



cogta

Department:
Cooperative Governance and Traditional Affairs
PROVINCE OF KWAZULU-NATAL

MSUNDUZI REPORT CARD

'Dust Unsettled'

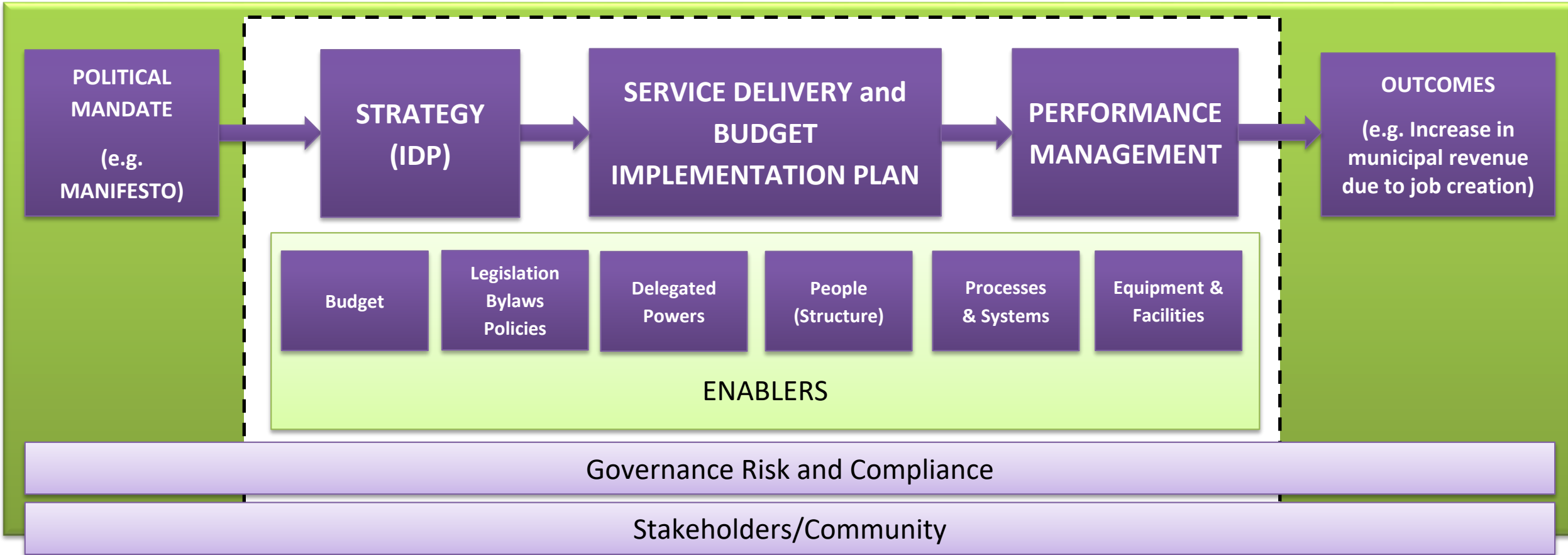
2019/2020

Presented by BS Duma
Ministerial Representative

VERSION 20201215

1. General Overview
2. Intervention in terms of Section 139 of the Constitution
3. Political and Administrative Stability
4. Sound Financial Management
5. Delivering Basic Services
6. Cross Cutting Matters
7. Recommendations

- To keep the Municipal Council informed about matters connected or associated with the facilitation of the section 139 intervention at Msunduzi Municipality;
- To advise the Municipal Council on progress, challenges that remain or are emerging; and
- To propose remedial steps to address challenges and or to ensure progress in the administration of the affairs of the municipality.



Adapted from J Metler. 2018



UNDERSTANDING THE PROBLEM

Conundrum

A situation where there is no clear right answer or no good solution

(official definition)



CONUNDRUM

Conundrum

A situation where the problem is known and answer is known but you cannot seem to get the problem solved

(the Scelo Duma definition)

- Separating the party from the state
- Culture of entitlement & impunity
- Political interference
- Use of state resources for personal gain
- Maladministration, fraud & corruption



Let's grow KwaZulu-Natal together

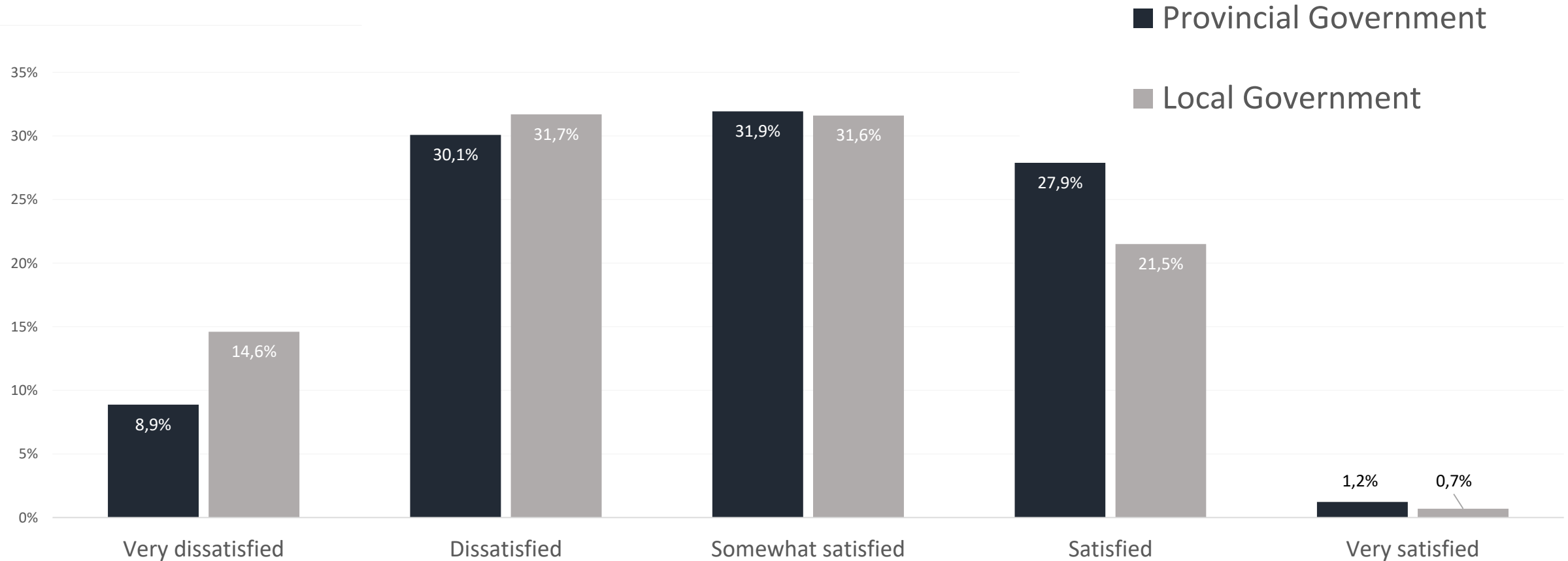
1. OVERVIEW

**CUSTOMER SATISFACTION SURVEY (CSS) ON THE PERFORMANCE OF
KWAZULU NATAL IN 2017****THE FOLLOWING WERE THE FINDINGS IN RESPECT OF MUNICIPALITIES****OVERVIEW**

- Local municipalities showed a greater degree of “very dissatisfied” (14,6%) in comparison to provincial government (8,9%) indicating that people were generally happier with the performance of provincial than local government.
- KZN Citizens ranked job creation universally as their top priority, followed by the provision of housing and then fighting corruption as the third most important priority

A LARGER PROPORTION OF THE KZN POPULATION WERE OUTRIGHT SATISFIED WITH THE OVERALL PERFORMANCE OF THE PROVINCIAL GOVERNMENT COMPARED TO THEIR LOCAL GOVERNMENT

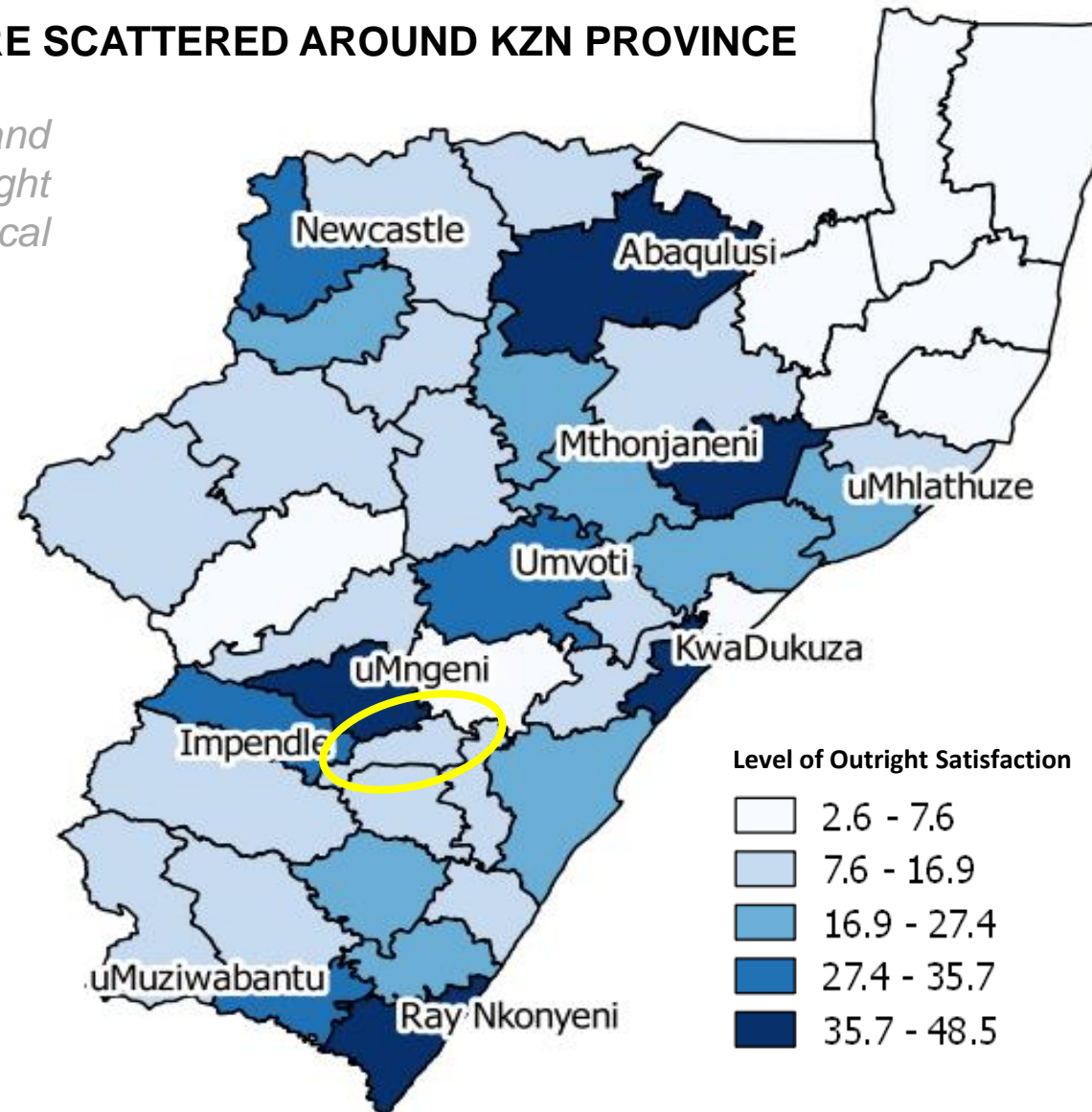
Satisfaction with overall performance:
Provincial vs Local Government



HIGHER LEVELS OF OUTRIGHT SATISFACTION ARE SCATTERED AROUND KZN PROVINCE

Percentage distribution of persons aged 15 years and older by local municipality and level of outright satisfaction with general performance of local municipality

