbaz Trading Enterprise	Maaa0468836	Cd13eb1c-Fe4d-4386-956d-39d266e48cf2001	Risk Management:Insurance	R5000000,00	R0,00	-R591022,80	R49408977,20	2021/05/05	2024/05/05	36
24	Supply And Delivery Of Office Stationery	Umz/Bto/Statio nery-001	Expired	Suppliers	Service Level Agreement	Umz/Bto/Statio nery-001	10849	Myoza Myoza Trading	Maaa0106159	06ebea2b-55a1-4f32-Be06-81d13400a81d002	Project Implementation : Smme Support	R1000000,00	R0,00	-R944266,13	R9055733,87	2021/05/07	2023/09/07	28
25	Provision And Implementation Of Electronic Consumer Tracing And Vetting Services For The Period Of Three Years	Umz/2020-21/Bto/Revenue/001	Expired	Suppliers	Service Level Agreement	Umz/2020-21/Bto/Revenue/001	761	Bsa Consulting Cc	Maaa0152114	Cec9926f-8296-469a-A485-8d0fc57042fe001	Interim Valuations:Interim Valuation	R746253,22	R0,00		R746253,22	2021/02/16	2024/02/16	36

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
26	Appointment Of Municipal Panel For Repairs And Maintenance For Municipal Fleet For Period Of 3 Years	Umz/2019-20/Bto/Flt/001	Active	Suppliers	Panel Contract	Umz/2019-20/Bto/Flt/001				Cd13eb1c-Fe4d-4386-956d-39d266e48cf2001	Risk Management:Insurance	R10,00	R0,00		R10,00	2022/11/03	2025/11/03	36
27	Electrification Of 289 Households In Mdakeni Village 2021/22 Financial Year	Umz/2021-22/Infra/Inep/003	Expired	Suppliers	Service Level Agreement	Umz/2021-22/Infra/Inep/003	1174	Siya And Aya Engineering	Maaa0114619	19dba5aa-Fb0e-4d5f-9099-4fa684b7da56028	Lv Networks:Mdakeni Electrification	R6027742,01	R0,00		R6027742,01	2021/06/18	2021/12/18	6
28	Cellphone Tools Of Trade For Councillors For A Period Of Two Years Contract	Umz/2021-22/Cs/Ict/004	Expired	Suppliers	Panel Contract	Umz/2021-22/Cs/Ict/004				53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost		R0,00		R0,00	2021/12/21	2023/12/21	24
29	Supply And Delivery Of Municipal Cartridges And Toners	Umzi/Bto/Catridges/001	Expired	Suppliers	Panel Contract	Umzi/Bto/Catridges/001				53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost		R0,00		R0,00	2021/05/14	2023/06/14	25
30	Turnkey Projects For Mkungwini 300(19) Rural Housing Project	Umz//2021-22/Infra/Ecdhs/001	Expired	Suppliers	Construction Contracts	Umz//2021-22/Infra/Ecdhs/001	8	Liyema Civils And Plant Hire C		2f51b239-80f5-4891-A7b2-0e7df52ee588003	Social Housing:Human Settlement Housing Project - Nkungwini	R3235250,00	R102800,00	R3338050,00	R0,00	2022/01/13	2022/09/13	8
31	Turnkey Projects For Dandee 300(37) Rural Housing Project	Umz//2021-22/Infra/Ecdhs/002	Expired	Suppliers	Construction Contracts	Umz//2021-22/Infra/Ecdhs/002	1368	Docraine	Maaa0494191	2f51b239-80f5-4891-A7b2-0e7df52ee588002	Social Housing:Human Settlement Housing Project - Dundee	R5585934,81	R334061,00	R591995,81	R0,00	2021/12/22	2022/08/22	8

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
32	Network Maintenance Contract	Umz/2022-21/Cs/Ict/005	Expired	Suppliers	Service Level Agreement	Umz/2022-21/Cs/Ict/005	177	Cmq Trading Enterprise	Maaa0151483	51bff2c6-A7b5-439b-Bb44-Fc9aa3af2efc002	Computer Software And Applications:Ict. Programmes	R300 000,00	R0,00		R300 000,00	2021/06/21	2023/06/21	24
33	Nkungwini To Mompilwana Access Road Maintenance	Nkungwini To Mompilwana Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/005	10058	Alfred Ndzo Technologies	Maaa0106039	E2287c96-937b-4ee9-A092-0fa8b0979655073	Roads:Nkungwini To Nompilwana Ar Maint - Cap	R1 743 658,75	R0,00	-R1 427 154,89	R316 503,86	2023/01/09	2023/07/08	6
34	Bumbeni Access Road Maintenance	Bumbeni Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/003	20142	Aya-Lwazi 227 Consulting	Maaa0087937	1cdab7f9-B937-42da-98b6-E1d5fc28c38d112	Roads:Bumbeni Ar	R1 320 315,00	R0,00	-R1 320 315,00	R0,00	2023/01/11	2023/07/10	6
35	Saphukanduku Community Hall	Saphukanduku Community Hall	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Mig/004	10166	Maphozana Trading	Maaa0073614	A1afa386-678b-4e1c-8227-70a66eda64b0013	Halls:Saphukanduku Community Hall - Mig	R2 669 138,90	R0,00	-R2 605 413,96	R63 724,94	2023/01/11	2023/07/10	6
36	Manxiweni Access Road-New	Manxiweni Access Road-New	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/014	20780	Slatsha Trading And Projects		1cdab7f9-B937-42da-98b6-E1d5fc28c38d024	Roads:Manxiweni Ar	R1 472 514,05	R0,00	-R1 398 888,37	R73 625,68	2023/01/18	2023/07/17	6
37	Umdini To Magontsini Access Road Maintenance	Umdini To Magontsini Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/006	5596	King Soyisile Con & Plant Hire	Maaa0579903	E2287c96-937b-4ee9-A092-0fa8b0979655074	Roads:Umdini To Magontsini Ar Maint - Cap	R1 021 893,00	R0,00	-R74 6825,28	R27 5067,72	2023/01/11	2023/07/10	6
38	Lokwe Access Road Maintenance	Lokwe Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/012	982	Mbhamla Civils (Pty) Ltd	Maaa0519546	E2287c96-937b-4ee9-A092-0fa8b0979655063	Roads:Manzana Ar - New - Cap	R1 560 182,60	R0,00	-R1 186 495,11	R37 3687,49	2023/01/11	2023/07/10	6

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
39	Completion Of Electrification In Various Wards Through Turnkey Approach	Completion Of Electrification In Various Wards Through Turnkey Approach	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/El/Ec/001	1492	Yakhalungisa Engineering Services	Maaa0208570			R9883170,54	R0,00	-R7475923,26	R2407247,28	2023/01/24	2023/07/23	6
40	Mamtwani Concrete Slab	Mamtwani Concrete Slab	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/009	1444	Nqolo Civil (Pty) Ltd	Maaa0878526	E2287c96-937b-4ee9-A092-0fa8b0979655079	Roads:Mamtwana Concrete Slab 150 M - Cap	R569152,25	R0,00	-R569152,25	R0,00	2023/01/11	2023/07/10	6
41	Construction Of Vulnerable House In Ward 11	Umz/2022-23/Vulnerable Ward 11 (Infra)	Expired	Suppliers	Construction Contracts	Umz/2022-23/Vulnerable Ward 11 (Infra)	20455	Mazonono Civil & Building Cons		2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housing Projects	R195760,95	R0,00	-R195760,95	R0,00	2022/12/05	2023/02/04	2
42	Construction Of Vulnerable House In Ward 18	Umz/Vulnerable Ward 18 (Infra)	Expired	Suppliers	Construction Contracts	Umz/Vulnerable Ward 18 (Infra)	72389	Nkamangana Construction	Maaa0136067	2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housing Projects	R196370,24	R0,00	-R74862,00	R121508,24	2022/11/21	2023/01/20	2
43	Supply, Delivery And Install Fencing Material On 50ha Of Ulm	Umz/2022-23/Led/003	Expired	Suppliers	Construction Contracts	Umz/2022-23/Led/003	537	Bragging Right Trading And Pro		06ebea2b-55a1-4f32-Be06-81d13400a81d002	Project Implementation : Smme Support	R943287,50	R0,00	-R696810,88	R246476,62	2022/10/21	2023/03/20	5
44	Construction Of Municipal Offices	Construction Of Municipal Offices	Expired	Suppliers	Construction Contracts	Umz/2017-2018/Infra/Bhu/007	935	Zamaisivuno Jv	Maaa0798271	6fd07a60-E535-42bf-9b7f-6a8258f82769001	Municipal Offices:Municipal Offices	R85000000,00	R0,00	-R10719408,49	R74280591,51	2018/09/05	2023/09/30	61
45	Upgrading Of Emaxesibeni Town Streets Phase 2	Upgrading Of Emaxesibeni Town Streets Phase 2	Expired	Suppliers	Construction Contracts	Umz/2021-22/Infra/Otp/001	10739	Mabona Civils & Plant Hire		1cdab7f9-B937-42da-98b6-E1d5fc28c38d078	Roads:Small Town Rehabilitation-Expenditure On Roads (203)	R17977459,24	R0,00	-R8411881,62	R9565577,62	2022/01/13	2023/04/18	15