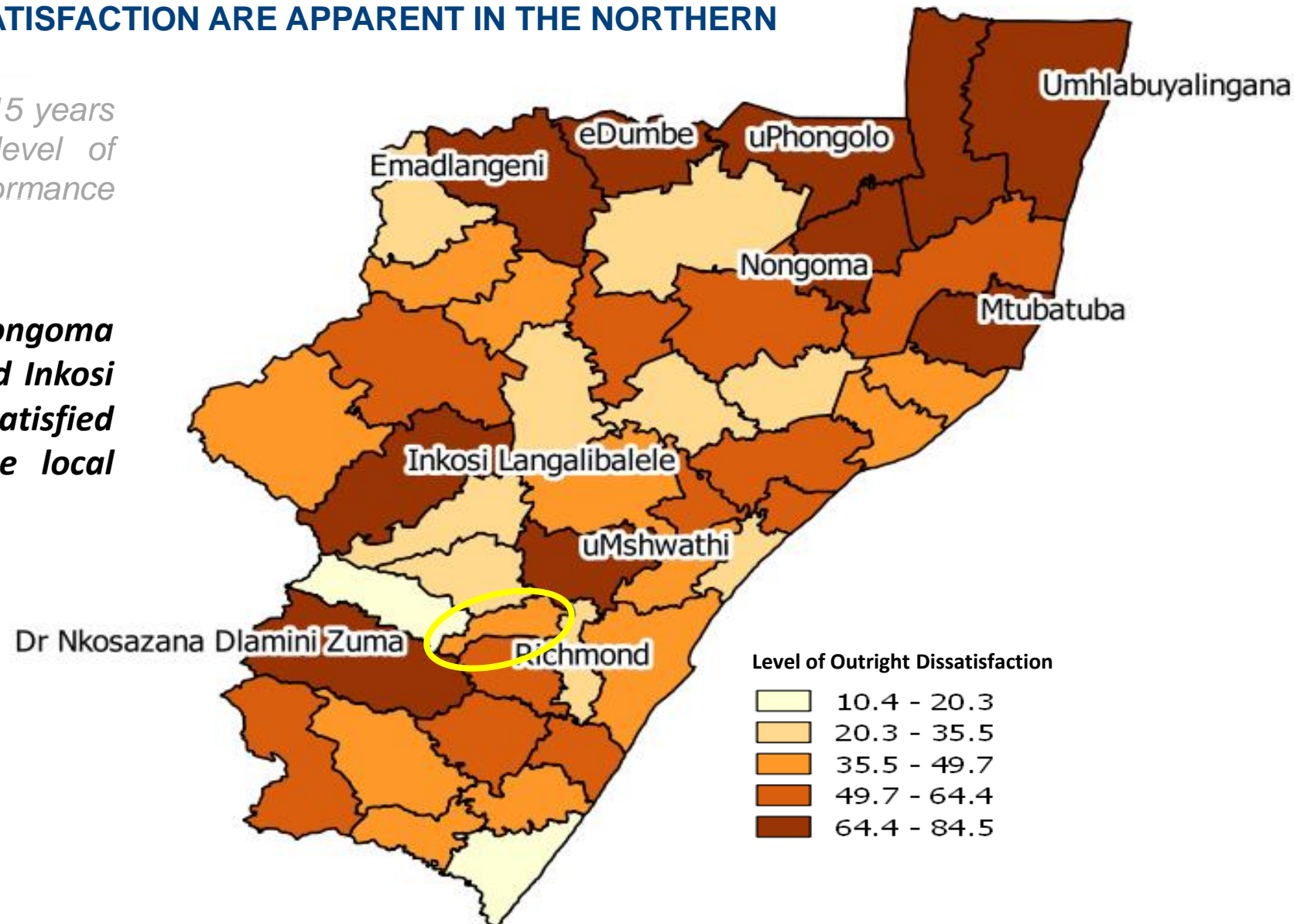
Satisfaction levels were particularly high in uMngeni, Abaqulusi, Mthonjaneni and Ray Nkonyeni local municipalities.



HIGHER LEVELS OF OUTRIGHT DISSATISFACTION ARE APPARENT IN THE NORTHERN KZN

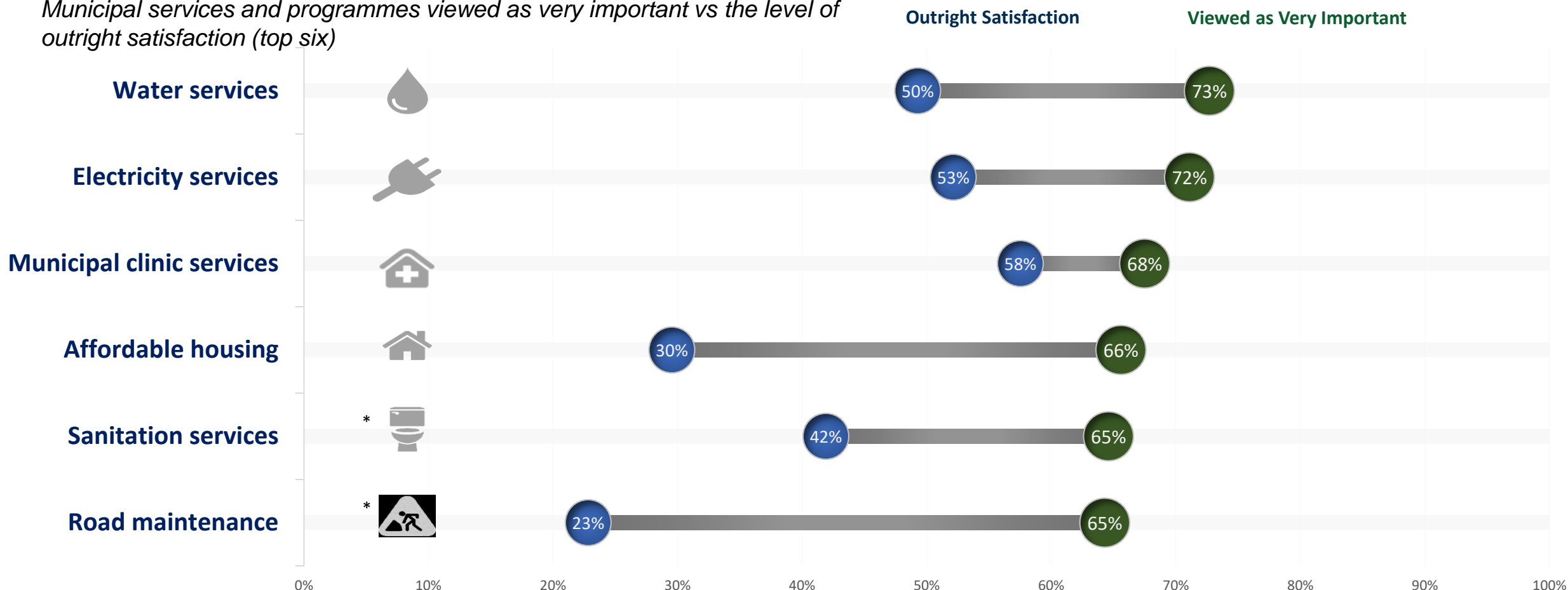
Percentage distribution of persons aged 15 years and older by local municipality and level of outright dissatisfaction with general performance of local municipality

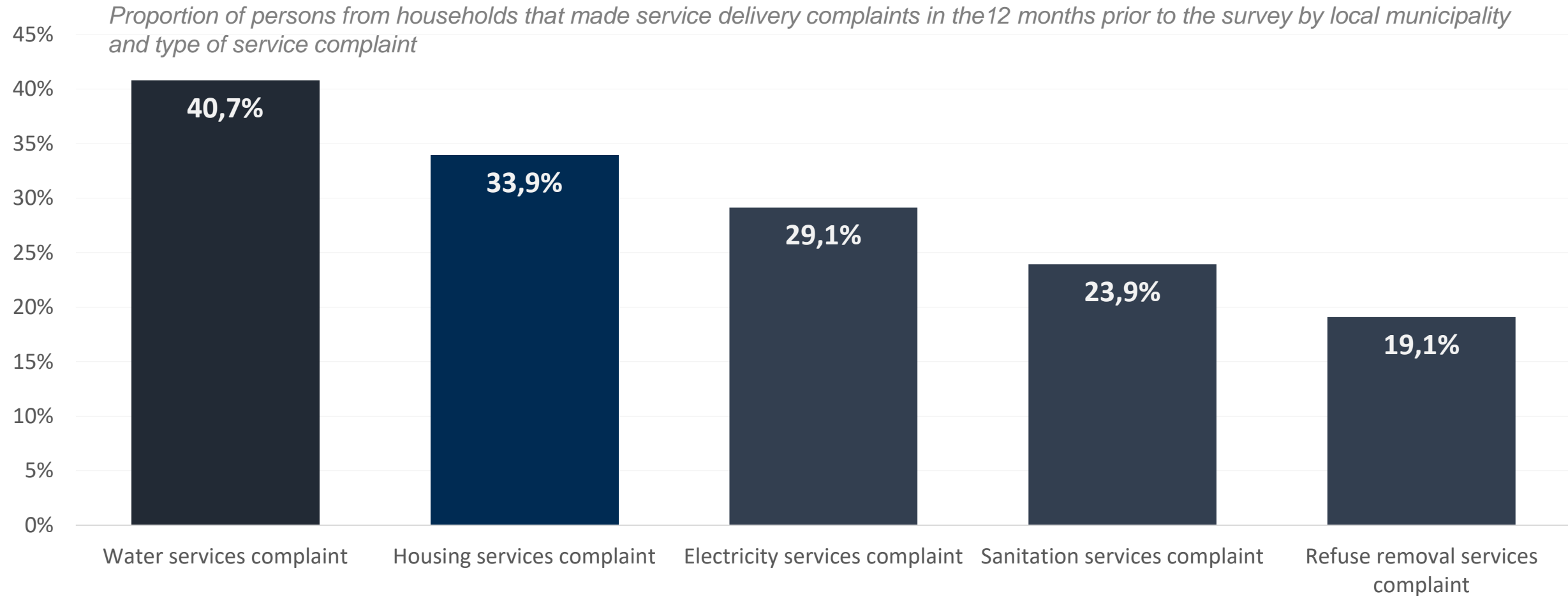
The vast majority of citizens in Nongoma (84,5%), uMhlabuyalingana (80,1%) and Inkosi Langalibalele (78,1%) were outright dissatisfied with the general performance of the local municipality



MUNICIPAL CLINIC SERVICES SHOW THE SMALLEST GAP BETWEEN OUTRIGHT SATISFIED AND IMPORTANCE OF SERVICE

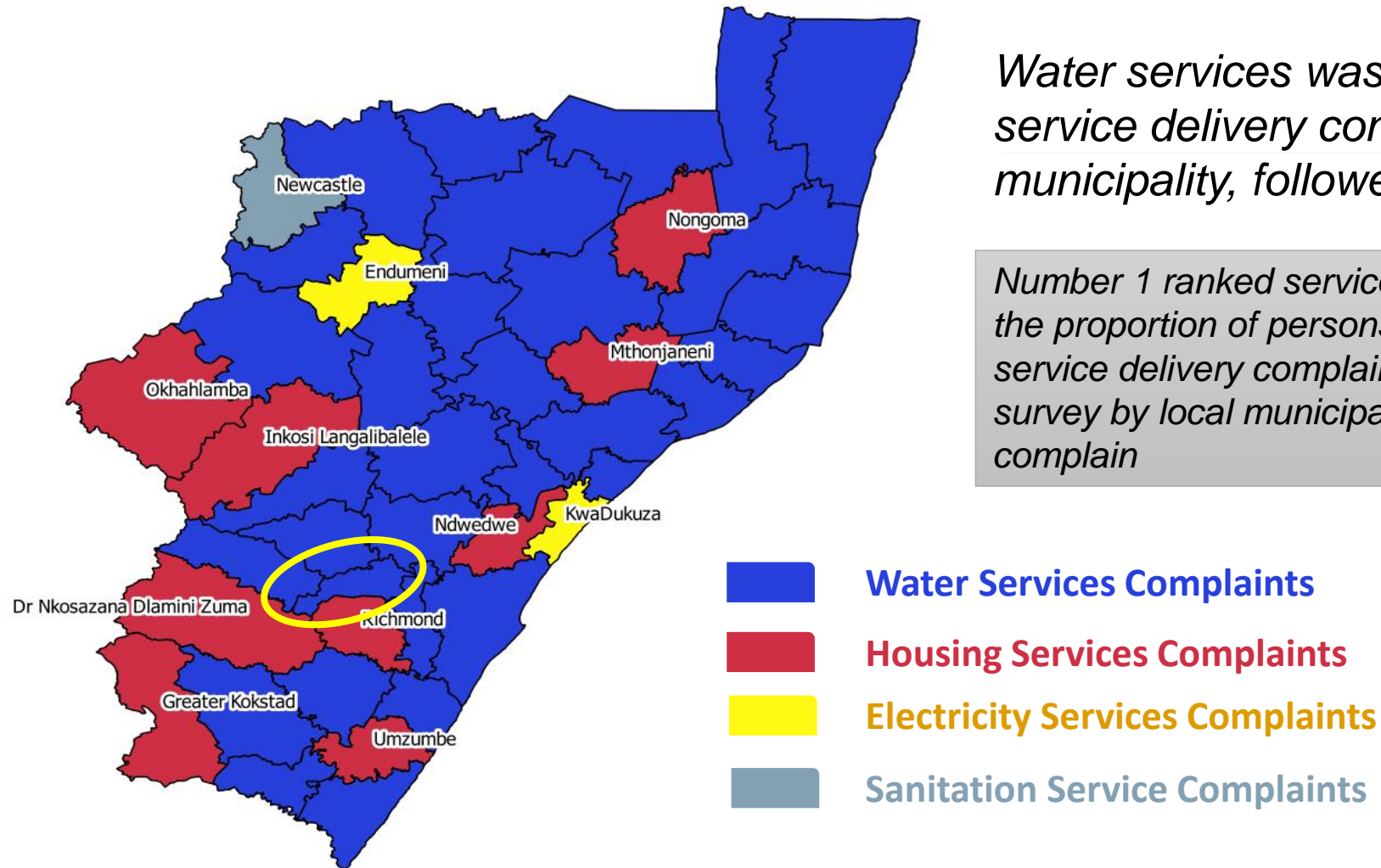
Municipal services and programmes viewed as very important vs the level of outright satisfaction (top six)



WATER SERVICES AND HOUSING WERE THE HIGHEST AMONGST ALL THE CITEZEN COMPLAINTS IN KZN

Water services was the most common service delivery complaint by local municipality, followed by housing issues

Number 1 ranked service delivery complaints based on the proportion of persons from households that made service delivery complaints in the 12 months prior to the survey by local municipality and type of service complain



- The municipality was put under intervention in terms of section 139(1) of the Constitution in April 2019.
- The following were the main reasons for the intervention:
 - ✓ Failure by the municipality to hold councillors accountable for deliberately absenting themselves from critical meetings
 - ✓ Failure to institute consequence management measures
 - ✓ Failure by the Council to exercise oversight on management with particular reference to the management of conditional grants
 - ✓ Failure by the Council to exercise oversight over management resulting in the cash position of the municipality being overdrawn
 - ✓ Failure to take reasonable steps to prevent unauthorized and irregular expenditure
 - ✓ Failure by the Council to investigate the unauthorized and irregular expenditure
 - ✓ Failure to hold management or any person accountable for causing unauthorized and irregular expenditure
 - ✓ Failure by the Council to implement consequence management measures against persons responsible for incorrectly or failing to maintain proper records
 - ✓ Failure by the Council to resolve innumerable service delivery related challenges besetting the city, with particular reference to waste management, roads and street maintenance as well as electricity services.
 - ✓ Failure by the Council to investigate allegations of malfeasance and maladministration against senior managers and other leaders of the municipality.

Decisions of the Provincial Executive Council including Terms of Reference

The Provincial Executive Council resolved to –

- a) intervene at Msunduzi Municipality in terms of section 139(1)(b) of the Constitution, 1996 and assumed the functions specified in terms of sections 51, 56 and 57 of the Municipal Systems Act as well as those related to financial management and service delivery including project management.
- b) approve that the MEC for CoGTA appoints a representative or representatives to be based at the municipality who will prepare and implement the Recovery Plan incorporating the following terms of reference on behalf of the Executive Council:
 - a) ensuring the implementation of financial systems, policies and procedures including preparation and implementation of cost cutting measures
 - b) to be a compulsory signatory on the municipality's primary bank account and any other bank accounts that the municipality may operate;
 - c) establishment and acting as chairperson of the Interim Finance Committee (IFC) to monitor and manage the cash flow of the municipality, approve or dis-approve purchase requisitions and to ensure that the municipality's cash position is not overdrawn;
 - d) ensure that the IFC meets regularly and reports fortnightly to the Executive Committee of Council on the cash flow position, payments approved and disapproved and commitments made (via approved purchase orders);
 - e) implement governance systems and procedures including oversight over the administration including ratification of decisions taken by the Municipal Council, the Executive Committee, Committees, Municipal Manager and Section 56 Managers in terms of delegated or original authority;
 - f) ensuring that the requirements of the LG Disciplinary Regulations for Senior Managers, 2010 are met timely by the municipality.

Decisions of the Provincial Executive Council including Terms of Reference... continued

- e) ensuring the implementation of findings arising from any investigations into fraud or maladministration or corruption;
- f) ensuring implementation of remedial action plans dealing with negative findings from the Auditor General;
- g) ensuring the implementation of all projects undertaken by the municipality including unblocking projects that have stalled.
- h) ensuring that the municipality implements measures to urgently improve its operations and maintenance programme with particular reference to waste management, roads and electricity maintenance;

ADDITIONAL POWERS ASSUMED BY THE EXECUTIVE COUNCIL ON 08 APRIL 2020

The Executive Council resolved to assume the following additional functions at Msunduzi Municipality:

- a) disciplinary processes contemplated in the Disciplinary Regulations for Senior Managers, 2010 and other disciplinary functions in respect of staff below the senior managers contemplated in section 67 of the Municipal Systems Act, 32 of 2000.
- b) powers to implement and enforce forensic investigation findings and recommendations arising from provincial government and own investigations
- c) powers to implement investigation findings and recommendations in respect of unauthorized, irregular and fruitless expenditure as contemplated in section 32 of the Municipal Finance Management Act, 2003.

DECISIONS OF THE PROVINCIAL EXECUTIVE COUNCIL DATED 26 AUGUST 2020

- a) The Executive Council resolved to extend the intervention at Msunduzi Municipality until 31 March 2021

PART ONE

POLITICAL AND ADMINISTRATIVE STABILITY

- Institutional Capacity
- Functionality of Governance Structures including Councillor Performance
- Functionality of The Audit Committee
- Functionality of Ward Committees
- Functionality of Oss Structures
- Councillor Vacancies; IGR And DDM
- Audit Outcomes for the past three Financial Years
- Consequence Management
- Investigations
- Performance Management
- Impact of Covid-19 on Municipal Operations
- Security Matters

Organogram

- The current organogram was approved in 2013/2014 financial year. Various attempts to review the organogram have not been successful.
- The municipality currently employs 3393 employees across five departments, namely Corporate Services (including City Manager and Mayor's Parlor), Sustainable Development and City Enterprises, Infrastructure Services, Budget and Treasury as well as Community Services
- Of the 3393 employees 3236 are permanent and 216 are on fixed term contracts
- The current vacancy rate is fifty five percent (55%) of which the immediate reduction strategy is to focus on filling prioritized revenue enhancing posts in Water, Electricity and Waste Management; including Budget and Treasury Office

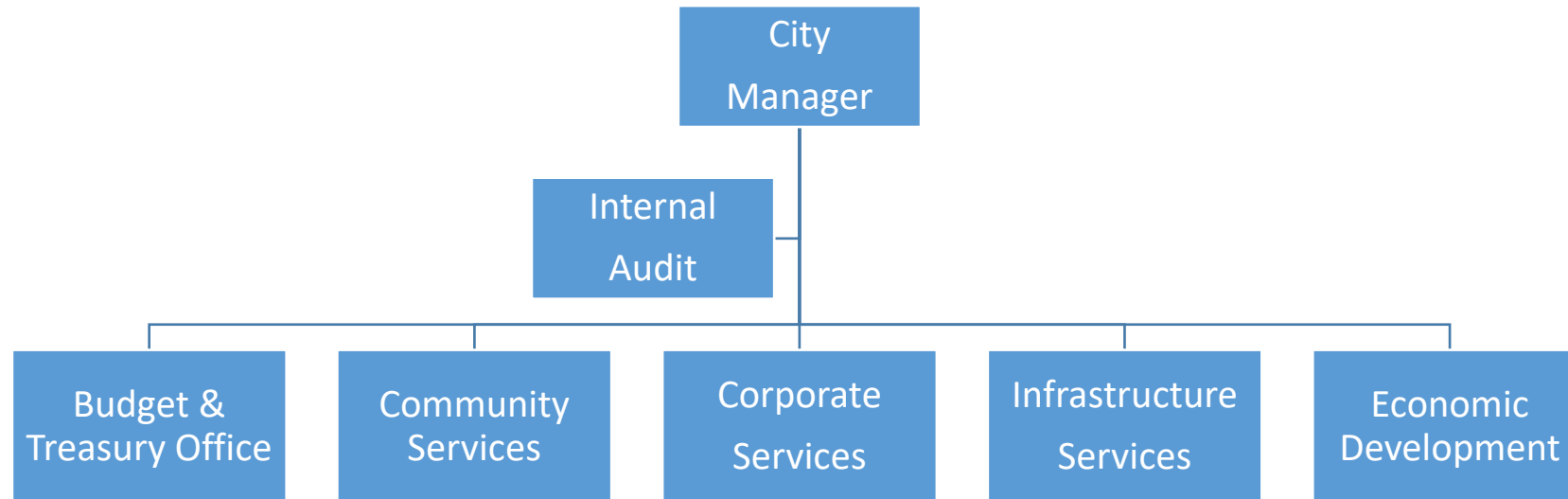
Functional Unit	Total Positions per approved (2013) organogram	Filled per the organogram	Filled but not on the organogram	Vacancies	Filled Permanent	Filled Fixed Term / Temporal
City Manager's Office	244	133(55%)	8	111(45%)	73	68
Corporate Services	248	164(66%)	3	84(34%)	158	9
Budget and Treasury Office	650	439(68%)	15	211(32%)	423	31
Community Services*	2531	1512(60%)	35	1019(40%)	1469	73
Sustainable Development	425	245(58%)	0	180(42%)	215	30
Technical Services	2072	900(43%)	3	1172(57%)	898	5
TOTAL	6170	3393(55%)	64	2777(45%)	3236	216

Analysis

- Both Management and Council acknowledge that the Organogram is outdated and does not meet the current needs of the municipality. The challenge is that both management and the Council have done very little (if anything) to resolve the problem.
- The three departments (Community Services, Sustainable Development and Technical Services) that are supposed to drive the economy and service delivery do not have adequate capacity. This is particularly true for Technical Services (Electricity including street lighting, Water and Sanitation, Roads and Storm Water, Project Management) with is at 43%.

Remedial Steps

- Management to urgently review the organogram within the policy framework determined by Council (Sec 66 of the Systems Act)



Functional Unit	Total (2013) organogram	Total - New Organogram
City Manager's Office	244	
Corporate Services	248	
Budget and Treasury Office	650	
Community Services	2531	
Sustainable Development & City Enterprises	425	
Infrastructure Services	2072	
TOTAL	6170	

Filling of Senior Management positions

Business Unit	Post	Post Holder and Start Date	Race & Gender
Budget and Treasury	Chief Financial Officer	Nelisiwe Ngcobo - June 2012	African; Female
Community Services	General Manager	Mbongeni Mathe – Sep 2020	African; Male
Corporate Services	General Manager	Mosa Molapo - Dec 2013	African; Female
Infrastructure Services	General Manager	MV Cele – Sep 2020	African; Male
Sustainable Develop	General Manager	Felix Nxumalo – May 2019	African; Male
City Manager		Madoda Khathide - April 2020	African; Male

Analysis

- Senior Management is 100% black African in a city where the demographics show 11% Indian/Asian and 5% white.
- Senior Management is 66% male in a municipality where there 90.9 males for every 100 females or 9/10

Remedial Steps

- At least 50% of the senior management posts should be occupied by women. Council should consider incorporating this in its Gender Equity Policy or Code of Good Practice
- One of the 6 senior management posts should be occupied by someone coming from racial groups other than Black African. Council should incorporate this in its Employment Equity Policy

SKILLS AUDIT

- Phase 1 – Cogta
- Phase 2 – Municipality
- As at 29 September 2020 Skills Audit was at **100%** completion . The results of the Skills Audit will be analysed and recommendations tabled before the municipal structures for implementation.

HEAD COUNT

- Currently the municipality employs 3393 (fluctuates) employees according to Human Resources Business Unit which is responsible for keeping employment records. On the one hand Payroll paid less employees than those in HR records ranging from 38 employees in May, 93 in June, 89 in July and 108 in August 2020. There are fluctuations in Payroll's own figures, for instance in May they paid 4897 persons. This number changed to 4796 in June, 4800 in July and 4779 in August. The changes are not as material as they are between Payroll and HR.
- Ministerial Representative directed Management in June 2020 to undertake the Head Count. Support has been sought from Cogta. The latter has undertaken to support the municipality in this regard.

- The table illustrates the variances between the Payroll Count and HR Count. At this stage the municipality appears to be paying less employees than are known to HR. The excess number varies every month. It is possible that the municipality is paying salaries to people not in its employ. There may be other explanations.