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
47	Provision Of Umzimvubu Occupational Health Services And Employee Wellness Services	Provision Of Umzimvubu Occupational Health Services And Employee Wellness Services	Active	Suppliers	Service Level Agreement	Umz/2022/23/Cs/Hr/001	1479	Wiskno Projects	Maaa0903191	071b3f37-E359-400d-B4fd-2544cf3e146d006	Wellness And Fitness: Occupational Doctor	R1000000,00	R0,00	-R314007,50	R9685992,50	2023/01/13	2026/01/13	36
48	Supply And Delivery Of Food Parcels	Supply And Delivery Of Food Parcels	Active	Suppliers	Service Level Agreement	C&Cs/2022-23/04	20468	Kimbis Trading		D7388c2f-Addc-484c-B71f-228e0f6dd3d6001	Project:Expanded Public Works Program	R6262683,20	R0,00	-R2870396,43	R3392286,77	2023/01/24	2025/01/24	24
49	Security Services For Additional For Emaxesibeni And Kwabhaca	Security Of Additional Sites For Emaxesibeni And Kwabhaca	Expired	Suppliers	Service Level Agreement	Umz/2020-21/C&Cs/Ps/002	65971	Phiko Security	Maaa0571286	Fecca159-7acc-4f60-8f27-283ec3548d3f002	Public Protection And Safety:Council Security	R2953986,60	R0,00	-R573891,98	R2380094,62	2021/04/01	2023/03/31	24
50	Banking Services Conduct Cash - In-Transit Banking Services For A Period Of 12 Months	Banking Services Conduct Cash - In-Transit Banking Services For A Period Of 12 Months	Expired	Suppliers	Service Level Agreement	Umz/C&Cs/22-23	65971	Phiko Security	Maaa0571286	Fecca159-7acc-4f60-8f27-283ec3548d3f002	Public Protection And Safety:Council Security	R199349,28	R0,00	-R99674,64	R99674,64	2022/08/04	2023/08/04	12
51	Provision Of Security Services In Emaxesibeni Municipal Premises/Facilities	Security Services At Emaxesibeni	Expired	Suppliers	Service Level Agreement	Umz/2019-20/C@Cs/Ps/002	65971	Phiko Security	Maaa0571286	Fecca159-7acc-4f60-8f27-283ec3548d3f002	Public Protection And Safety:Council Security	R20101803,19	R0,00	-R1797650,97	R18304152,22	2020/04/28	2023/04/27	36
52	Professional Engineering Services For The	Professional Engineering Services For The	Expired	Suppliers	Service Level Agreement	Umz/2020-21/Infra/Elec/001	1103	Carifro Consulting Engineers	Maaa0043942	16db4eed-7059-4cea-9f5d-C4b405f97879001	Mv Networks:Mv Network.	R399770,50	R0,00	-R399770,50	R0,00	2021/01/28	2023/04/20	27

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
	Electrification Of Villages	Electrification Of Villages																
53	Electrification Of 247 Households In Dinana Village 2021/22	Electrification Of 247 Households In Dinana Village 2021/22	Expired	Suppliers	Construction Contracts	Umz/2021-22/Infra/Inep/004	1260	Shake's Power Business Enter	Maaa0646046	16db4eed-7059-4cea-9f5d-C4b405f97879001	Mv Networks:Mv Network.	R6110973,35	R0,00	-R152963,88	R5958009,47	2021/09/16	2023/04/20	19
54	Underground Optic Fibre Cabling	Underground Optic Fibre Cabling	Expired	Suppliers	Service Level Agreement	Umz/2021-22/Cs/Ict/002	177	Cmq Trading Enterprise	Maaa0151483	B042fc9f-2845-4fa2-Bb2c-97b537ed7255001	Computer Equipment:Computer Equipment	R1858043,00	R0,00	-R268093,00	R1589950,00	2022/02/14	2023/06/30	17
55	Panel Of Professional Services Providers In Civil For A Period Of Two Years	Panel Of Professional Services Providers In Civil For A Period Of Two Years	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Pmu/001	1520	Ugqoloma Holdings	Maaa0001631	E2287c96-937b-4ee9-A092-0fa8b0979655089	Roads:Mpungul elweni Access Road	R1000000,00	R0,00	-R2993477,22	R7006522,78	2023/01/13	2025/01/12	24
56	Panel Of Professional Services Providers In Civil For A Period Of Two Years	Panel Of Professional Services Providers In Civil For A Period Of Two Years	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Pmu/001	72449	Mataya Specialist Engingeer	Maaa0051905	4534e6d8-A738-4092-99cb-6f1f6229e9f3002	Centres: Led. Hawkers Stalls	R5000000,00	R0,00	-R9166610,46	R40833389,54	2023/01/13	2025/01/12	24
57	Repairs And Maintenance Of Ngcozana Bridge	Repairs And Maintenance Of Ngcozana Bridge	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Rfq/001	19227	Bavix Trd & Projects (Pty)Ltd		2314364d-31cb-4d7f-A870-Faa2321924ca001	Civil Structures:Repairs Streets	R123510,00	R0,00	-R123510,00	R0,00	2023/02/10	2023/04/09	2
58	Panel For Repairs And Maintenance Of Streetslights (Kwabhaca And Emaxesibeni)	Panel For Repairs And Maintenance Of Streetslights (Kwabhaca And Emaxesibeni)	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Rm-Stl/001	1167	Nws Consulting Engineerpty Ltd	Maaa0392543	2da801bc-9264-4ab8-87ad-57a792e502bf001	Public Lighting:Repair Street Lights.	R1000000,00	R0,00	-R1443374,09	R8556625,91	2022/11/01	2024/10/30	24

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
59	Provision Of Assessment For Popia Compliance And Development Of Popia Policy And Standard Operating Procedures	Provision Of Assessment For Popia Compliance And Development Of Popia Policy And Standard Operating Procedures	Expired	Suppliers	Service Level Agreement	Umz/2022-23/Omm/Ls/004	1493	Blue Cycle Trading Services	Maaa0770739	9e7944fb-898a-49f7-8d73-07d202f721ab004	Best Practices:Legal	R672750,00	R67000,00	R739750,00	R0,00	2023/01/11	2023/06/10	5
60	Panel Of Professional Services Providers In Civil Engineering For A Period Of Two Years	Panel Of Professional Services Providers In Civil Engineering For A Period Of Two Years	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Pmu/001	60110	Bm Infrastructure Development	Maaa0092369	E2287c96-937b-4ee9-A092-0fa8b0979655087	Roads:Thembisa Access Road	R1000000,00	R0,00	-R2844738,30	R7155261,70	2023/01/13	2025/01/12	24
61	Provision Of Internal Audit And Consulting Services Activities	Provision Of Internal Audit And Consulting Services Activities	Active	Suppliers	Service Level Agreement	Umz/2022-23/Omm/Ia/001	20484	Bonakude Consulting (Pty Ltd		53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R1000000,00	R0,00	-R1035930,12	R8964069,88	2023/01/05	2026/01/04	36
62	Panel For Repairs And Maintenance Of Streetslights (Kwabhaca And Emaxesibeni)	Panel For Repairs And Maintenance Of Streetslights (Kwabhaca And Emaxesibeni)	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Rm-Stl/001	20125	Mabheshe Electrical Projects A	Maaa0192268	277fcd2d-3229-484f-B4eb-Bc6b5d91fc3e002	Buildings:Repairs And Maintenance Community Assets	R1500000,00	R0,00	-R3356433,47	R11643566,53	2022/11/01	2024/10/30	24
63	Centule-Ntshongweni Access Road Maintenance	Centule-Ntshongweni Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/020	1159	Uluntu Developers	Maaa0132099			R1100550,00	R0,00	-R781002,95	R319547,05	2022/12/23	2023/06/22	6
64	Sifolweni To Nomkholokoth	Sifolweni To Nomkholokoth	Expired	Suppliers	Construction	Umz/2022-23/Infra/Cap/009	88967	Isivuno Esihle	Maaa0241980	E2287c96-937b-4ee9-A092-	Roads:Sifolweni To	R2308	R0,00	-R2308	-R0,15	2022/12/23	2023/06/22	6

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
	o Access Road Maintenance	o Access Road Maintenance			Contracts			Construction		0fa8b0979-655082	Nomkhokotho Ar Maint - Mig	850,64		850,79				
65	Completion Of Silindini Access Road And Brigde	Completion Of Silindini Access Road And Brigde	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/001	1444	Nqolo Civil (Pty) Ltd	Maaa0878526	E2287c96-937b-4ee9-A092-0fa8b0979-655078	Roads:Completion Of Silindini Ar - Cap	R1798162,14	R0,00	-R1798161,79	R0,35	2022/12/15	2023/06/14	6
66	Provision Of Vetting And Screening Services	Provision Of Vetting And Screening Services	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/Hr/003	65993	Dzama Trading	Maaa0397237	Fe839289-5ff6-40aa-83b2-F5e5c0c66f2a004	Human Resource Management:Recruitment Activities	R1000000,00	R0,00	-R97160,00	R902840,00	2023/02/17	2026/02/16	36
67	Provision Of Auctioneer Services For A Period Of Three Years	Provision Of Auctioneer Services For A Period Of Three Years	Deleted	Suppliers	Service Level Agreement	Umz/2022-23/Bto/Scm/002	427	Mozi Auctioneers					R0,00		R0,00	2023/01/17	2026/01/16	36
68	Ndindindi Access Road Maintenance	Ndindindi Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/019	1391	H V N Trading Enterprise	Maaa1024228	E2287c96-937b-4ee9-A092-0fa8b0979-655068	Roads:Ndindindi Ar Maint - Cap	R1319668,25	R0,00	-R757294,75	R562373,50	2023/02/17	2023/08/16	6
69	Sodladla To Tabankulu Access Road Maintenance	Sodladla To Tabankulu Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/004	19234	Mdzita Holdings	Maaa0344891	E2287c96-937b-4ee9-A092-0fa8b0979-655072	Roads:Sodladla To Tabankulu Ar Maint - Cap	R1183355,75	R0,00	-R800479,63	R382876,12	2023/02/14	2023/08/13	6
70	Ntibane Access Road And Bridge Maintenance	Ntibane Access Road And Bridge Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/017	20021	Nomali Trading Enterprise	Maaa0269065	1cdab7f9-B937-42da-98b6-E1d5fc28c38d104	Roads:Ntibane Ar	R1824475,00	R0,00	-R597402,49	R1227072,51	2023/02/27	2023/08/26	6
71	Supply And Delivery Of 4 Vehicles	Supply And Delivery Of 4 Vehicles	Expired	Suppliers	Purchase Agreement	Umz/2022-23/Bto/Scm/004	20506	Ultimate Reliance Trading	Maaa0073693	19dba5aa-Fb0e-4d5f-9099-4fa684b7da56027	Lv Networks:Completion Of Phase 2 Electification Program	R3059862,50	R0,00	-R1004179,02	R2055683,48	2023/02/24	2023/05/23	3