Employee Group	May-20		Jun-20		Jul-20		Aug-20	
	Payroll	HR	Payroll	HR	Payroll	HR	Payroll	HR
Section 56/57	5	5	5	5	5	5	5	5
Permanent	3239	3223	3237	3209	3230	3209	3225	3200
Contractors	709	602	566	573	598	573	615	578
Councillor	77	78	77	78	77	78	77	78
Learners	145	142	190	139	171	139	143	140
Pensioners	722	885	721	885	719	885	714	886
Grand Total	4897	4935	4796	4889	4800	4889	4779	4887
VARIANCE		38		93		89		108

Remedial Steps

The Head Count process ordered by the Ministerial Representative may be able to eliminate these discrepancies. The Head count should be completed by 31 December 2020

PRELIMINARY HEAD COUNT OUTCOMES – 09/12/2020

BUSINESS UNIT	ORGANOGRAM (2013)	PAYROLL	VERIFIED	VARIANCE
INFRASTRUCTURE SERVICES	2072	889	849	-40
COMMUNITY SERVICES	2531	1 547	1 444	-103
BUDGET AND TREASURY	650	454	419	-35
CORPORATE SERVICES	248	278	88	-190
SUSTAINABLE DEVELOPMENT	425	267	228	-39
CBU				
MM Office				
Political Support				
Strategic Planning				
Chief Audit Executive				
Communications & IGR (Incl. Call Centre & Batho Pele)	244	154	100	-54
TOTAL	6170	3589	3128	-461

Notes: These are preliminary outcomes. Cogta is assisting with the reconciliation between the payroll and the verified employees in order to isolate the outstanding verifications. The reconciliation should be complete by Friday 18 December 2020. In the meantime, GMs are required to encourage employees in their respective units to present themselves for verification. A desk will be established at City Hall from Monday 14 December to attend to employees walking in to be verified. The desk will remain in place until Friday 18 December 2020.

FUNCTIONALITY OF GOVERNANCE STRUCTURES COUNCILLOR PERFORMANCE (ATTENDANCE OF MEETINGS -JULY 2019 TO JUNE 2020)

ITEM/STRUCTURE	PERCENTAGE	NO OF COUNCILLORS
OVERALL ATTENDANCE (VARIOUS STRUCTURES)		
Average attendance	78%	77
Good attendance	78%-100%	49
Poor attendance (below Average)	Below 78%	28
ATTENDANCE PER STRUCTURE		
Attendance of Council Meetings	80%	77
Attendance of ExCo Meetings	78%	17
Attendance of Corporate Services Portfolio Committee	76%	13
Attendance of Sustainable Development Portfolio Committee	60%	12
Attendance of Community Services Portfolio Committee	81%	17
Attendance of Municipal Public Accounts Committee (MPAC)	73%	17
Attendance of Infrastructure Services Committee	84%	15
Attendance of the Finance Portfolio Committee	67%	17

Remedial Steps

- Speaker to institute Code of Conduct processes against councillors failing to attend meetings for not apparent reasons or for repetitive reasons. The consequence management steps must be completed before 30 November 2020

COUNCILLOR PERFORMANCE (ATTENDANCE OF MEETINGS -JULY 2019 TO JUNE 2020) ... continued

Line	COUNCILLOR	COUNCIL	MPAC	CSP	EXCO	FIN	SD&CEP	CORSP	ISP	OVERALL ATTENDANCE	% ATTENDANCE
1	Adkins S (DA)	22/19						5/4		27/23	85%
2	Ahmed NB (ANC)	22/20	1/1						3/3	26/24	92%
3	Ahmed R (DA)	22/21						4/2		26/23	88%
4	Amod MI (ANC)	22/17		6/5						28/22	79%
5	Chonco SD (DA)	20/18				4/3				24/21	87%
6	Dladla-Ngube GM (ANC)	22/21			23/16			5/5	3/3	53/45	85%
7	Dlamini AS (ANC)	22/18					4/1			26/19	73%
8	Dlamini GN (ANC)	22/21		1/1					3/2	26/24	92%
9	Dlamini SW (ANC)	22/21				4/3				26/25	96%
10	Dlamini TI (ANC)	22/15	16/12		2/0				2/0	42/27	64%
11	Dlela NE (AIC)	22/16		6/4						28/20	71%
12	Duma PD (EFF)	22/11	17/2							39/13	33%
13	Gambu NCN (ANC)	22/11	16/8							38/19	50%
14	Goga MS (AL JAMA-AH)	22/19				4/2				26/21	81%
15	Gwala NJ (ANC)	22/17						4/2		26/19	73%
16	Inderjit M (ANC)	22/19			23/22		1/0		3/3	49/44	90%
17	Khumalo N (ANC)	22/15		6/4						28/19	68%
18	Khumalo SD (ANC)	22/20		6/6	2/2					30/28	93%
19	Lambert WF (DA)	22/20					4/3			26/23	88%
20	Lyne SP (DA)	22/19		6/5						28/24	86%
21	Madlala LL (ANC)	22/21		5/5	23/20					50/46	92%
22	Madlala SS (ANC)	22/19		6/6						28/25	89%

LINE	COUNCILLOR	COUNCIL	MPAC	CSP	EXCO	FIN	SD&CEP	CORSP	ISP	OVERALL ATTENDANCE	% ATTENDANCE
23	Madonda IS (ANC)	22/20	16/12							38/32	89%
24	Madondo IT (ANC)	22/21							4/4	26/25	96%
25	Majola JS (DA)	22/17			25/16	4/3				52/36	69%
27	Majola NE (ANC)	22/22			2/2					24/24	100%
28	Majola TS (ANC)	22/12						4/3		26/15	58%
29	Mbanjwa NM (ANC)	22/18					4/4			26/22	84%
30	McArthur GR (DA)	22/14			25/13				4/3	51/30	59%
31	Mhlongo SR (ANC)	22/11					4/1			26/12	42%
32	Mkhize BM (ANC)	22/14	2/0				4/3			28/17	60%
33	Mkhize MM (ANC)	17/14				4/1				21/15	71%
34	Mkhize SD (ANC)	22/20			23/17		4/4			49/41	84%
35	Mncwango GS (ANC)	22/22		6/6						28/28	100%
36	Molefe TP (ANC)	22/20						5/4		27/24	89%
37	Mpulo ME (EFF)	9/8								9/8	89%
38	Msimang PN (ANC)	22/17			2/2	1/0			3/3	28/23	82%
39	Mtshali BS (ANC)	22/16		6/5						28/22	78%
40	Naicker M (DA)	20/17							1/1	21/18	86%
41	Naidoo S (ANC)	20/20				4/3				24/23	96%
42	Ndawonde C (ANC)	22/18				4/4				26/22	85%
43	Ndlovu NZ (ANC)	22/18					4/2			26/20	77%
44	Nene J (ANC)	22/15		1/1					3/2	26/18	69%

COUNCILLOR PERFORMANCE (ATTENDANCE OF MEETINGS -JULY 2019 TO JUNE 2020) ... continued

LINE	COUNCILLOR	COUNCIL	MPAC	CSP	EXCO	FIN	SD&CEP	CORSP	ISP	OVERALL ATTENDANCE	% ATTENDANCE
45	Nene SD (IFP)	22/13					4/1			25/14	54%
46	Ngcobo KM (ANC)	22/08					4/2			26/10	39%
47	Ngcobo ZP (ANC)	20/19			23/22			5/5		48/46	96%
48	Ngongoma XE (ANC)	22/18	17/14							39/32	82%
49	Ngubane SD (ANC)	22/20	1/1					5/3		28/24	86%
50	Ngubo JJ (ANC)	22/21	16/13							38/34	89%
51	Ngubo M (ANC)	22/20	17/17							39/37	95%
52	Ngubo RZ (DA)	22/08		6/1						29/09	32%
53	Nhlabathi BC (DA)	22/19	15/13			1/1				38/33	87%
54	Niemand R (ACDP)	22/20	17/15							39/35	90%
55	Njilo MJ (ANC)	22/20	16/10		2/2	1/1				41/33	80%
56	Ntombela DT (IFP)	22/19			25/15	4/3		4/0		55/37	67%
57	Ntshangase MV (ANC)	20/19								20/19	95%
58	Ntshangase N (ANC)	22/20			23/22	4/2	4/2			53/46	87%
59	Oumar M (ANC)	22/20		5/4			4/4			31/28	90%
60	Phungula BD (ANC)	22/22						5/5	1/1	28/28	100%
61	Reddy S (DA)	13/10		3/2						16/12	75%
62	Schalkwyk M (ANC)	22/20	17/16							39/36	92%
63	Sithole P (ANC)	22/19	16/15		2/2					40/36	90%
64	Sithole TW (ANC)	22/20				4/3				26/23	88%
65	Sivnath R (EFF)	22/14		1/1				4/4		25/19	76%
66	Sokhela BC (IFP)	22/16		6/6						28/22	78%

LINE	COUNCILLOR	COUNCIL	MPAC	CSP	EXCO	FIN	SD&CEP	CORSP	ISP	OVERALL ATTENDANCE	% ATTENDANCE
67	Sokhela MS (ANC)	22/18							4/4	26/22	84%
68	Soobiah R (ANC)	22/13						4/2		26/15	58%
69	Strachan RB (DA)	22/15				4/2				26/17	65%
70	Thebolla MM (ANC)	20/18			23/20	3/3				46/41	89%
71	Winterbach LJ (DA)	22/17	16/11	1/0						39/28	72%
72	Zondi DP (IFP)	22/14							4/2	26/16	61%
73	Zondi HM (ANC)	22/22				5/4				27/26	96%
74	Zondo MP (ANC)	22/18							4/4	26/22	85%
75	Zuma BE (IFP)	22/14	17/10							39/24	61%
76	Zuma BM (ANC)	22/22						5/5		27/27	100%
77	Zuma TR (ANC)	22/13			2/2	4/2			1/1	29/18	62%

- Audit Committee is made of 5 members & 2 are CAs former AG Executives
- Two vacancies arose in April 2020
- The appointment of 2 members will be made by Council on 30 September 2020
- Audit Committee held 6 meetings in 2019/20
- Audit Committee issued 82 page Resolutions/ Recommendations to Council during 2019/20
- IA and Audit Committee Charters last updated in 2019/20 FY
- Reported twice to Council for 4 quarters
- Audit Committee fulfilled all its obligations

Quarter	Functional wards	Functional wards	Poorly functional wards	Reasons for poor functionality
MSUNDUZI MUNICIPALITY (JANUARY 2020 - JUNE 2020) – 39 WARDS				
January to March 2020	27 (69%)	2, 3, 4, 5, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 26, 28, 30, 31, 32, 34, 35, 37, 38 & 39	12 (31%)	Ward 1, 6, 10, 21, 27, 29 & 36 – No evidence presented in all indicators Ward 22, 69, 73 – No community meetings & ward report Ward 23 – No WC meetings, No sectoral reports & no ward report Ward 24 & 33 – No community meetings Ward 25 – No community meetings & ward report
April to June 2020	24 (62%)	2, 3, 4, 8, 9, 13, 14, 15, 17, 19, 20, 21, 22, 24, 28, 30, 31, 32, 33, 34, 35, 36, 38 & 39	15(38%)	Ward 1 & 26 – No WC meetings & ward report Ward 5 & 12 – No community meetings Ward 6, 7, 10, 11, 16, 18, 25, 27, 29 – Non submission of evidence Ward 23 – No ward report & poor sectorial reports Ward 37 – No community meetings & ward report

Remedial Steps

- The Speaker to consider inviting the affected councillors to account for the failure by the ward committees of which they are chairpersons to function properly and to submit reports.
- The Municipal Manager to invite Ward Assistants to account for the failure by their respective Ward Committees to submit credible reports or not at all.
- The Municipality should invite Cogta to assist the municipality in complying with Ward Committee Operational Guidelines.

**COUNCILLOR
VACANCIES**

WARD 25. By-election process completed successfully

Remedial Steps - None required. This is an IEC process

**IGR, DCC &
DDM**

No IGR Meetings over the past 6 months due to Covid-19 processes. Msunduzi participating fully in the DDC and DDM Structures

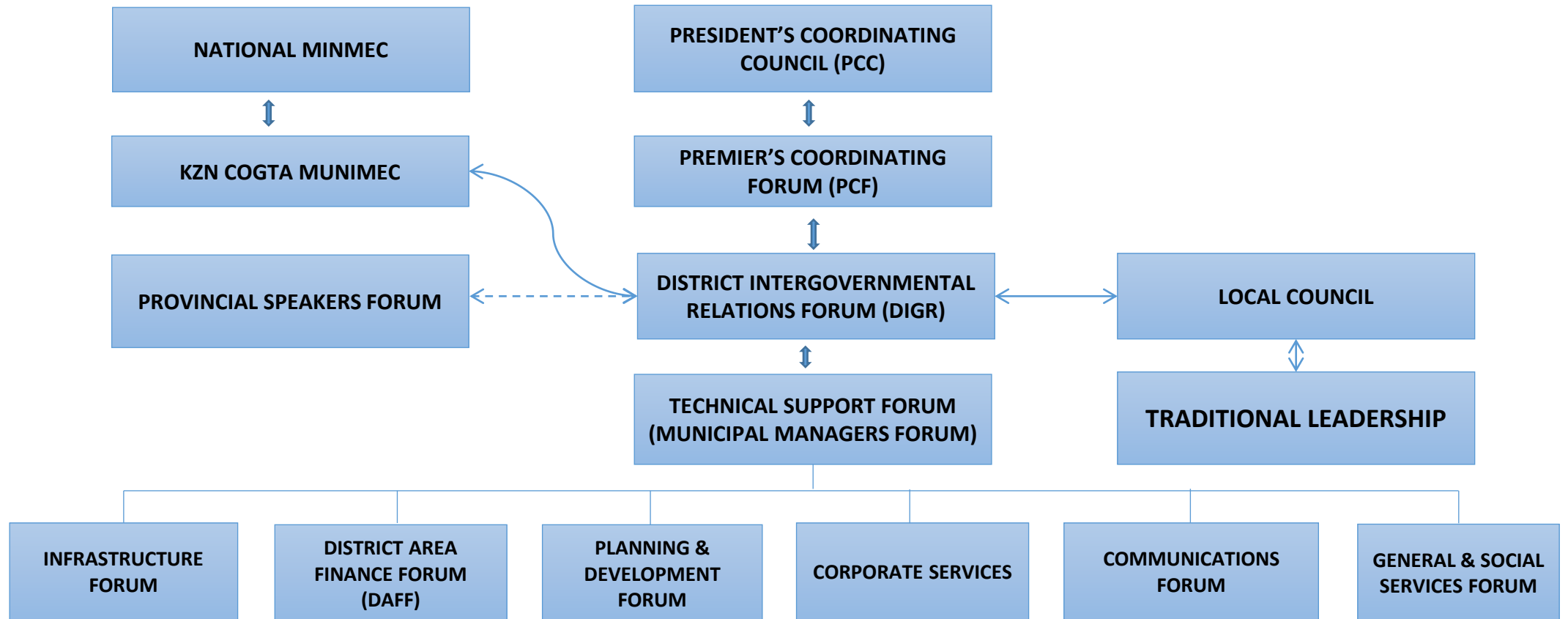
Remedial Steps - None required. These structures are managed by uMgungundlovu DM

**OSS
STRUCTURES**

The are 36 wards with functional OSS Structures

Wards 25,26 and 36 had no established OSS Structures

CURRENT IGR ORGANOGRAM



NAME OF POLICY	ORIGINAL APPROVAL DATE	INTERNAL REVIEW STATUS	CONSULTATION OR APPROVAL STATUS
1. Stand By Policy and Procedure	New Policy	Draft finalized 2019	Council Approved Policy on 26 August 2020
2. Shift and Night Work Policy	New Policy	Draft finalized 2019	Council Approved Policy on 26 August 2020
3. Acting Policy	2013/2014	Review finalized 2019	Council Approved Policy on 26 August 2020
4. Overtime Policy	2015/ 2016	Review finalized 2020	LLF 25 Sept & Council 28 October 2020
5. Internship Policy	2013/2014	Review finalized 2020	LLF 25 Sept & Council 28 October 2020
6. Employment and Recruitment Policy	2015/ 2016	Review finalized 2020	SMC 22 Sept; LLF and Council pending
7. Training & Development Policy	2013/2014	Review finalized 2020	SMC 30 Sept; LLF and Council pending
8. External Bursaries Policy	2013/2014	Review finalized 2020	SMC 30 Sept; LLF and Council pending
9. Study Assistance Policy	2013/2014	Review finalized 2020	SMC 30 Sept; LLF and Council pending
10. AET Policy	2013/2014	Review finalized	SMC 30 Sept; LLF and Council pending
11. Work Exposure Policy	2013/2014	Review finalized 2020	SMC 30 Sept; LLF and Council pending
12. Recognition of Prior Learning (RPL) Policy	New Policy	Draft finalized 2020	SMC 30 Sept; LLF and Council pending
13. Professional Development Policy	New Policy	Draft finalized 2020	SMC 30 Sept; LLF and Council pending

Analysis

- It is clear from the foregoing table that the municipality operates on the basis of policies that may be dated in some respects. There is therefore a risk that the municipality may well be unable to enforce these policies.

Remedial Steps

- It is exigent that the relevant Committees of Council and Council itself should process this matter. Management will thus be directed to present these policies before the Municipal Council by 31 October 2020

POLICY	
Budget Policy	Unauthorised, Irregular or Fruitless and Wasteful expenditure Policy
Virement Policy	Infrastructure Procurement and Delivery Management procedure manual
Cash Management and Investment Policy	Contract Management Policy
Funding and Reserves Policy	Petty Cash Policy
Credit Control and Debt Collection Policy	Inventory Management Policy
Tariff Policy	Appointment of Consultant Policy
Indigent Policy	Commitments Policy
Supply Chain Management Policy	Borrowing Policy
Assets Management Policy	Assets Management Guideline
Insurance Policy	General Insurance Policy
Grant Policy	
Rates Policy	

Analysis

- Council resolved that these policies be workshopped with them.

Remedial Steps

- The workshops should be undertaken urgently as some of these policies have implications beyond internal municipal operations but for the wider body of consumers and the public

No.	Bylaw	Responsible Unit	Promulgation
1.	Cemeteries and Crematoria	Community Services (Parks & Recreations)	25 JUNE 2015
2.	Credit Control and Debt Collection Bylaws	Finance	15 JANUARY 2015
3.	Electricity Supply Bylaws	Infrastructure Services	25 JUNE 2015
4.	Indigent Bylaws	Finance	25 JUNE 2015
5.	Municipal Property Rates	Finance	18 JUNE 2015
6.	Public Health	Sustainable Development (Environmental Health)	25 JUNE 2015
7.	Rules of Order	Speaker's Office	25 JUNE 2015
8.	Street Trading	Sustainable Development (Licensing: Informal Trading Unit: Administrative and Licensing) supported by Community Services (Security: Enforcement)	18 JUNE 2015
9.	Advertising	Sustainable Development (Signage)	24 June 2014
10.	Control and Discharge of Fireworks	Community Services (Fire)	18 JAN 2013
11.	Establishment of Special Rating Areas	Finance	18 JAN 2013
12.	Fire Prevention and Flammable Liquids and Substances	Community Services (Fire)	24 JUNE 2014
13.	General Bylaws	All Business Units	20 SEPT 2012
14.	Bylaws relating to Manufacture, storage and sale of foodstuffs	Sustainable Development (Environmental Health)	03 MAY 1973
15.	Noise Abatement	Sustainable Development (Environmental Health)	04 OCT 1984
16.	Market Bylaws	Sustainable Development (Market)	24 JUNE 2014
17.	Parking Meter Bylaws	Community Services (Traffic)	22 MAR 2013
18.	Public Open Spaces	Community Services (Parks), assisted by other units, including Planning, Land Management and Environmental Management	24 JUNE 2014
19.	Smoke Control Regulations	Sustainable Development (Environmental Health)	12 DEC 1968

Analysis

- Some of the by-laws of the municipality are too old. The oldest, the Fire Brigade Services was promulgated in 1953.

Remedial Steps

- Cogta has a suite of generic by-laws that can be adapted to suit the needs of the municipality

No.	Bylaw	Responsible Unit	Promulgation
20.	Water Services Bylaws	Infrastructure Services (Water), assisted by Environmental Management and Environmental Health	24 JUNE 2014
21.	Waste Management	Community Services (Waste), assisted by Environmental Management and Environmental Health iro environmental aspects.	20 SEPT 2012
22.	SPLUMA Bylaws	Sustainable Development (Town Planning, assisted by other affected units)	15 SEPT 2016
23.	Wayleaves	Sustainable Development (Wayleaves Section, supported by Roads, Electricity, Water, Survey)	28 FEB 2019
24.	Telecommunication Mast Infrastructure Bylaws	Sustainable Development, supported by other affected units, for eg. Town Planning, Environmental Management	14 FEB 2019
25.	Caravan Camping Grounds Bylaws	Community Services (Parks)	24 NOV 1995
27.	Dairy meat and Milk Dealers Bylaws	Sustainable Development (Environmental Health)	16 JUNE 1994
28.	Fire Brigade Services	Community Services (Fire)	10 MAR 1953
29.	Motor Vehicles and Road Traffic Regulation	Community Services (Traffic)	07 FEB 1958
30.	Municipal Aerodrome	Sustainable Development (Airport)	07 JUNE 2015
31.	Problem Building Bylaws	Sustainable Development	25 AUGUST 2016
32.	Slaughtering of Animals and examination and stamping of meat other than at the Abattoir	Sustainable Development (Environmental Health)	31 JAN 1974
33.	Trails and Conservation Areas Bylaws	Sustainable Development (Environmental Management)	13 AUG 1992

Analysis

- Some of the by-laws of the municipality are too old. The oldest, the Fire Brigade Services was promulgated in 1953.

Remedial Steps

- Cogta has a suite of generic by-laws that can be adapted to suit the needs of the municipality

AUDIT OUTCOMES FOR THE PAST THREE FINANCIAL YEARS

Financial Year	2016/2017	2017/2018	2018/2019
Outcome	Disclaimer	Adverse	Qualified
Main Reasons for Negative audit outcome	2017	2018	2019
Restatement of corresponding figures	✓	✓	✓
Property Plant and Equipment	✓	✓	✓
Investment Property	✓		
Revenue from Exchange Transactions	✓	✓	✓
Revenue from Non Exchange Transactions	✓		✓
Consumer Debtors	✓	✓	✓
Receivables from Exchange Transactions	✓	✓	
Bad debts Written off	✓		
Commitments	✓	✓	
Inventory	✓		
Payables From Exchange Transactions		✓	
Related Parties		✓	
Cash flow Statement		✓	
Unauthorised Expenditure		✓	
Operating leases		✓	
Material losses Water/ Electricity	✓	✓	✓

2018/2019	Annexure A	Annexure B	ICT	Total	%
Total number of findings	34	24	88	146	
Resolved	29	16	65	110	75%
In progress	5	8	23	36	25%

- The above table stipulates that 75% of audit findings have been resolved, 25% is in progress and management has committed to ensure that all audit findings are resolved.

- **ANNUAL REPORT** - Results of 2019/20 PMS (no targets achieved) – currently being audited by IA. All findings to be resolved prior to the AG completing the audit.

EMPLOYEE DISCIPLINE

- There are presently 33 employees undergoing disciplinary processes for various transgressions that include allegations of overtime fraud, stealing and abuse of municipal property.
- The above number includes 16 employees whose suspensions were uplifted in June and July due to the municipality being unable to commence disciplinary processes on time due to the lock down
- There 21 employees who have referred disputes to the South African Local Government Bargaining Council for various reasons ranging from unfair labour practice to those appealing the outcomes of disciplinary processes
- 15 employees are being investigated for allegations of misconduct which includes gross dishonesty and gross negligence
- The municipality has, over the past 36 months referred 4 matters to the SAPS for investigation and prosecution. None of these have reached the courts as yet.

COUNCILLOR DISCIPLINE

- The discipline of Councillors is dealt with in terms of Schedule 1 to the Municipal Systems Act, namely: Code of Conduct for Councillors
- Presently there are 4 councillors facing allegations of misconduct. These are being investigated by the office of the Speaker
- It is common cause that the Municipal Council recently established the Rules Committee which will convene to consider matters of councillor discipline as may be presented by the Speaker or referred by the Municipal Council



Cogta

- There are presently two investigations conducted by Cogta. One of the two reports was presented to Council on 30 September 2020. The other report is being processed and will be presented in due course.



Internal

- Over the past 12 months the municipality conducted 18 investigations which have been presented to the Municipal Council and are thus being implemented.



SIU

- The SIU issued summons to KSA for undue benefit to the value of R554 857 593 or alternatively the undue benefit of R158 972 232. 4 employees may face criminal charges arising from this same investigation by the SIU.