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
72	Provision Of Insurance For Various Municipal Assets For A Period Of Three Years	Provision Of Insurance For Various Municipal Assets For A Period Of Three Years	Active	Suppliers	Service Level Agreement	Umz/2022-23/Bto/Scm/001	67004	Ndzila Investments	Maaa0640792	Cd13eb1c-Fe4d-4386-956d-39d266e48cf2001	Risk Management:Insurance	R1000000,00	R0,00	-R3659827,38	R6340172,62	2022/10/21	2025/10/20	36
73	Construction Of Vulnerable House In Ward 19	Construction Of Vulnerable House In Ward 19	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/004	10950	Siya And Lucky Trading Enterpr	Maaa0228056	2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housing Projects	R197422,02	R0,00	-R185025,62	R12396,40	2023/03/15	2023/05/14	2
74	Betshwana Access Road Maintenance	Betshwana Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap013	65103	Mzontsundu Construction	Maaa0655265	E2287c96-937b-4ee9-A092-0fa8b0979655064	Roads:Betshwana, Bhijintaba Ar Maint - Cap	R1598558,65	R0,00	-R1598558,48	R0,17	2023/03/10	2023/09/09	6
75	Lubaleko Access Road Maintenance	Lubaleko Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/011	10877	Kuyazanywa Construction	Maaa0142541	1cdab7f9-B937-42da-98b6-E1d5fc28c38d170	Roads:Lubaleko -Nkanji A/R 5	R1359156,25	R0,00	-R1088324,06	R270832,19	2023/03/10	2023/09/09	6
76	Repairs And Maintenance Of Cabazana Bridge	Umz/2022-23/Infra/Rfq/002	Expired	Suppliers	Service Level Agreement		1282	Tlm Civil	Maaa1029734	2314364d-31cb-4d7f-A870-Faa2321924ca001	Civil Structures:Repairs Streets	R161600,00	R0,00	-R161600,00	R0,00	2023/03/15	2023/05/15	2
77	Maphakama Access Road Maintenance	Umz/2022-23/Infra/Cap/007	Expired	Suppliers	Service Level Agreement		19513	Breaking Force Trading	Maaa0068550	E2287c96-937b-4ee9-A092-0fa8b0979655075	Roads:Maphakama Ar Maint - Cap	R1499841,62	R0,00	-R815644,49	R684197,13	2023/02/23	2023/08/23	6
78	Ngcwayi To Lower Brooksnek Access Road Maintenance	Umz/2022-23/Infra/Cap/010	Expired	Suppliers	Service Level Agreement		87995	Makhalendlovu Construction	Maaa0824895	1cdab7f9-B937-42da-98b6-E1d5fc28c38d061	Roads:Ngcayi Access Road	R1416081,25	R0,00	-R1415761,37	R319,88	2023/04/03	2023/12/21	9

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
79	Sithinteni Access Road Maintenance	Umz/2022-23/Infra/Cap/016	Expired	Suppliers	Service Level Agreement		1536	King Jafta Development Pty Ltd	Maaa0178156	E2287c96-937b-4ee9-A092-0fa8b0979655066	Roads:Sithinteni Ar - New - Cap	R1046334,98	R0,00	-R1046334,35	R0,63	2023/03/10	2023/10/30	8
80	Papanani Access Road Maintenance	Papanani Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/021	96	Litto Trading Enterprise		1cdab7f9-B937-42da-98b6-E1d5fc28c38d073	Roads:Baphathe - Rholihlahla Access Road	R1668414,00	R0,00	-R880897,50	R787516,50	2023/04/03	2023/10/03	6
81	Construction Of Shooting Range	Construction Of Shooting Range	Expired	Suppliers	Construction Contracts	Umz/2022-23/C&Cs/Ps/006	19390	Luphawu Trading (Pty) Ltd		5889280e-4c9c-4eff-B530-13d7f9881bf1001	Training Centres:Shooting Range Construction	R8432193,39	R0,00	-R4904983,86	R3527209,53	2023/04/03	2023/12/02	8
82	Provision Of Security Services For Emaxesibeni Municipal Properties 2023	Provision Of Security Services For Emaxesibeni Municipal Properties 2023	Active	Suppliers	Service Level Agreement	Umz/2022-23/C&Cs/Ps/005	65971	Phiko Security	Maaa0571286	Fecca159-7acc-4f60-8f27-283ec3548d3f002	Public Protection And Safety:Council Security	R32013000,00	R0,00	-R10214545,40	R21798454,60	2023/05/09	2026/05/09	36
83	Lease, Installation, Monitoring, Automation And Maintenance Of Multifunctional Printing/Photocopying Machines For The Offices Of Umzimvubu Local Municipality	Lease Installation Monitoring Automation And Maintenance Of Multifunctional Printing/Photocopying Machines For The Offices Of Umzimvubu Local Municipality	Active	Suppliers	Service Level Agreement	Umz/Cs/Sg/2021-2023/002	20110	Genbiz Trading 1001	Maaa0023122	53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R642568,32	R0,00	-R233404,93	R409163,39	2022/12/13	2025/12/13	24

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
	For Period 2 Years	For Period 2 Years																
84	Completion Of Nophoyi Cluster Sport Facility	Completion Of Nophoyi Cluster Sport Facility	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/018	1563	Twizza Civils And Building	Maaa0051437	E2287c96-937b-4ee9-A092-0fa8b0979655067	Roads:Completion Of Nophoyi Cluster Sport Facility - Cap	R1689281,00	R0,00	-R1342475,04	R346805,96	2023/02/23	2024/02/02	12
85	Donga Rehabilitation Of Umzimvubu Local Municipality	Donga Rehabilitation Of Umzimvubu Local Municipality	Expired	Suppliers	Service Level Agreement	Umz/2022-23/Led/Donga/05	571	Nkwali Am Trading Pty Ltd	Maaa0074812	07e1665d-3096-42b3-Bb04-Ab29cae42564005	Assistance And Support:Forestry Development	R994750,00	R0,00	-R994750,00	R0,00	2023/05/09	2023/08/09	3
86	Sogoni Access Road Maintenance	Sogoni Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/022	65025	Uzolo Trd Pty Ltd		1cdab7f9-B937-42da-98b6-E1d5fc28c38d108	Roads:Sogoni Ar	R140000,00	R0,00	-R140000,00	R0,00	2023/04/26	2023/10/26	6
87	Supply And Delivery Of Wool Pressers For 28 Sheep Shearing Sheds Of Ulm	Supply And Delivery Of Wool Pressers For 28 Sheep Shearing Sheds Of Ulm	Expired	Suppliers	Purchase Agreement	Umz/2022-23/Led/004	10879	K K The Real Class Investments	Maaa0091629	07e1665d-3096-42b3-Bb04-Ab29cae42564006	Assistance And Support:Livestock Developmental Program	R1095000,00	R0,00	-R442500,00	R652500,00	2023/05/08	2023/08/07	3
88	Emaxesibeni Extension 6 Services	Emaxesibeni Extension 6 Services	Active	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/030	10739	Mabona Civils & Plant Hire		E2287c96-937b-4ee9-A092-0fa8b0979655060	Roads:Construction Of Extension 6 Services - Emaxesibeni - Cap	R7306160,79	R0,00	-R3388153,02	R3918007,77	2023/04/03	2024/04/02	12
89	Phepheni Sports Facility Phase 2	Phepheni Sports Facility Phase 2	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Mig/001	10031	Intlangula 86 Trading Enterpri	Maaa0085518	E2287c96-937b-4ee9-A092-0fa8b0979655081	Roads:Phepeni Sports Facility Phase 2 - Mig	R7175499,49	R0,00	-R5373979,76	R1801519,73	2023/05/12	2024/03/11	10
90	Mt Ayliff Multi Purpose Centre Phase 5	Mt Ayliff Multi Purpose Centre Phase 5	Active	Suppliers	Construction	Umz/2022-23/Infra/Cap/29	433	Qholo Civils		E2287c96-937b-4ee9-A092-	Roads:Multi Purpose Centre	R4348	R0,00	-R3299	R1048	2023/04/03	2024/10/29	19

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
					Contracts					0fa8b0979-655077	- 1000m Clear - V Fencing - Cap	237,69		894,36	343,33			
91	Upgrading Of Mount Frere Pound Phase 1	Upgrading Of Mount Frere Pound Phase 1	Expired	Suppliers	Construction Contracts	Umz/2022-23/C&Cs/Ps/007	433	Qholo Civils		Cb667160-B64f-42c8-Af1f-F69196d761ac001	Police:Kwabhaca Pound Upgrading Second Phase	R1794242,73	R0,00	-R1794242,73	R0,00	2023/05/08	2024/02/25	10
92	Ict Schools Development Computers	Ict Schools Development Computers	Expired	Suppliers	Purchase Agreement	Umz/2022-23/Cs/Ict/002	1348	Khulani Office Solutions	Maaa0417284	53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R595763,20	R0,00	-R595763,20	R0,00	2023/06/28	2023/09/27	3
93	Umzimvubu Free Wi-Fi In Ward 21 Toleni Combined School	Umzimvubu Free Wi-Fi In Ward 21 Toleni Combined School	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/Ict/001	955	Access Technology Consult	Maaa0484507	51bff2c6-A7b5-439b-Bb44-Fc9aa3af2efc002	Computer Software And Applications:Ict. Programmes	R1485636,70	R0,00	-R1485636,70	R0,00	2023/06/23	2024/06/23	12
94	Voveni Access Road Maintenance	Voveni Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/031	10742	Khulabhungane Trading Enterpri	Maaa0336462	1cdab7f9-B937-42da-98b6-E1d5fc28c38d178	Roads:Voveni Access Road	R1236980,20	R0,00	-R829509,32	R407470,88	2023/06/09	2023/12/08	6
95	Provision Of Travel Management Agency Services For A Period Of 2 Years	Provision Of Travel Management Agency Services For A Period Of 2 Years	Active	Suppliers	Service Level Agreement	Umz/2022-23/Bto/Scm/003	10180	Swift Travel And Tours	Maaa0035804			R500000,00	R0,00	-R786338,33	R49213661,67	2023/03/10	2025/03/09	24
96	Provision Of Travel Management Agency Services For A Period Of 2 Years	Provision Of Travel Management Agency Services For A Period Of 2 Years	Active	Suppliers	Service Level Agreement	Umz/2022-23/Bto/Scm/003	1105	Allenio Airline	Maaa0031241			R500000,00	R0,00	-R596324,16	R49403675,84	2023/03/10	2025/03/09	24
97	Provision Of Travel Management	Provision Of Travel Management	Active	Suppliers	Service Level	Umz/2022-23/Bto/Scm/003	87589	Cindys Travel Agency	Maaa0278706			R50000	R0,00	-R1114	R48885	2023/03/10	2025/03/09	24

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
	Agency Services For A Period Of 2 Years	Agency Services For A Period Of 2 Years			Agreement							000,00		104,02	895,98			
98	Panel Of Service Providers For Training Services	Panel Of Service Providers For Training Services	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/Hr/002	1204	Sonani Training Communication	Maaa0019145	26e33d60-7181-431a-9cbf-02f3f6d27377001	Capacity Building Councillors:Councillors Training	R50000,000,00	R0,00	-R464875,00	R49535125,00	2023/03/28	2026/03/27	36
99	Panel Of Service Providers For Training Services	Panel Of Service Providers For Training Services	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/Hr/002	88891	Khulani Hr Consultancy	Maaa0024384	Ed5c0d41-E0bb-489a-B844-8bfece64dfe3001	Workshops, Seminars And Subject Matter Training:Employee Training	R50000,000,00	R0,00	-R199980,00	R49800020,00	2023/03/28	2026/03/27	36
100	Panel Of Service Providers For Training Services	Panel Of Service Providers For Training Services	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/Hr/002	1181	Thru-Grace Consultancy	Maaa0610532	Ed5c0d41-E0bb-489a-B844-8bfece64dfe3001	Workshops, Seminars And Subject Matter Training:Employee Training	R50000,000,00	R0,00	-R89850,00	R49910150,00	2023/03/28	2026/03/27	36
101	Panel Of Service Providers For Training Services	Panel Of Service Providers For Training Services	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/Hr/002	66065	Limsa Pty Ltd	Maaa0424869	Ea20dd02-Aeec-48be-A1f5-0c4e947ae94a001	Meetings:Ward Committee Remuneration.	R50000,000,00	R0,00		R50000000,00	2023/03/28	2026/03/27	36
102	Panel Of Service Providers For Training Services	Panel Of Service Providers For Training Services	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/Hr/002	1523	One Vision Academy	Maaa0064679	26e33d60-7181-431a-9cbf-02f3f6d27377001	Capacity Building Councillors:Councillors Training	R50000,000,00	R0,00		R50000000,00	2023/04/04	2026/04/03	36
103	Construction Of Chithwa Recreational Park-Phase 1	Construction Of Chithwa Recreational Park-Phase 1	Active	Suppliers	Construction Contracts	Umz/2022-23/C&Cs/009	571	Nkwali Am Trading Pty Ltd	Maaa0074812	516ceeb3-D921-4313-8d14-418121c097c4002	Parks:Construction Of Chithwa Recreational Park	R5535227,33	R0,00	-R2412396,01	R3122831,32	2023/05/12	2024/04/11	11
104	Supply And Delivery Of Law Enforcement Uniform	Supply And Delivery Of Law Enforcement Uniform	Deleted	Suppliers	Service Level Agreement	Umz/2022-23/C&Cs/Ps/003	10138	Fg Uniforms Cc				R2700994,00	R0,00		R2700994,00	2023/04/03	2026/04/02	36

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
105	Semeni Access Road Maintenance	Semeni Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/025	65103	Mzontsundu Construction	Maaa0655265	E2287c96-937b-4ee9-A092-0fa8b0979655071	Roads:Semeni Ar Maint - Cap	R1446539,00	R0,00	-R428570,50	R1017968,50	2023/05/26	2023/11/25	6
106	Lugelweni Access Road Maintenance	Lugelweni Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2022-23/Infra/Cap/015	10058	Alfred Ndzo Technologies	Maaa0106039	E2287c96-937b-4ee9-A092-0fa8b0979655065	Roads:Lugelweni Ar Maint - Cap	R1554319,00	R0,00	-R797533,80	R756785,20	2023/06/26	2023/12/25	6
107	Panel Of Service Providers For Training Services	Panel Of Service Providers For Training Services	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/Hr/002	1588	Abinet Training And Development	Maaa0287595	Ed5c0d41-E0bb-489a-B844-8bfece64df e3001	Workshops, Seminars And Subject Matter Training:Employee Training	R50000,00	R0,00	-R135700,00	R49864300,00	2023/04/04	2026/04/03	36
108	Provision Of Services Municipal Panel Of Attorneys/Firm Of Attorneys For Civil Law And Other Related Matters	Provision Of Services Municipal Panel Of Attorneys/Firm Of Attorneys For Civil Law And Other Related Matters	Active	Suppliers	Service Level Agreement	Umz/2022-23/Omm/Ls/001	72380	P Conjwa And Associates	Maaa0647307	9e7944fb-898a-49f7-8d73-07d202f721ab004	Best Practices:Legal	R50000,00	R0,00	-R556412,20	R49443587,80	2023/01/05	2026/01/04	36
109	Provision Of Services Municipal Panel Of Attorneys/Firm Of Attorneys For Civil Law And Other Related Matters	Provision Of Services Municipal Panel Of Attorneys/Firm Of Attorneys For Civil Law And Other Related Matters	Active	Suppliers	Service Level Agreement	Umz/2022-23/Omm/Ls/001	999	Mdledle Incorporated	Maaa0141293	9e7944fb-898a-49f7-8d73-07d202f721ab004	Best Practices:Legal	R50000,00	R0,00	-R2619662,92	R2380337,08	2023/07/05	2026/07/04	36

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
110	The Supply And Delivery Fuel Solid Waste Depots	The Supply And Delivery Fuel Solid Waste Depots	Active	Suppliers	Service Level Agreement	Umz/2021-22/C&Cs/003	12225	Odior Trading Enterprise Pty L		53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R1000000,00	R0,00	-R1596492,25	R8403507,75	2022/03/23	2025/03/23	36
111	Appointment Of Municipal Panel For Repairs And Maintenance For Municipal Fleet For Period Of 3 Years	Appointment Of Municipal Panel For Repairs And Maintenance For Municipal Fleet For Period Of 3 Years	Expired	Suppliers	Service Level Agreement	Umz/2019-20/Bto/Flt/001	19285	Kwanto Merchantile Pty Ltd		408b0305-E4a6-452b-Ad08-7199552afdb2001	Machinery And Equipment:Repairs Plant & Machinery.	R500000,00	R0,00	-R392040,50	R4607959,50	2020/11/03	2023/11/03	36
112	Panel Of 3 Professional Services For Electrical Engineers For A Period Of Three Years	Panel Of 3 Professional Services For Electrical Engineers For A Period Of Three Years	Active	Suppliers	Service Level Agreement	Umz/2023-24/Infra/Psp/Elect/001	60110	Bm Infrastructure Development	Maaa0092369	01c9f395-3184-402e-8953-98261d9b9221004	Mv Networks:Sogoni Electrification	R500000,00	R0,00	-R1929891,22	R48070108,78	2023/09/04	2026/09/04	36
113	Hire Pf Plant And Equipment On Ad-Hoc Basis Contract	Hire Pf Plant And Equipment On Ad-Hoc Basis Contract	Expired	Suppliers	Service Level Agreement	Umz/2020-2021/Ccs/Hpe/001	1087	Scelo Business Consultancy	Maaa0101228	53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R500000,00	R0,00	-R1032518,30	R48967481,70	2020/12/14	2023/12/14	36
114	Construction Of Butsheni Community Hall	Construction Of Butsheni Community Hall	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/009	20142	Aya-Lwazi 227 Consulting	Maaa0087937	A1afa386-678b-4e1c-8227-70a66eda64b0023	Halls:Butsheni Community Hall	R2625892,29	R0,00	-R2575534,35	R50357,94	2023/09/13	2024/04/13	7
115	Gxaku Community Hall	Gxaku Community Hall	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/008	10077	Glen Hope Trading Enterprise	Maaa0069684	A1afa386-678b-4e1c-8227-70a66eda64b0025	Halls:Gxaku Ch - 285 M2 Including Ablution Facilities	R2696710,10	R0,00	-R2461900,69	R234809,41	2023/09/18	2024/04/18	7

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
116	Panel Of Ad-Hoc Plant Hire For Maintenance	Panel Of Ad-Hoc Plant Hire For Maintenance	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Pmu/002	1087	Scelo Business Consultancy	Maaa0101228	277fcd2d-3229-484f-B4eb-Bc6b5d91fc3e002	Buildings:Repairs And Maintenance Community Assets	R50000,00	R0,00	-R4559177,05	R45822,95	2023/07/05	2025/07/05	24
117	Construction Of Ndzongiseni Bridge And Access Road	Construction Of Ndzongiseni Bridge And Access Road	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/001	10849	Myoza Myoza Trading	Maaa0106159	Ac63b9c7-01b6-470b-8cf2-0758578d4ad4006	Road Structures:Ndzongiseni Bridge	R3527180,38	R0,00	-R3087334,04	R439846,34	2023/09/13	2024/06/13	9
118	Masamuncu Access Road And Bridge	Masamuncu Access Road And Bridge	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/003	20142	Aya-Lwazi 227 Consulting	Maaa0087937	Ac63b9c7-01b6-470b-8cf2-0758578d4ad4007	Road Structures:Masauncu Bridge	R3883378,78	R0,00	-R2480903,54	R1402475,24	2023/09/22	2024/03/21	6
119	Gxaku Community Hall	Gxaku Community Hall	Expired	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/008	10077	Glen Hope Trading Enterprise	Maaa0069684	A1afa386-678b-4e1c-8227-70a66eda64b0025	Halls:Gxaku Ch - 285 M2 Including Ablution Facilities	R2696710,10	R0,00		R2696710,10	2023/09/18	2024/03/17	6
120	Ward22:Conduct Ploughing Maize Fields Of 15ha's For Ward 22	Ward22:Conduct Ploughing Maize Fields Of 15ha S For Ward 22	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20021	Nomali Trading Enterprise	Maaa0269065	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R98325,00	R0,00	-R98325,00	R0,00	2023/10/05	2024/03/05	5
121	Ward 24:Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 24	Ward 24:Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 24	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20021	Nomali Trading Enterprise	Maaa0269065	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R98325,00	R0,00	-R83777,50	R14547,50	2023/10/05	2024/03/05	5
122	Brooksnek Road Maintenance	Brooksnek Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/001	1290	Shearer Group	Maaa0437423	7601080a-443e-4b74-94fe-04dfb7900bd4026	Roads:Brooksnek Ar Maintenance	R1472474,61	R0,00	-R627469,67	R845004,94	2023/09/12	2024/03/12	6