- In 2019/20 FY forty four (44) allegations of fraud, corruption, etc.
- Uncovered overtime fraud worth **R826 658.12** as at 30 June 2020
- Uncovered fraud of more than **R35 million** on one service provider and officials
- Theft of fuel to the value of **R1 529 141.23**
- Use of Municipal vehicle for private purposes contributed to losses of **R488 696.51**
- Municipal employee was caught with **R100 000.00** during a sting operation arranged with the Hawks. Matter pending in court
- Uncovered one case of unjust enrichment by an employee worth of **R1 727 425.69**
- Uncovered fraud on the Security for period May 2018 to 30 April 2019 **R25 124 621.60**

CRIMINAL CASES

- 1 Case is before the Commercial Crimes Court and has been part heard
- 11 Cases are under investigation by the Hawks
- 17 Cases are in the process of being registered for criminal investigation by the Hawks

INVESTIGATIONS - CASES REPORTED TO SAPS

Item	SAPS Case No.	Offence	Suspects	Amount	Status
1	PMB 315/01/2020	Corruption	W Dlamini	R100,000.00	Part Head
2	PMB 142/08/2019	Fraud	Ingwenya Yamashelembe	R35,827,915.67	Invest. in Progress
3		Fraud	SBS Electrical	R987,821.88	Capt. Swift
4		Fraud	Zama Traffic Signals	R752,257.23	Capt. Swift
5		Fraud	Gubela Trading	R107,710.00	Capt. Swift
6		Fraud	Bewton Investment	R8,561.29	Capt. Swift
7		Fraud	Asiphakame	R1,234,816.67	Lt. Col Mpungose
8		Fraud	Sihamba Sodwa	R752,249.50	Lt Col. Mpungose
9		Fraud	Bonding Mode	R364,650.10	Lt. Col. Mpungose
10	PMB 488/03/2016	Fraud	Paruk - Overtime Fraud	R385,000.00	Finalized. Funds recovered
11	PMB 170/08/2016	Fraud	Mthembu - O/T Fraud	R151,068.13	Finalized. Funds recovered
12	PMB 173/08/2016	Fraud	Sukrajh - O/T Fraud	R74,972.16	Part Head
	TOTAL			R40,747,022.63	

IN THE HIGH COURT OF SOUTH AFRICA
KWAZULU-NATAL DIVISION, PIETERMARITZBURG

RECEIVED
 19 MAR 2018
 LEGAL SERVICES
 MSUNDUZI MUNICIPALITY

CASE NO.: 3169/18

In the matter between:

SPECIAL INVESTIGATING UNIT
 and
 KHUSELANI SECURITY AND RISK
 MANAGEMENT (PTY) LTD
 trading as KSA SECURITY
 MSUNDUZI MUNICIPALITY

PLAINTIFF
 FIRST DEFENDANT
 SECOND DEFENDANT

2018-03-15 (2)
 REPUBLIC OF SOUTH AFRICA
 KWAZULU-NATAL HIGH COURT
 PIETERMARITZBURG
 REGISTRAR OF THE HIGH COURT

COMBINED SUMMONS

CLAIM

- The SIU seeks to declare the award and contracts as a consequence of tender 23 of 2009 and tender 23 of 2013 as well as the SLAs of 29 April 2016 and 1 June 2017 as well as the agreement of 26 September 2016, invalid and of no force and effect
- [The amount claimed is R554 857 593 and alternatively R158 972 232 and interest](#)
- Costs for the suit

- Portion A of the remainder of Portion 3 of the Farm Lamontsvale No.1210 was purchased by Ibhubesi Business Enterprises CC on the 15th of March 2004 for the purchase price of R550 000.00. The size of the farm that was purchased was 124.8946 hectares.
- In terms of the General Valuation Roll that took effect on the 1st of July 2014, the Municipality valued the property at R1.5 Million.
- In 2016, the property was valued at R23 Million in its current form, and as it was in 2014. In fact, what is valued in 2014 at R1.5 Million was a bigger portion than what was valued in 2016 for R23 Million.
- What also casts aspersions about the valuation of the property is that there is a July 2016 valuation of R23 Million and the March 2017 valuation of R27.5 Million.
- Factoring VAT into that R23 Million, it becomes R26 220 000.00 which the Municipality had to pay ultimately. It will seem that the 2017 valuation was intended to cover the purchase price of R26 220 000.00 which was already agreed upon.
- Mhlanga engaged the services of a professional valuer and sworn appraiser to conduct an independent evaluation of Portion 24 of Portion 3 of the Farm Lamontsvale No.1210 who determined R6 349 590.00 was a fair price for the property in question

Fidelity	Theft of Cash
P Sukrajh	Fraud
D S Mungula	Fraud overtime
B A Madondo	Fraud overtime
S J Mungu	Fraud overtime
T P Maphumulo	Fraud overtime
K W Meehl	Fraud overtime
Lamontsvale	Fraud
B L Mthethwa	Fraud on Locomotion Allowance

REPORTS STOOD DOWN

- FORENSIC INVESTIGATION INTO ALLEGED IRREGULAR APPOINTMENT OF THE MANAGER: SPEAKER AND CHIEF WHIP'S OFFICE: MSUNDUZI MUNICIPALITY
- FORENSIC REVIEW ON THE REPORT ON THE FORENSIC INVESTIGATION INTO THE ALLEGED IRREGULAR RE-APPOINTMENT OF MR S ????
- REPORT ON THE INVESTIGATION INTO ALLEGED IRREGULAR ACQUISITION OF LAND FOR THE ESTABLISHMENT OF A MUNICIPAL CEMETERY ON PORTION A OF THE REMAINDER OF PORTION 3 FOR THE FARM LAMONTS VALE NO. 1210

WAY FORWARD

- Chief Audit Executive, through the Office of the City Manager, should table the above reports to Council or relevant Council Structures for consideration on or before 28 February 2021.
- FINAL REPORT ON THE FORENSIC INVESTIGATION AT THE MSUNDUZI MUNICIPALITY 30 SEPT 2020

- SDBIP & OP 20/21 approved by the Mayor on the 27th of July 2020
- SDBIP & OP 20/21 was published on the municipal website on the 30th of July 2020.
- It was also published in local newspapers on the 31st of July 2020
- MM, CFO and 4 x GMs all signed performance agreements by the 7th of August 2020
- 6 x performance agreements (MM, CFO and 4 x GMs) published on the municipal website on the 7th of August 2020
- Submitted to MEC KZN CoGTA on the 14th of August 2020

- Organizational Performance Management Policy (OPMS) 20/21 approved by council on the 29th of July 2020
- Individual Performance Management Policy (IPMS) 20/21 approved by council on the 29th of July 2020
- Standard Operating Procedure on the Development of POE on the SDBIP 20/21 FY approved by council on the 29th of July 2020
- Performance Assessment Schedule 20/21 FY approved by council on the 29th of July 2020
- All of the above was published on the municipal website on the 7th of August 2020

- Results of 2019/20 PMS (no targets achieved) – currently being audited by IA. All findings to be resolved prior to submission to the AG.

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

BUSINESS UNIT	OPERATING PROJECTS – TARGET MET	CAPITAL PROJECTS – TARGET MET
ORGANISATIONAL OVERVIEW	54,43%	56,52%
OFFICE OF THE CITY MANAGER	73,33%	100.0%
COMMUNITY SERVICES	46,16%	33,33%
INFRASTRUCTURE SERVICES	71,43%	55,36%
SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES	48,39%	75.0%

OPERATIONAL PLAN

BUSINESS UNIT	OPERATING PROJECTS – TARGET MET	CAPITAL PROJECTS – TARGET MET
ORGANISATIONAL OVERVIEW	61,66%	80.0%
OFFICE OF THE CITY MANAGER	56,52%	N/A
BUDGET & TREASURY	78,33%	100.0%
INFRASTRUCTURE SERVICES	60.0%	N/A
CORPORATE SERVICES	31,04%	75.0%
SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES	64,15%	N/A

SUMMARY OF POSITIVE CASES - 1 JUNE 2020 TO DATE

Business Units	Positive Cases
Corporate Business Unit	8
Budget & Treasury	13
Corporate Services	5
Community Services	26
Infrastructure Services	17
Sustainable Development & City Enterprise	9
Total	78

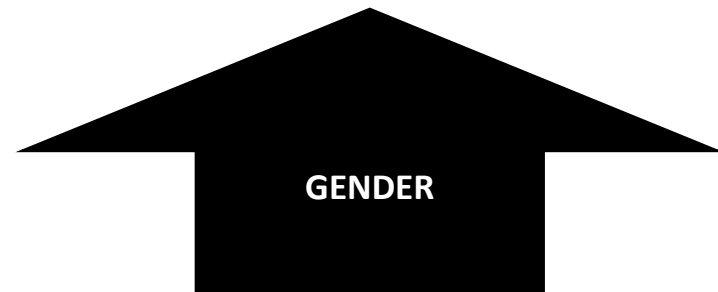
Weekly analysis
of positive cases
from 1 June to
date

Summary of
Positive Cases
from 1 June to
date

	JUNE 2020	JULY 2020	AUG 2020
Week 1	0	6	6
Week 2	0	10	2
Week 3	0	21	0
Week 4	7	16	2
Week 5	4	4	
TOTAL	11	57	10

GENGER	NO
MALE	42
FEMALE	36
TOTAL CASES	78

MONTH	TOTAL	RECOVERY RATE	ACTIVE CASES	DEATH RATE
JUNE 2020	11	11(100%)	0	0
JULY 2020	57	56(99%)	1	0
AUG 2020	10	6	4	0
TOTAL	78	73	5	0



KEY CHALLENGES

- The Covid-19 pandemic revealed the fact that Msunduzi workplace has not yet fully embraced a culture of technological innovation and adaptation in line with 4IR demands
- Non-essential Workers were in “mini shut down mode” before L3, comprising 2/3 of the workforce. This had a significantly negative impact on full service delivery operations
- Only 1/3 of the workforce (blue collar workers) were working, doing labour intensive work, in turn resulting in higher risk exposure to COVID-19 and infection rates

LESSONS LEARNT

- Invest in new technologies that come with the 4IR to achieve more efficiency and effectiveness in discharging its service delivery mandate
- Adapt to become more technology aided vs labour intensive
- Re-skill workers and technologically enable them to work with new technologies
- Introduce all-round ICT systems that accommodate:
 - ✓ Virtual working arrangements
 - ✓ Flexible working environments
 - ✓ Remote work engagements/ practices

[Final Confidential - Msunduzi Security Report.docx](#)

- The Municipal Manager will with immediate effect issue letters to all councillors who are provided with security, other than the Mayor and the Speaker, advising them that the municipality will comply with [Circular 33 from the MEC for Cogta](#).
- The affected councillors will also be notified that with effect from 1 March 2021 the municipality will cease the provision of security unless there is a valid threat and risk assessment analysis report from the South African Police Services (SAPS)
- The GM Community Services will, during the intervening period (15 December 2020 and 28 February 2021), through the office of the City Manager, assist all affected councillors to obtain threat and risk analysis reports from the SAPS.
- Where councillors have valid threat and risk analysis reports from the SAPS their security will be limited to the minimum as provided for in the Upper Limits Notice (Notice No. 43246 of 24 April 2020) as issued by the Minister of Cooperative Governance and Traditional Affairs. Any deviation should be motivated based on further threat and risk analysis report by the SAPS.
- Where councillors and officials are provided with vehicles by the Municipality, their vehicle allowances (or cost to company package will be deducted accordingly) in lieu of such benefits. This is in line with [item 9 of the Notice on Upper Limits Notice \(Notice No. 43246 of 24 April 2020\)](#).

- The GM Community Services will in due course (before 28 February 2021) table a report to all the relevant structures starting with the Security Committee proposing revisions to the [Protection Policy of the municipality](#). The purpose will be to clarify the terms and conditions for the provision of security to councillors and officials.
- In the light of conflicting financial information provided by Management, the Ministerial Representative has requested the [Auditor General to conduct a full audit of all security contracts](#), including related payments for the 2019/2020 financial year.
- The GM Community Services should prepare a process plan indicated how the appointment of a security service provider(s) is going to be processed in line with the supply chain management policy of the municipality by 31 March 2021.

2. SOUND FINANCIAL MANAGEMENT

FINANCIAL VIABILITY RATIOS

FINANCIAL RATIOS**CASH/ COST COVERAGE RATIO (EXCLUDING UNSPENT CONDITIONAL GRANTS)**

The following table highlights Cash Coverage ratio for the past 10 months:

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
Cash / Cost Coverage Ratio	0.03 Month	0.17 Month	0.36 Month	0.02 Month	0.18 Month	0.87 Month	0.67 Month	0.43 Month	0.02 Month	0.04 Month

- The municipality has a cash coverage ratio of 0.04 months for the month of October 2020 (equivalent to 1 day). The prescribed norm for the Cash/ Cost Coverage Ratio is 1-3 months. Therefore the municipality's cash coverage ratio is below the norm. The reason for low cash coverage is due to poor debtors' collection.
- This implies that the municipality did not have sufficient cash reserves to meet its monthly fixed operating commitments during the month of October 2020, and this is indicative of a serious cash flow problem.