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
123	Zwelitsha Community Hall	Zwelitsha Community Hall	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/010	20717	Pangwa Trading Enterprise	Maaa0019860	A1afa386-678b-4e1c-8227-70a66eda64b0022	Halls:Zwelitsha Community Hall	R2544329,29	R0,00	-R2242373,05	R301956,24	2023/09/21	2024/03/21	6
124	Panel Of Ad-Hoc Plant Hire For Maintenance	Panel Of Ad-Hoc Plant Hire For Maintenance	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Pmu/002	65103	Mzontsundu Construction	Maaa0655265	C051cb6e-515c-4859-B663-84b52935d6d3016	Civil Structures:Panel Of Adhoc Plant Hire	R1000000,00	R0,00	-R2027447,06	R7972552,94	2023/07/10	2025/07/10	24
125	Siphundu Access Road Maintenance	Siphundu Access Road Maintenance	Expired	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/001	19513	Breaking Force Trading	Maaa0068550			R1385187,14	R0,00	-R1385187,16	-R0,02	2023/09/14	2024/03/14	6
126	Panel Of Service Providers For Repairs And Maintenance Of Municipal Buildings(Two Years)	Panel Of Service Providers For Repairs And Maintenance Of Municipal Buildings(Two Years)	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Pmu/003	20142	Aya-Lwazi 227 Consulting	Maaa0087937	F379983d-Da75-46eb-Aebe-C32ef4df2b04001	Buildings:Repairs Buildings	R1000000,00	R0,00	-R1211536,50	R8788463,50	2023/09/21	2025/09/21	24
127	Panel Of 3 Professional Services For Electrical Engineers For A Period Of Three (3) Years	Panel Of 3 Professional Services For Electrical Engineers For A Period Of Three (3) Years	Active	Suppliers	Service Level Agreement		1243	Mbsa Consulting	Maaa0035826			R1000000,00	R0,00	-R627002,99	R9372997,01	2023/09/12	2026/09/12	36
128	Dutyini Community Hall	Dutyini Community Hall	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/011	1630	Sabs Adherence	Maaa0721469	A1afa386-678b-4e1c-8227-70a66eda64b0021	Halls:Dutyini Community Hall	R2600000,00	R0,00	-R2303647,20	R296352,80	2023/10/18	2024/04/18	6
129	Lubhalasi Extension	Lubhalasi Extension	Active	Suppliers	Construction	Umz/2023-24/Infra/Cap/007	20144	Tang Trading Enterprise	Maaa0150239			R1178	R0,00	-R1178	-R0,03	2023/10/05	2024/04/05	6

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
	Access Road Maintenance	Access Road Maintenance			Contracts							890,88		890,91				
130	Supply,Delivery And Installation Of Back-Office System	Supply Delivery And Installation Of Back-Office System	Expired	Suppliers	Service Level Agreement	Umz/2023-24/C&Cs/Rfq/002	10145	Truvelo Africa Electronic Div	Maaa0087787	53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R199200,00	R0,00	-R166000,05	R33199,95	2023/08/29	2024/02/29	6
131	Panel Of 3 Professional Services For Electrical Engineers For A Period Of 3 Years	Panel Of 3 Professional Services For Electrical Engineers For A Period Of 3 Years	Active	Suppliers	Service Level Agreement	Umz/2023-24/Infra/Psp/Elect/001	1631	Izingodla Engineering	Maaa0317463			R50000,00	R0,00	-R715507,00	R49284493,00	2023/09/08	2025/09/07	24
132	Surfacing Of Kwabhaca Internal Streets Phase 8	Surfacing Of Kwabhaca Internal Streets Phase 8	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/007	10739	Mabona Civils & Plant Hire		E2287c96-937b-4ee9-A092-0fa8b0979655091	Roads:Phase 8 Surfacing	R29962422,60	R0,00	-R1961310,17	R28001112,43	2023/10/05	2025/01/04	15
133	Supply And Delivery Of Disaster Relief Material For A Period Of 12 Months	Supply And Delivery Of Disaster Relief Material For A Period Of 12 Months	Active	Suppliers	Service Level Agreement	Umz/2023-24/C&Cs/Rfq/006	1342	Mtebs Empire	Maaa1140794	B2679a63-D863-44af-Ada6-A8020e8658ed001	Disaster Management:Disaster Awareness	R198000,00	R0,00	-R125520,00	R72480,00	2023/11/03	2024/11/03	12
134	Mandela-Bhobhodla Extension Access Road Maintenance	Mandela-Bhobhodla Extension Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/010	5514	Gnb Civils	Maaa0410547			R1623707,14	R0,00	-R840313,27	R783393,87	2023/10/03	2024/04/03	6
135	Service Provider To Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 03	Service Provider To Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 03	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20638	90 Lol Trading Pty Ltd	Maaa0050192	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R109575,00	R0,00	-R109575,00	R0,00	2023/11/08	2024/04/08	5

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
136	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 19	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 19	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	1485	Noris 1956	Maaa1096159	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R108000,00	R0,00	-R75600,00	R32400,00	2023/11/03	2024/04/03	5
137	Ward 21conduct Ploughing Maize Fields Of 15 Per Ha For Ward 21	Ward 21conduct Ploughing Maize Fields Of 15 Per Ha For Ward 21	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	10214	Mavest Trading Enterprise	Maaa0101305	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R120000,00	R0,00	-R120000,00	R0,00	2023/10/16	2024/03/16	5
138	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 25	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 25	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	10751	Mkhwenkwe's Grandson Trading E	Maaa0141256	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R114000,00	R0,00	-R114000,00	R0,00	2023/10/16	2024/03/16	5
139	Conduct Ploughing Maize Fields Of 5 Per Ha For Ward 27	Conduct Ploughing Maize Fields Of 5 Per Ha For Ward 27	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	1342	Mtebs Empire	Maaa1140794	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R109500,00	R0,00	-R109500,00	R0,00	2023/11/07	2024/04/07	5
140	Conduct Ploughing Maize Fields Of 5 Per Ha For Ward 17	Conduct Ploughing Maize Fields Of 5 Per Ha For Ward 17	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/009	20692	Agrilife Training And Projects	Maaa0502027	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R49000,00	R0,00	-R49000,00	R0,00	2023/10/18	2024/03/18	5
141	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 15	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 15	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	19266	Lihlume Ilizwe Trading	Maaa0627556	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R99900,00	R0,00	-R99990,00	R0,00	2023/10/16	2024/03/16	5
142	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 14	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 14	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	19449	Ngcali Enterprise		07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R109000,00	R0,00	-R109000,00	R0,00	2023/10/18	2024/03/18	5

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
143	Ward 09:Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 09	Ward 09:Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 09	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20516	Aaaxa Projects		07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R110 566,64	R0,00 R110 566,64	- R110 566,64	R0,00	2023/10/16	2024/03/16	5
144	Ward 12:Conduct Ploughing Maize Fields- Of 15 Per Ha For Ward 12	Ward 12:Conduct Ploughing Maize Fields- Of 15 Per Ha For Ward 12	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20516	Aaaxa Projects		07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R110 566,64	R0,00 R110 566,64	- R110 566,64	R0,00	2023/11/03	2024/04/03	5
145	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 11	Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 11	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	1236	Nokwehlika Professional	Maaa1041159	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R109 500,00	R0,00 R96 000,00	- R96 000,00	R13 500,00	2023/11/06	2024/04/06	5
146	Ward 07: Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 07	Ward 07: Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 07	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	10166	Maphozana Trading	Maaa0073614	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R103 500,00	R0,00 R103 500,00	- R103 500,00	R0,00	2023/10/18	2024/03/18	5
147	Ward 08:Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 08	Ward 08:Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 08	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	1353	Nonilicious Catering And Devel	Maaa1206469	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R107 500,00	R0,00 R107 500,00	- R107 500,00	R0,00	2023/10/18	2024/03/18	5
148	Ward26: Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 26	Ward26: Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 26	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	290	Lv Canca Trading Projects Cc		07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R98 000,00	R0,00 R98 000,00	- R98 000,00	R0,00	2023/10/23	2024/03/23	5