CURRENT RATIO

The Current Ratio assesses a municipality's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory and receivables).

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
Current Ratio	1.22	1.19	1.30	1.81	2.82	1.63	1.85	1.97	1.29	1.93

The municipality has a current ratio of 1.93:1. The prescribed norm for a municipality's Current Ratio is 1.5 – 2:1. Therefore, the municipality is within the norm.

NET DEBTORS DAYS

The Net Debtor Days ratio reflects the collection period and refers to the average number of days required for a municipality to receive payment from its consumers for bills/invoices issued to them for services.

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
Net Debtors Days	137 days	122 days	101 days	173 days	287 days	169 days	161 days	161 days	117 days	171 days

The municipality has a net debtor's days of 171 days as at October 2020. This is above the norm of 30 days and implies that money/cash is tied in debtors for 171 days before it is paid to the municipality.

CREDITORS PAYMENT PERIOD

The Creditors' Payment Period ratio indicates the average number of days taken for trade creditors to be paid.

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20
Creditors Payment Period	39 days	48 days	37 days	42 days	43 days	74 days	54 days	56 days	59 days

The municipality has a creditor's payment period of **59 days**. This is above the norm of **30 days**. This is caused by cash flow challenges as a result of none payment by debtors.

CREDITORS AGE ANALYSIS

The creditors Age Analysis as at **31 October 2020** is as follows:

Month	Current	30 Days	60 Days	90 Days	120 Days	Net Total
Creditors Age Analysis (R)	293,542,718	77,846,215	211,966,996	1,326,471	476,158	585,158,558
	50%	13%	36%	0.2%	0.1%	100%

FINANCIAL VIABILITY – FINANCIAL RATIOS ... continued

EMPLOYEE AND COUNCILLOR REMUNERATION AS A % OF OPEX

Description	Budget Year 2020/21							
	Original Budget	Adjusted Budget	Nov 2020 Monthly Actual	Nov 2020 YTD Actual	Nov 2020 YTD Budget	YTD variance (R)	YTD variance (%)	Full Year Forecast
Employee related costs	1,467,373,084	1,478,324,304	106,761,533	597,565,466	615,968,460	-18,402,994	-3%	1,434,157,118
Councillor remuneration	53,650,401	53,650,401	4,013,638	21,626,131	22,354,334	-728,203	-3%	51,902,715
Total	1,521,023,485	1,531,974,706	110,775,171	619,191,597	638,322,794	-19,131,197	-3%	1,486,059,833
As a % of OpEX	28%	28%	25%	27%	28%			27%

REVENUE MANAGEMENT

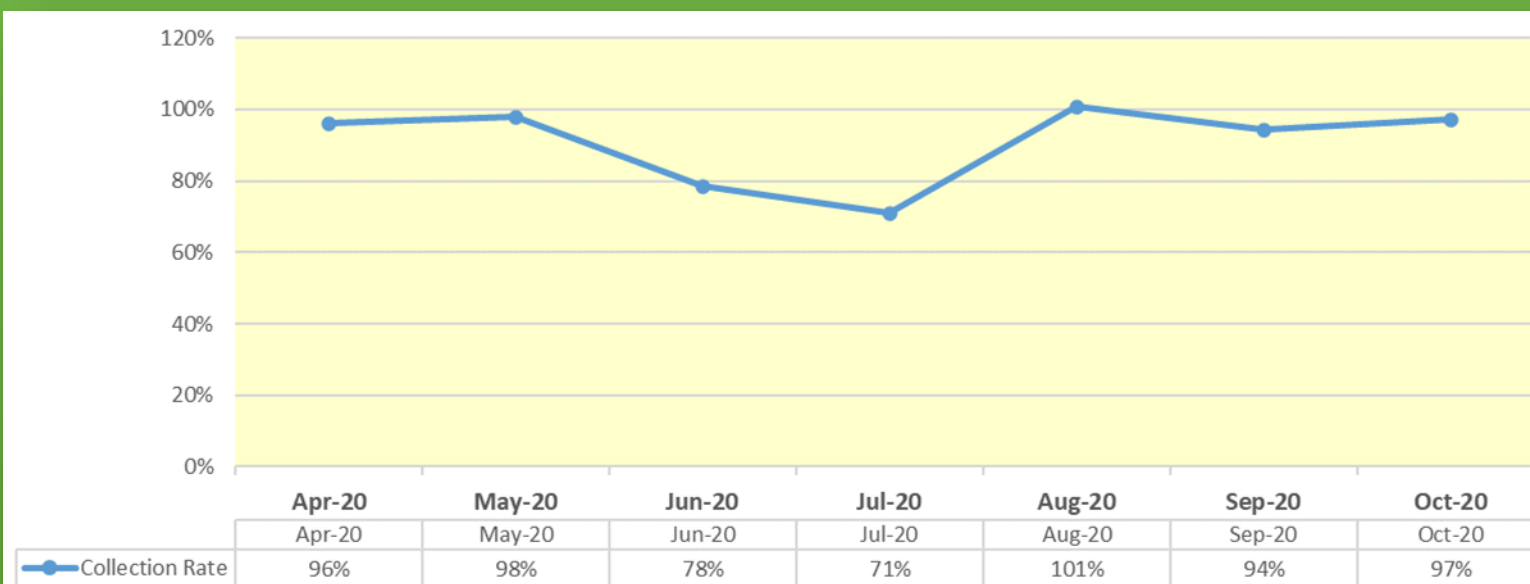
REVENUE BY SOURCE

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates			1 269 795		102 128	102 128	105 816	(3 688)	-3%	1 269 795
Service charges - electricity revenue			2 584 776		215 681	215 681	215 398	283	0%	2 584 776
Service charges - water revenue			722 633		62 681	62 681	60 219	2 461	4%	722 633
Service charges - sanitation revenue			152 022		9 877	9 877	12 668	(2 791)	-22%	152 022
Service charges - refuse revenue			116 333		8 995	8 995	9 694	(700)	-7%	116 333
Rental of facilities and equipment			29 079		4 430	4 430	2 423	2 006	83%	29 079
Interest earned - external investments			15 260		142	142	1 272	(1 130)	-89%	15 260
Interest earned - outstanding debtors			202 458		14 677	14 677	16 871	(2 194)	-13%	202 458
Dividends received								–		
Fines, penalties and forfeits			1 799		(263)	(263)	150	(413)	-276%	1 799
Licences and permits			1 120		4	4	93	(89)	-96%	1 120
Agency services			602				50	(50)	-100%	602
Transfers and subsidies			675 483		308	308	56 290	(55 983)	-99%	675 483
Other revenue			146 452		(502)	(502)	12 204	(12 706)	-104%	146 452
Gains								–		
Total Revenue (excluding capital transfers and contributions)		–	5 917 810	–	418 157	418 157	493 151	(74 993)	-15%	5 917 810

- A summary of the collection rates over the last 6 months. The calculation of the collection rate below is in line with the National Treasury MFMA Circular 71.

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
	96%	98%	78%	71%	101%	94%	97%
Gross Debtors closing balance	4,288,632,800	4,351,967,956	4,571,473,895	4,686,589,678	4,679,431,815	4,746,455,110	4,789,294,520
Gross Debtors opening balance	4,161,104,720	4,288,632,800	3,667,091,121	4,571,473,895	4,686,589,678	4,679,431,815	4,746,455,110
Bad Debts Written Off	21,389,355	20,923,558	20,930,221	567,873	1,620,159	1,995,451	2,967,709
Billed Revenue (YTD) (i.e. Service Charges + Property Rates)	3,776,697,811	4,104,141,664	4,293,604,204	399,362,214	799,264,109	1,195,628,704	1,584,690,040



- A summary of the Debt Outstanding October 2020

Account Class	Current	31-60 Days	61 - 90 Days	91 - 120 Days	121 - 365 Days	>365 Days	Balance	
BUSINESS	305 423 207	(781 932)	20 121 844	16 042 341	101 229 535	304 806 911	746 841 906	16%
GOVERNMENT	69 662 686	7 687 267	13 567 344	7 650 614	33 080 997	110 002 179	241 651 087	5%
HOUSEHOLD	305 813 767	67 121 603	87 522 854	69 885 856	505 007 654	2 460 353 815	3 495 705 549	74%
OTHER	17 419 444	5 113 630	8 464 018	3 580 516	30 292 570	172 859 099	237 729 277	5%
Result	698 319 104	79 140 569	129 676 061	97 159 327	669 610 756	3 048 022 003	4 721 927 820	
	15%	2%	3%	2%	14%	65%		

- A summary of the Debt Outstanding September 2020

Account Class	Current	31-60 Days	61 - 90 Days	91 - 120 Days	121 - 365 Days	>365 Days	Balance	%
BUSINESS	281 948 518,46	30 868 928,28	19 611 794,19	16 906 129,22	111 961 392,37	312 537 373,41	773 834 135,93	17%
GOVERNMENT	64 433 012,01	9 624 527,39	12 458 775,52	4 303 092,99	32 748 145,38	108 247 973,03	231 815 526,32	5%
HOUSEHOLD	297 449 443,19	82 010 103,98	73 052 691,63	64 245 711,34	509 838 326,94	2 413 721 153,79	3 440 317 430,87	74%
OTHER	15 439 965,69	9 014 459,53	3 804 314,27	4 681 521,88	30 171 139,78	170 009 541,85	233 120 943,00	5%
Result	659 270 939,35	131 518 019,18	108 927 575,61	90 136 455,43	684 719 004,47	3 004 516 042,08	4 679 088 036,12	
	14%	3%	2%	2%	15%	64%		

- There is an increase of R 42 839 783,67

DEBT COLLECTORS

- A total of R 1 834 243 396 was handed over for collection by 23 Debt Collectors that were appointed on a 3 year contract in December 2019
- The terms of reference of the debt collectors include: Taking all legal steps to collect arrears including sale in execution and to collect all debt older than 120 days
- Between December 2019 and October 2020 a total of R 141 006 088 was collected by debtors from accounts handed over. R 19 458 840 (13.8%) was paid in commissions to the debt collectors for the same period. The most collected was R 23 million in January 2020
- The payments during the Lockdown period have been below very low. In April R5m was collected, a slight improvement in May of R10m then a decrease to R8m in June 2020. In July the collection picked up to R11,9m, August collection was R 13,2m, September was R 17,4m and October was R 17,7m

STRATEGIC INTERVENTIONS

- Letters have been sent to bulk debtors (218) whose payments are made after the due date informing them of their respective accounts being risk assessed and Councils' intention to increase their deposits due to the risk or regularity of late payment.
- Employees in arrears have had their salaries deducted for arrear debt starting in August 2020. The deductions will carry over a period of three months.
- Councillors in arrears have received notices to settle debts failing which the deductions were effected from September 2020.
- An Audit of all Bulk Electricity Supplied meters is being finalized. A physical audit of all these meters will be done to confirm the accuracy of their billing.
- KZN CoGTA & Provincial Treasury have intervened assisting in the collection of Government Debt. The Government Debt outstanding as at 30 September 2020 was R 233 120 943. The amount collected thus far is R 22 636 669 (11%) and R 184 684 935 (89%) is being investigated by CoGTA & Provincial Treasury.

- The biggest departments by debt outstanding is as follows:

Department	Current	31-60 Days	61 - 90 Days	91 - 120 Days	121 - 365 Days	>365 Days	Balance
Provincial Public Works	20 782 773	8 839 486	8 879 857	3 588 471	14 150 839	43 761 769	100 003 195
Human Settlements	4 442 679	(1 518 909)	659 518	717 877	4 666 532	25 735 435	34 703 132
Section 21 Schools	7 966 847	1 771 846	2 275 249	1 662 037	10 908 354	10 117 155	34 701 488
National Public Works	13 562 373	427 734	562 848	284 715	1 191 050	6 720 268	22 748 989
Total Debt	46 754 672	9 520 157	12 377 472	6 253 099	30 916 775	86 334 628	192 156 803

- Reconciliations of all the accounts are being completed, with CoGTA & Provincial Treasury assisting with verification of the user department/s.
- Government Accounts are in the name of Province of KwaZulu/Natal or RSA but the user department pays for it.

- Electricity Department is concluding the employment of 25 internal staff to attend to disconnections. This will eliminate the reliance of contractors to perform disconnections and reconnections.
- Currently a massive disconnection drive is underway. All residents with arrear debt are being disconnected.
- Plumbers have been brought into the Revenue Unit to restrict water supply. Currently they are restricting water in the Lynnfield Park area, this area is supplied electricity by Eskom and the water is supplied by Msunduzi.
- These plumbers will complete the entire area and move to other Eskom supplied area's.
- The disconnection drive is inclusive of Government Departments in arrears for services and also the Section 21 schools.