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
149	Ward 20:Conduct Ploughing Maize Fields Of 15per Ha For Ward 20	Ward 20:Conduct Ploughing Maize Fields Of 15per Ha For Ward 20	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20692	Agrilife Training And Projects	Maaa0502027	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R117 000,00	R0,00	- R117 000,00	R0,00	2023/10/23	2024/03/23	5
150	Ward 18:Conduct Ploughing Maize Fields Of 5 Per Ha	Ward 18:Conduct Ploughing Maize Fields Of 5 Per Ha	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/009	1236	Nokwehlika Professional	Maaa1041159	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R75 000,00	R0,00	- R75 000,00	R0,00	2023/11/06	2024/04/06	5
151	Ward 13:Conduct Ploughing Maize Fields Of 15 Per Ha	Ward 13:Conduct Ploughing Maize Fields Of 15 Per Ha	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20747	Chum B	Maaa0536503	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R108 000,00	R0,00	- R70 000,00	R38 000,00	2023/11/03	2024/04/03	5
152	Ward 01:Conduct Ploughing Maize Fields Of 15 Per Ha	Ward 01:Conduct Ploughing Maize Fields Of 15 Per Ha	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	10166	Maphozana Trading	Maaa0073614	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R103 500,00	R0,00	- R103 500,00	R0,00	2023/10/18	2024/03/18	5
153	Ward 23:Conduct Ploughing Maize Fields Of 15 Per Ha	Ward 23:Conduct Ploughing Maize Fields Of 15 Per Ha	Expired	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20281	Rhamba Trading (Pty)Ltd		07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R109 995,00	R0,00	- R109 995,00	R0,00	2023/10/18	2024/03/18	5
154	Ward 10:Conduct Ploughing Maize Fields Of 15 Per Ha	Ward 10:Conduct Ploughing Maize Fields Of 15 Per Ha	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	20247	Dreamteam Trading 677	Maaa0075155	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R109 250,00	R0,00	- R109 250,00	R0,00	2023/11/03	2024/04/03	5
155	Ward 02:Conduct Ploughing Maize Fields Of 15 Per Ha	Ward 02:Conduct Ploughing Maize Fields Of 15 Per Ha	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	728	Número Trading And Projects	Maaa0740933	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R109 200,00	R0,00	- R109 200,00	R0,00	2023/11/08	2024/04/08	5

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
156	Ward 22:Construction Of Vulnerable House In Ward 22	Ward 22:Construction Of Vulnerable House In Ward 22	Expired	Suppliers	Construction Contracts	Umz/2023-24/Infra/Rfq/002	20455	Mazonono Civil & Building Cons		2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housing Projects	R196 575,25	R0,00		R196 575,25	2023/11/08	2024/02/08	3
157	Thembisa Access Roads With Bridge	Thembisa Access Roads With Bridge	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/005	20021	Nomali Trading Enterprise	Maaa0269065	E2287c96-937b-4ee9-A092-0fa8b0979655094	Roads:Thembisa A/R - Mig	R6955 038,31	R0,00	-R4769 143,11	R2185 895,20	2023/10/13	2024/04/13	6
158	Panel Of Service Providers For Repairs And Maintenance Of Municipal Builders (Two Years)	Panel Of Service Providers For Repairs And Maintenance Of Municipal Builders (Two Years)	Active	Suppliers	Service Level Agreement	Umz/2022-23/Infra/Pmu/003	20021	Nomali Trading Enterprise	Maaa0269065	F379983d-Da75-46eb-Aebe-C32ef4df2b04001	Buildings:Repairs Buildings	R10000 000,00	R0,00	-R373 232,50	R9626 767,50	2023/09/21	2025/09/21	24
159	Fencing Of Emaxesibeni Landfill Site	Fencing Of Emaxesibeni Landfill Site	Expired	Suppliers	Construction Contracts	Umz/2022-23/C&Cs/11	1621	Nondonda Construction Pty Ltd	Maaa0560293	4ef54327-85ef-457e-8559-909def79c892001	Public Open Space:Fencing Of Emaxesibeni Landfill Site	R1063 700,00	R0,00	-R687 801,74	R375 898,26	2023/08/28	2023/12/28	4
160	Supply And Delivery Of 3 Hilux 2.8 Gd-6 D/C Rb- Raider 6at	Supply And Delivery Of 3 Hilux 2.8 Gd-6 D/C Rb- Raider 6at	Expired	Suppliers	Service Level Agreement	Rt57-02-30-05	1525	Toyota South Africa Motors (Pty) Ltd	Maaa0016968	Bda040d4-428a-40ac-9d29-0a94d311d122001	Transport Assets:Vehicles	R1925 017,20	R0,00	-R1925 017,20	R0,00	2023/03/10	2023/09/10	6
161	Electrification Of Sogoni Village-165 House Connections	Electrification Of Sogoni Village-165 House Connections	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Dmre/002	1640	Masiyephambili Engineering Services	Maaa0791107	01c9f395-3184-402e-8953-98261d9b9221004	Mv Networks:Sogoni Electrification	R4005 962,90	R0,00	-R3344 741,90	R661 221,00	2023/11/23	2024/05/23	6
162	Ngwegweni Access Road Maintenance	Ngwegweni Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/002	20776	Saise Projects And Trading	Maaa0584780			R1077 469,50	R0,00	-R361	R715 840,50	2023/11/01	2024/05/01	6

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
														629,00				
163	Electrification Of Shayamoya Village-104 House Connections	Electrification Of Shayamoya Village-104 House Connections	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Dmre/001	1639	Igoda Projects	Maaa0102309	01c9f395-3184-402e-8953-98261d9b9221006	Mv Networks:Shayamoya Electrification	R2229934,41	R0,00	-R2006940,97	R222993,44	2023/11/24	2024/03/24	4
164	Panel Of Ad-Hoc Plant Hire For Maintenance	Panel Of Ad-Hoc Plant Hire For Maintenance	Active	Suppliers	Construction Contracts	Umz/2022-23/Infra/Pmu/002	10031	Intlangula 86 Trading Enterpri	Maaa0085518	C051cb6e-515c-4859-B663-84b52935d6d3016	Civil Structures:Panel Of Adhoc Plant Hire	R50000,00	R0,00	-R1780000,00	R48220000,00	2023/07/05	2025/07/05	24
165	Turnkey Project For Cabazana-A400(181) Rural Housing Project	Turnkey Project For Cabazana-A400(181) Rural Housing Project	Active	Suppliers	Construction Contracts	Umz/2022-23/Infra/Echdhs/001	1638	Zipho Zetho Jv Liyema Civils	Maaa1409270	2f51b239-80f5-4891-A7b2-0e7df52ee588004	Social Housing:Human Settlement Housing Project-Cabazana	R31864800,00	R0,00	-R5704200,00	R26160600,00	2023/06/09	2025/06/09	24
166	Qunubeni-Zibokwana Access Road Maintenance	Qunubeni-Zibokwana Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/008	65992	Sasalicious Trading Pty Ltd	Maaa0654944	942cb82d-Ed1c-473d-8499-28d7e3efb628032	Earthworks:Mvuzi - Qunubeni - Zibokwana Ar Maint - 8.1 Km Road Maintenance	R1888662,25	R0,00	-R1441674,50	R446987,75	2023/11/27	2024/05/27	6
167	Mtshazi Community Hall	Mtshazi Community Hall	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/012	10823	Phakamisa Construction And Ser	Maaa0122749	A1afa386-678b-4e1c-8227-70a66eda64b0024	Halls:Mtshazi Ch - 285 M2 Including Ablution Facilities	R2673405,00	R0,00	-R1424167,25	R1249237,75	2023/11/21	2024/06/21	7
168	Provision Of Services Municipal Panel Of Attorneys/Firm Of Attorneys/Firm Of Attorneys	Provision Of Services Municipal Panel Of Attorneys/Firm Of Attorneys/Firm Of Attorneys	Active	Suppliers	Service Level Agreement	Umz/2022-23/Omm/Ls/001	10018	Madlanga &Partners Incorporate		9e7944fb-898a-49f7-8d73-07d202f721ab004	Best Practices:Legal	R500000,00	R0,00	-R270359,25	R4729640,75	2023/07/12	2026/07/12	36

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
	For Civil Law And Other Related Matters	For Civil Law And Other Related Matters																
169	Sinyaqa Via Mgodi To Sihlahleni Access Road	Sinyaqa Via Mgodi To Sihlahleni Access Road	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/006	599	Camlulo Trading	Maaa0338166	E2287c96-937b-4ee9-A092-0fa8b0979655092	Roads:Sinyaqa Via Mgodi To Sihlahleni Ar	R2348750,92	R0,00	-R286731,05	R2062019,87	2023/12/13	2024/06/13	6
170	Conduct Mechanization Of 10ha's For Mawusheni (Ward 20) Livestock Project	Conduct Mechanization Of 10ha S For Mawusheni (Ward 20) Livestock Project	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/012	88889	Ayoba Works	Maaa0327090	0cf96722-Be4d-42f5-848a-Fd7c394c407a003	Entrepreneurial Support System:Fodder Production	R109000,00	R0,00	-R109000,00	R0,00	2023/12/05	2024/05/05	5
171	Ward 04 Con Duct Ploughing Maize Fields Of 15 Per Ha For Ward 04	Ward 04 Con Duct Ploughing Maize Fields Of 15 Per Ha For Ward 04	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	10744	Mfalo Farming And Projects	Maaa0165436	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agraria n Reform	R119025,00	R0,00	-R84525,00	R34500,00	2023/12/05	2024/05/05	5
172	Mpungulelweni Access Road And Bridge	Mpungulelweni Access Road And Bridge	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Mig/002	19390	Luphawu Trading (Pty) Ltd		E2287c96-937b-4ee9-A092-0fa8b0979655089	Roads:Mpungul elweni Access Road	R11640125,40	R0,00	-R550106,15	R11090019,25	2023/11/24	2025/02/24	15
173	Donga Rehabilitation Of Umzimvubu Local Municipality	Donga Rehabilitation Of Umzimvubu Local Municipality	Expired	Suppliers	Construction Contracts	Umz/2023-24/Led/Dong/05	10751	Mkhwenkwe's Grandson Trading E	Maaa0141256	07e1665d-3096-42b3-Bb04-Ab29cae42564005	Assistance And Support:Forestr y Development	R985000,00	R0,00	-R398250,00	R586750,00	2023/11/23	2024/02/23	3
174	Construction Of Vulnerable House In Ward 08	Construction Of Vulnerable House In Ward 08	Expired	Suppliers	Construction Contracts	Umz/2023-24/Infra/Rfq/003	20455	Mazonono Civil & Building Cons		2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housin g Projects	R196575,25	R0,00		R196575,25	2023/11/14	2024/02/14	3

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
175	10 Ton Payload Lift-On Skip Loader Truck	10 Ton Payload Lift-On Skip Loader Truck	Expired	Suppliers	Service Level Agreement	Rt57 03-08-08	1642	Bakone Steel Manufacturers	Maaa02 44127	Bda040d4-428a-40ac-9d29-0a94d311d122003	Transport Assets:Specialised Waste Management Vehicles	R2 677 925,01	R0,00	-R2 677 925,01	R0,00	2023/12/14	2024/02/14	2
176	Computer Equipment Contract For Three Years	Computer Equipment Contract For Three Years	Active	Suppliers	Service Level Agreement	Umz/2022-23/Cs/lct/004	1348	Khulani Office Solutions	Maaa04 17284	B042fc9f-2845-4fa2-Bb2c-97b537ed7255001	Computer Equipment:Computer Equipment	R50 000 000,00	R0,00	-R1 139 554,93	R48 860 445,07	2023/10/25	2026/10/25	36
177	Maintenance Of Solar To All Deserving Indigent Households For (Two Years)	Maintenance Of Solar To All Deserving Indigent Households For (Two Years)	Active	Suppliers	Service Level Agreement	Umz/2022-23/Bto/Fbs/001	1641	Grid & Green Power	Maaa00 97361	4c5459fb-48ef-4954-Bfba-969d3cc07913001	Indigent And Cultural Management And Services:Indigent Support	R50 000 000,00	R0,00	-R34 812,62	R49 651 187,38	2023/10/18	2025/10/18	24
178	Construction Of Vulnerable House In Ward 22	Construction Of Vulnerable House In Ward 22	Expired	Suppliers	Construction Contracts	Umz/2023-24/Infra/Rfq/002	20455	Mazonono Civil & Building Cons		2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housing Projects	R196 575,25	R0,00	-R19 575,25	R0,00	2023/11/08	2024/02/08	3
179	Ward 16:Conduct Ploughing Maize Fields Of 5 Per Ha For Ward 16	Ward 16:Conduct Ploughing Maize Fields Of 5 Per Ha For Ward 16	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/009	10751	Mkhwenkwe's Grandson Trading E	Maaa01 41256	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R50 000,00	R0,00	-R50 000,00	R0,00	2023/11/20	2024/04/20	5
180	Ward04-Service Provider To Provide Services For The Construction Of Vulnerable House In Ward 04	Ward04-Service Provider To Provide Services For The Construction Of Vulnerable House In Ward 04	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Rfq/004	1282	Tlm Civil	Maaa10 29734	2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housing Projects	R188 250,00	R0,00	-R11 711,25	R73 538,75	2023/11/20	2024/04/20	5

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
181	Construction Of Vulnerable House In Ward 24	Construction Of Vulnerable House In Ward 24	Expired	Suppliers	Construction Contracts	Umz/2023-24/Infra/Planning/Rfq/001	10950	Siya And Lucky Trading Enterpr	Maaa0228056	2a4e8c9a-80a1-41cf-87e5-Eb14d49a7ef8006	Housing Projects:Housing Projects	R192 950,22	R0,00	-R10 6575,25	R86 374,97	2023/11/14	2024/02/14	3
182	Gubhuzi Access Road Maintenance	Gubhuzi Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infracap/022	1652	Ixhanga Trading	Maaa0177927	7601080a-443e-4b74-94fe-04dfb7900bd4021	Roads:Gubhuzi Ar Maintenance	R1 272 860,00	R0,00	-R60 3779,12	R66 9080,88	2024/01/02	2024/07/02	6
183	Ward 05-Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 05	Ward 05-Conduct Ploughing Maize Fields Of 15 Per Ha For Ward 05	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	10744	Mfalo Farming And Projects	Maaa0165436	07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R118 162,50	R0,00	-R11 8162,50	R0,00	2023/12/05	2024/05/05	5
184	Ngonyameni Access Road Maintenance	Ngonyameni Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/004	1444	Nqolo Civil (Pty) Ltd	Maaa0878526	7601080a-443e-4b74-94fe-04dfb7900bd4023	Roads:Ngonyameni Ar Maintenance	R1 898 945,55	R0,00	-R1 193 155,25	R70 5790,30	2023/12/21	2024/06/21	6
185	Ward 06:Ploughing Maize Fields Of 15 Per Ha For Ward 06	Ward 06:Ploughing Maize Fields Of 15 Per Ha For Ward 06	Active	Suppliers	Service Level Agreement	Umz/2023-24/Led/Rfq/002	110	Sinemgu Trading And Projects		07e1665d-3096-42b3-Bb04-Ab29cae42564001	Assistance And Support:Agrarian Reform	R98 000,00	R0,00	-R98 000,00	R0,00	2023/12/05	2024/05/05	5
186	Bhatomane-Dundee Access Road Maintenance	Bhatomane-Dundee Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/003	10936	Somakhala Contractors	Maaa0205537			R1 304 841,75	R0,00		R1 304 841,75	2024/01/09	2024/07/09	6
187	Supply And Delivery Municipal Stationery For A Period Of 2 Years	Supply And Delivery Municipal Stationery For A Period Of 2 Years	Active	Suppliers	Purchase Agreement	Umz/2023-24/Bto/Csm/001	1444	Nqolo Civil (Pty) Ltd	Maaa0878526	53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R50 000 000,00	R0,00	-R49 6035,40	R49 503 964,60	2024/01/31	2026/01/30	24

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
188	Ablution Facilities For Waste Deports At Emaxesibeni And Kwabhaca	Ablution Facilities For Waste Deports At Emaxesibeni And Kwabhaca	Active	Suppliers	Construction Contracts	Umz/2023-24/C&Cs/003	1630	Sabs Adherence	Maaa0721469	4534e6d8-A738-4092-99cb-6f1f6229e9f3002	Centres: Led. Hawkers Stalls	R135000,00	R0,00	-R596483,24	R753516,76	2024/01/12	2024/06/12	5
189	Marry Teresa To Sijika Access Road Maintennace	Marry Teresa To Sijika Access Road Maintennace	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/016	1657	Masilo Projects	Maaa0198489	7601080a-443e-4b74-94fe-04dfb7900bd4012	Roads:Mary Teresa To Sijika Ar Maint	R2050852,50	R0,00	-R1006932,53	R1043919,97	2023/11/23	2024/05/23	6
190	Mawusheni Access Road Maintenance	Mawusheni Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/018	1662	Rendeals Thirty One	Maaa0696371	7601080a-443e-4b74-94fe-04dfb7900bd4010	Roads:Mawusheni Ar Maintenance	R1370009,00	R0,00	-R846267,75	R523741,25	2023/12/21	2024/06/21	6
191	Dungu Access Road Maintenance	Dungu Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/017	20477	Hlubilihle General Trading (Pt		7601080a-443e-4b74-94fe-04dfb7900bd4011	Roads:Dungu Ar Maintenance	R1491970,00	R0,00	-R923179,65	R568790,35	2023/12/21	2024/06/21	6
192	Huku Road Maintenance	Huku Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/013	5596	King Soyisile Con & Plant Hire	Maaa0579903	7601080a-443e-4b74-94fe-04dfb7900bd4015	Roads:Huku Ar Maintenance	R1491460,00	R0,00	-R829040,70	R662419,30	2023/12/21	2024/06/21	6
193	Turnkey Project For Cabazana B400(181) Rural Housing Project-Solani,Mmangweni, Zinkawini,Mrholweni & Mmnambini	Turnkey Project For Cabazana B400(181) Rural Housing Project-Solani Mmangweni Zinkawini Mrholweni & Mmnambini	Active	Suppliers	Construction Contracts	Umz/2023-23/Infra/Echdhs/001	1661	Tarsil Investments	Maaa0101068	2f51b239-80f5-4891-A7b2-0e7df52ee588004	Social Housing:Human Settlement Housing Project-Cabazana	R30668150,00	R0,00	-R1895985,00	R28772165,00	2023/04/03	2025/04/03	24

Contract No	Contract Description	Contract Title	Status	Contract Category	Contract Type	Bid/Quotation No	Appointed Bidder	Appointed Bidder Name	Csd Reference	Project Guid	Project Description	Contract Val	Contract Value Variation	Paid To Date	Balance	Contract Start Date	Contract End Date	Duration In Months
194	Bhatomane-Dundee Access Road Maintenance	Bhatomane-Dundee Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/003	10936	Somakhala Contractors	Maaa0205537	7601080a-443e-4b74-94fe-04dfb7900bd4024	Roads:Botomane To Dundee Ar Maintenance	R1304841,75	R0,00	-R652350,15	R652491,60	2024/01/09	2024/07/09	6
195	Electrification Of Ntlangano Village	Electrification Of Ntlangano Village	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Inep/002	66012	Ukukhawuleza Trading Enterpris	Maaa0394843	01c9f395-3184-402e-8953-98261d9b9221002	Mv Networks:Ntlangano Electrification	R3775127,47	R0,00	-R427668,42	R3347459,05	2024/01/29	2024/07/29	6
196	Hagwini Access Road Maintenance	Hagwini Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/014	20605	Zidlekhaya Ngokuswelumalusi		7601080a-443e-4b74-94fe-04dfb7900bd4014	Roads:Hagwini Ar Maintenance	R1749794,00	R0,00	-R1099325,83	R650468,17	2024/01/05	2024/07/05	6
197	Mbuqe To Komkhulu Access Road Maintenance	Mbuqe To Komkhulu Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/020	20021	Nomali Trading Enterprise	Maaa0269065	7601080a-443e-4b74-94fe-04dfb7900bd4030	Roads:Mbuqe To Komkhulu Ar Maintenance	R1500000,00	R0,00	-R918943,03	R581056,97	2024/01/31	2024/07/31	6
198	Supply And Delivery Of Municipal Cartridges And Toners For A Period Of 2 Years	Supply And Delivery Of Municipal Cartridges And Toners For A Period Of 2 Years	Active	Suppliers	Service Level Agreement	Umz/2023-24/Bto/Scm/002	1134	Ikamva Technical Solutions	Maaa0536578	53d432c7-5d06-4d53-A785-F29995840060	Operational:Municipal Running Cost	R5000000,00	R0,00		R5000000,00	2024/02/02	2026/02/01	24
199	Ntsimangweni Access Road Maintenance	Ntsimangweni Access Road Maintenance	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/011	65025	Uzolo Trd Pty Ltd		7601080a-443e-4b74-94fe-04dfb7900bd4018	Roads:Ntsimangweni Ar Maintenance	R2343205,50	R0,00	-R877912,30	R1465293,20	2023/12/14	2024/06/14	6
200	Rayment Store Via Sikolweni To Manzamnyama	Rayment Store Via Sikolweni To Manzamnyama	Active	Suppliers	Construction Contracts	Umz/2023-24/Infra/Cap/019	65103	Mzontsundu Construction	Maaa0655265	7601080a-443e-4b74-94fe-04dfb7900bd4008	Roads:Rayment Store Via Sikolweni To Manzamnyama Ar Maint	R2593574,30	R0,00	-R1064176,65	R1529397,65	2024/01/02	2024/07/02	6

[illegible]

EC STANDARDISED PERFORMANCE INDICATORS

CIRCULAR NO. 1 OF 2014 (MUNICIPAL ANNUAL REPORT)

CONSIDERATION OF KEY PERFORMANCE INDICATORS IN THE DEVELOPMENT OF THE ANNUAL REPORT

The following is the list of indicators that were agreed upon and on how the performance information should be populated:-

Chapter: Organisational Transformation and Institutional Development –KPA 1

Annual performance as per key performance indicators in municipal transformation and organizational development

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	231	225	97,4%	Resignations
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	7	6	85,7%	Resignation
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	0	0	0	0

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
4	Percentage of Managers in Technical Services with a professional qualification	5	4	80%	Resignation
5	Level of PMS effectiveness in the DM – (DM to report)	Individual performance management has been cascaded to all municipal employees, the municipality has cascaded automated (Online) performance management to all employees who directly report to management. Quarterly Performance Assessment are conducted and the LM does reward service excellence through the Employee Excellence Awards that are conducted annually.			
6	Level of effectiveness of PMS in the LM – (LM to report)				
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5-year term	124	80%	80%	None
8	Percentage of councillors who attended a skill development training within the current 5-year term	55	56%	56%	None
9	Percentage of staff complement with disability	4%	1%	1%	Be improved by conducting disability campaign
10	Percentage of female employees	58%	58%	58%	None
11	Percentage of employees that are aged 35 or younger	16%	16%	16%	None

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
12	Adoption and implementation of a HRD including Workplace Skills Plan	155	124	80%	None

Chapter: Basic Service delivery performance highlights (KPA 2)

Annual performance as per key performance indicators in water services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	35 593	13 207	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION
2	Percentage of indigent households with access to free basic potable water	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION

Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to electricity services	45 940	2 860	414	414	100%
2	Percentage of indigent households with access to basic electricity services	924	0	924	809 (The decline in the number of indigent beneficiaries for electricity tokens was because quite a substantive number of beneficiaries failed CAATS Verification and were deemed not eligible to benefit)	88%
3	Percentage of indigent households with access to free alternative energy sources	1830	0	1830	1829 (Subsidized 1829 indigent beneficiaries with solar and 840 of the overall 1829 beneficiaries received solar charge controllers; one beneficiary was	99%

					deemed to have passed away during CAATS Verifications)	

Annual performance as per key performance indicators in sanitation services (DISTRICT FUNCTION)

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION
2	Percentage of indigent households with access to free basic sanitation services	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION	DISTRICT FUNCTION

Annual performance as per key performance indicators in road maintenance services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual KMs)	Kms achieved during the FY	Percentage of achievement during the year

1	Percentage of households without access to gravel or graded roads	680	246	148.7 km	141.6 km	95%
2	Percentage of road infrastructure requiring upgrade	Emaxesibeni town is fully surfaced. Kwabhaca town only left with 4.5 km's to be fully surfaced, construction under way. This is a Multi-year Project to be completed in 2024/2025 financial year.	4.5	N/A	N/A	N/A
3	Percentage of planned new road infrastructure actually constructed	1 081 km	246 km	6.4 km	7.4 km	100%
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	R45 850 000.00		6%		

Annual performance as per key performance indicators in waste management services

	Indicator name	Total number of household/customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to refuse removal services	14 705	12 644	2061	2061	100%
2	Existence of waste management plan	The municipality has developed and adopted an integrated waste management plan (IWMP) as a legal guide for waste operational services. The IWMP has been endorsed by the MEC and is implemented by the municipality.				

Annual performance as per key performance indicators in housing and town planning services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements					
2	Percentage of informal settlements that have been provided with basic services	Chithwa and Silver City informal settlement – Construction under way, both at 85% complete. Sewer, water and internal roads		Completion of sewer and water	1239	85%
3	Existence of an effective indigent policy	The municipality has an Indigent Policy that it implements towards provision of free basic services and that it continuously reviews and updates on an on-going basis. The municipality provides free basic services in the form of paraffin, solar and electricity from Eskom. Paraffin and solar is provided to indigent households who are not connected to the main grid.				
4	Existence of an approved SDF	The objective is to promote orderly development and sustainable livelihood by implementing sound spatial principles and land use management.				
5	Existence of Land Use Management System (LUMS)	The municipality has developed land use management scheme, Spatial Planning and Land Use Management by-laws to regulate, control and manage land use within the municipal area				

CHAPTER: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)**Annual performance as per key performance indicators in LED**

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	01	01	100%
2	Percentage of LED Budget spent on LED related activities.	100%	R	90%
3	Existence of LED strategy	The LED Strategy was developed on the year 2020.The service trading as Urban Acon developed the strategy bas it was facilitated by the Department of COCTA.		
4	Number of LED stakeholder forum meetings held	16	23	110%
5	Plans to stimulate second economy	N/A	N/A	N/A
6	Percentage of SMME that have benefited from a SMME support program	100%	30	100%
7	Number of job opportunities created through EPWP	500	619	110%
8	Number of job opportunities created through PPP	N/A	N/A	N/A

Chapter: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

Annual performance as per key performance indicators in financial viability

	Indicator name			
1	Status of the audit outcome	Unqualified with no findings		
2	Submission of AFS after the end of financial year	Both the AFS & APR were timeously submitted to the office of the Auditor-General on the 31 st August 2024 as legislated		
		Target set for Capital Budget (R000)	Achievement level during the year R(000)Amount spent against capital budget (R000)	Percentage spent on capital budget during the year vs the actual revenue
3	Percentage of expenditure of capital budget	R386 656	R172 695	37%
		Operational budget R000 for the year under review	Amount spent on employee related costs & councillor remuneration (expenditure on salaries budget) against operational budget	Achievement percentage during the year

4	Percentage of salary budget as of the total operational budget	R463 612	R115 468	25%
		Target set for the year (own revenue) R(000)	Achievement level Trade creditors during the year R(000)	Achievement percentage during the year
5	Total municipal trade creditors	R341 319	R44 949	13%
		Target set (actual total budget) in the year under review	Achievement level (own revenue) in the year under review	Achievement percentage during the year
6	Total municipal own revenue as a percentage of the total actual budget	R110 043	R75 247	68%
		Indicate previous financial year' s municipal debtors	Indicate municipal debtors for the year under review	Achievement percentage (reduction rate)
7	Rate of municipal consumer debtors' reduction	R19 252	R16 015	17%
		Indicate MIG budget for the year under review	Indicate actual expenditure on MIG budget	Achievement percentage
8	Percentage of MIG budget appropriately spent	R51 384 000	R51 384 000	100%

9	Municipalities with functional Audit Committee	The Council appointed three independent members. Audit Committee is functional with 3 independent members selected from different areas of expertise to enhance the audit committee's overall knowledge of the municipality or entity and the ability to discharge its obligations and provide appropriate recommendations to the council. Umzimvubu local municipality Audit Committee members acquired the following skills: • Financial Management • Legal • Admin and Governance (i.e. Internal Audit, Risk Management, IT, Human Resources, Planning etc. • Performance Management Audit Committee terms of reference was adopted by Council and Audit committee is executing their responsibilities as set in the approved Audit Committee Charter.

Chapter: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% of ward committees established	% of ward committees established	280	280
2	% of ward committees that are functional	% of ward committees that are functional	100%	100%
3	Existence of an effective system to monitor CDWs	Quarterly meetings between Community Development Workers, COGTA and the municipality continue to sit where reports on work done by the CDWs are tabled.		
4	Existence of an IGR strategy	ULM has an IGR Strategy founded on the following: (i) the need for sound cooperative governance as mandated by the Constitution of the Republic of South Africa (Act 108 of 1996), Chapter 3 thereof, which is dedicated to Co-operative Government, and (ii) also noting the need for integration and coordination between the three spheres of government, using Intra and Inter-governmental relations as a vehicle to foster this integration and coordination. ULM, ANDM, Sector Departments & Parastatals therefore pledged on the following: 1) Work together in strengthening inter-governmental relations giving effect to the provisions of the Constitution, the IGR Framework Act, 2005 and other policy imperatives. 2) Collectively implement the ULM Inter-Governmental Relations Strategy towards an integrated service delivery. 3) Support the District & Provincial Inter-Governmental Relations Forum in assisting us to ensure an integrated and efficient governance in the Eastern Cape.		
5	Effective of IGR structural meetings	Umzimvubu LM has a functional IGR Forum that sits twice in a year. Attendance of sector departments, parastatals and the District municipality remains a challenge though it has improved as compared to previous years.		
6	Existence of an effective communication strategy	The Communication strategy is in place until 2027 with its Communication Action Plan that is reviewed annually. The last review was in June 2024.		
7	Number of mayoral imbizos conducted	02	02	100%

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
8	Existence of a fraud prevention mechanism	ULM Council has assigned the Anti-Corruption and fraud management to Internal Audit Unit. Internal Audit Unit has conducted a whole range of activities including awareness campaigns. The Anti-Corruption and Fraud Management policy and implementation plan is available and is being reviewed by the Council on an annual basis. The Audit Committee has been monitoring the implementation and application of appropriate fraud risk response strategies designed by management to prevent and detect fraud. The municipality has a Financial Misconduct Board in place that was established in terms of the MFMA regulations and this board provides guidance to the municipality on the steps to be taken regarding financial misconduct cases. The board has Audit Committee representative in line with the MFMA regulations.		