Disconnections during the last six months of 2019/2020 (including Covid-19 months)

	Jan-20	20-Feb	20-Mar	Apr-20	May-20	June-20
Disconnection List	4 232,00	3 838	3 908	0	460	426
Customers actually disconnected	2 592,00	1 610	1 092	0	160	390
Total Amount spent on disconnections	R408 663,26	R590,553.06	R601,323.96	0	0	0
Reconnection List	204,00	857	738	8	68	179
Customers actually reconnected	189	707	605	8	65	168
Total Amount spent on reconnections	R28 772,04	120 871,28	R104,087.52	0	0	0

Disconnections during the first six months of 2020/2021 (including Covid-19 months)

	July-20	Aug-20	Sept-20	Oct-20	Nov-20	Dec-20
Disconnection List						
Customers actually disconnected						
Total Amount spent on disconnections						
Reconnection List						
Customers actually reconnected						
Total Amount spent on reconnections						



16 September 2020

Municipal Manager
Msunduzi Local Municipality
Private Bag x321
PIETERMARITZBURG
3200

Attention: Mr MP Khathide

Re: Approval of DBSA Revenue Enhancement Programme Support to Msunduzi LM

Your application for support to develop and implement Revenue Enhancement Programme (REP), entailing the database cleansing using the GIS, audit of meters, tariffs review and restructuring thereof, along with the development of best practice procedure and staffing requirements regarding customer care and operations has reference.

The Management of the DBSA is pleased to inform you that the application for the above-mentioned program has been approved.

The step that follows will be for the two organizations to enter into a grant agreement. The draft grant agreement will first be shared with MLM for comments and inputs. After incorporating all inputs, two set of execution version will be sent to MLM for signature.

The DBSA will be responsible for procurement and appointment of Professional Service Providers (PSPs).

In connection with the request for a call centre system, the DBSA is partnering with the Department of Telecommunications and Postal Services (DTPS) to address the ICT challenges. The DBSA has received the business case and it has since been submitted to DTPS for consideration. A meeting between the DBSA and DTPS has already been held and the progress will be communicated to the municipality in due course.

The DBSA team is looking forward for a good working relationship between the two teams.

Please feel free to contact the Bank through Ms Monica Buthelezi, Revenue Enhancement Specialist at 082 884 6962 or through e-mail at monicab@dbsa.org, should you have any enquiries.

Yours faithfully,


Machelani Shirindza
(Senior Deal Originator: Local Government Support Unit)

16 September 2020
Date

Approval of DBSA Revenue Enhancement Programme Support to Msunduzi LM

- Management must be congratulated for securing the approval by the DBSA of its application the funding of the Revenue Enhancement Programme (REP)
- The REP entails the cleansing of the database using Geographic Information Systems, Audit of Meters, Review and restructuring of tariffs, along with the development of best practice procedure and staffing requirements regarding customer care and operations
- Presently there are no figures however the programme will greatly enhance the City's efforts of revenue collection

COUNCILLORS IN ARREARS (EXCLUDES CURRENT ACCOUNT)

Division		Current	31-60 Days	61 - 90 Days	91 - 120 Days	121 - 365 Days	>365 Days	Balance
01	Electricity	41 004	(1 156)	1 400	7 024	4 548	3 567	56 387
03	Water	29 877	4 730	6 581	3 441	46 046	37 735	128 410
04	Sew erage	7 089	1 079	1 075	921	7 507	14 451	32 121
06	Refuse	5 670	849	846	775	6 035	18 859	33 033
07	Property Rates	29 695	2 358	2 346	2 470	19 960	47 947	104 776
11	Rental Services		-	-	4 584	36 674	6 544	47 802
30	Sundry Services	94	150				(1 419)	(1 175)
#	Not assigned	-	(32 194)	(16 310)	(29 901)	(26 810)	(3 359)	(108 575)
Result		113 429	(24 184)	(4 063)	(10 687)	93 959	124 325	292 780

Notes:

- Some Councillors may have had paid their respective accounts after the arrears debt was extracted from the financial system.
- The amount deducted from councillor salaries for the November 2020 was R 39 875,11
- The Councillors grouping was updated to incorporate all Councillors currently employed and removed those who have resigned. This contributed to the reduction of debt from R536,252 as at 31 August 2020.

EMPLOYEES IN ARREARS

Division		Current	31-60 Days	61 - 90 Days	91 - 120 Days	121 - 365 Days	>365 Days	Balance
01	Electricity	594 768	57 094	23 222	18 700	113 609	114 896	922 289
03	Water	553 675	34 675	67 403	70 504	310 011	548 176	1 584 444
04	Sewerage	115 084	11 390	8 207	6 959	46 547	132 963	321 150
06	Refuse	87 586	9 308	6 032	5 759	36 311	115 871	260 866
07	Property Rates	445 561	35 433	58 118	26 548	119 415	244 133	929 208
11	Rental Services	31 748	16 377	13 263	10 723	35 819	66 935	174 866
17	Landfill		-	6	-	-		6
30	Sundry Services	2 132	539	544	736	7 669	122 192	133 812
#	Not assigned	(14 511)	(108 102)	(14 495)	(10 508)	(12 896)	(5 413)	(165 926)
Result		1 816 043	56 714	162 300	129 422	656 484	1 339 752	4 160 715

- Some staff members may have paid their respective **30** day arrear accounts as at the date of reporting.
- Staff whom is in arrears has a deduction from their salaries to recover the outstanding arrears.
- The amount deducted from staff salaries in **November 2020** was **R 1 134 098.33**
- The total staff debt was **R4 198 857.00** as at 31 August 2020 and has not reduced drastically since then

UNSPENT CAPITAL ALLOCATIONS 2019/2020

SUMMARY UNSPENT GRANT BALANCES AS AT 24 AUGUST 2020							ANNEXURE B
Project	Opening Balance 01 07 2020	Receipts for 2020/2021	Refund to grant provider	VAT recovere d from NT Grants	Interest Earned 2020/202 1	Expenditure incurred 2020/2021	Closing balance- year to date
HOUSING PROJECTS	24 872 619	6 230 847	-	-	-	-5 418 128	25 685 339
GREATER EDENDALE PROJECTS	14 436 497	-	-	-	44 173	-	14 480 669
NEIGHBOUR PARTNERSHIP DEVELOPMENT GRANT	43 336	10 450 000	-	-	-	-	10 493 336
OFFICE OF PREMIER - DLULISUMLANDO FUNCTION	1 500 000	-	-	-	-	-	1 500 000
WATER SERVICES INFRASTRUCRE GRANT	248 151	20 000 000	-	-	-	-	20 248 151
TATHAM ART GALLERY	395 076	-	-	-	1 209	-	396 285
EXPANDED PUBLIC WORKS PROGRAMME	-	-	-	-	-	-	-
MUNICIPAL DISASTER RELIEF GRANT	1 192 000	-	-	-	-	-	1 192 000
FINANCE MANAGEMENT GRANT	0	-	-	-	-	56 748	56 748
ELECTRICITY GRANTS	664	-	-	-	-	-	664
LIBRARY	221 889	-	-	-	678	128 669	351 237
ITPRN - PUBLIC TRANSPORT NETWORK GRANT	94 578 574	-	-	43 240	-	-414 732	94 207 082
YOUTH ENTERPRISE PARK	2 616 061	-	-	-	8 005	1 082 623	3 706 689
MANAYE AREA PRECINCT UPGRADE	204 370	-	-	-	625	-	204 995
TOTAL OTHER GRANTS	140 309 238	36 680 847	-	43 240	54 690	-4 564 820	172 523 196
HOUSING ACCREDITATION	29 829 350	-	-	-	90 569	-38 959	29 880 960
MIG	10 712 543	30 000 000	-	-	-	-7 988 743	32 723 799
BALANCE OF UNSPENT GRANTS	180 851 131	66 680 847	-	43 240	145 260	-12 592 522	235 127 955
	-	-		-	-	-	-

EXPENDITURE MANAGEMENT

EXPENDITURE BY TYPE

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure By Type	-									
Employee related costs			1 467 373		104 203	104 203	122 281	(18 078)	-15%	1 467 373
Remuneration of councillors			53 650		3 685	3 685	4 471	(786)	-18%	53 650
Debt impairment			123 904		568	568	10 325	(9 757)	-95%	123 904
Depreciation & asset impairment			488 991				40 749	(40 749)	-100%	488 991
Finance charges			31 793		3 241	3 241	2 649	592	22%	31 793
Bulk purchases			2 608 224				217 352	(217 352)	-100%	2 608 224
Other materials			46 575		123	123	3 881	(3 759)	-97%	46 575
Contracted services			463 787		(1 416)	(1 416)	38 649	(40 065)	-104%	463 787
Transfers and subsidies			25 080		2 600	2 600	2 090	509	24%	25 080
Other expenditure			192 586		5 066	5 066	16 049	(10 983)	-68%	192 586
Losses								–		
Total Expenditure		–	5 501 965	–	118 069	118 069	458 497	(340 428)	-74%	5 501 965
Surplus/(Deficit)										
		–	415 846	–	300 088	300 088	34 654	265 435	0	415 846

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
Eskom Holdings T/A	138,256,369.41	22,272,539.52	130,570,724.97	0.00	0.00	108,298,185.45	246,554,554.86
umgeni water	96,353,123.13	81,340,413.09	77,523,109.00	0.00	289,572.01	159,153,094.10	255,506,217.23
CLT TRADERS	19,140.60	0.00	0.00	0.00	0.00	0.00	19,140.60
SERENITY FINANCIAL SERVICES	6,623,658.44	0.00	0.00	0.00	0.00	0.00	6,623,658.44
3Rd Base Motor Repairs CC	101,356.82	0.00	0.00	0.00	0.00	0.00	101,356.82
A c Crampton Engineering	0.00	12,362.50	0.00	0.00	0.00	12,362.50	12,362.50
A K ESSACK MORGAN NAIDOO & CO	42,808.04	86,496.00	0.00	0.00	0.00	86,496.00	129,304.04
Abco Stationers	0.00	20,470.00	0.00	0.00	0.00	20,470.00	20,470.00
Actaforce CC	9,685.30	0.00	0.00	0.00	0.00	0.00	9,685.30
ACTOM	1,041,900.00	0.00	0.00	0.00	0.00	0.00	1,041,900.00
Adams Booksellers Pty Ltd	0.00	5,698.80	0.00	0.00	0.00	5,698.80	5,698.80
Afrostructures (Pty) Ltd	0.00	89,480.19	0.00	0.00	0.00	89,480.19	89,480.19
AIR PRODUCTS SOUTH AFRICA	1,444.80	5,247.68	0.00	0.00	0.00	5,247.68	6,692.48
Air Traffic & Navigation Service	346,787.48	693,574.96	346,787.48	0.00	0.00	1,040,362.44	1,387,149.92
Akhatech (Pty)Ltd	87,975.70	0.00	0.00	0.00	0.00	0.00	87,975.70
Alan Cullis	2,830.00	0.00	0.00	0.00	0.00	0.00	2,830.00
Amalande Construction	477,288.99	143,635.46	0.00	0.00	0.00	143,635.46	620,924.45
Aqua Transport And Plant Hire	382,381.69	144,439.08	0.00	0.00	0.00	144,439.08	526,820.77
Arb Electrical Wholesalers Ptyltd	0.00	773,365.35	0.00	0.00	0.00	773,365.35	773,365.35
Atam Electrical CC	442,403.87	215,284.75	0.00	0.00	0.00	215,284.75	657,688.62
Atl Builders Distributors CC	26,744.40	0.00	0.00	0.00	0.00	0.00	26,744.40
Axle And Transmission Centre Cc	34,692.40	0.00	0.00	0.00	0.00	0.00	34,692.40
barloworld south africa	6,931.51	0.00	0.00	0.00	0.00	0.00	6,931.51
Barloworld South Africa (ford)	35,753.07	0.00	0.00	0.00	0.00	0.00	35,753.07
Barloworld South Africa t/a	30,761.03	0.00	0.00	0.00	0.00	0.00	30,761.03
Basfour 170 Cc	1,824,299.22	0.00	0.00	0.00	0.00	0.00	1,824,299.22
Belinda Beryl Mapstone	7,475.00	0.00	0.00	0.00	0.00	0.00	7,475.00

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020... continued

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
Bell Equipment Sales S.A Ltd	35,947.39	0.00	1,322,775.66	0.00	0.00	1,322,775.66	1,358,723.05
Bewton Investments CC t/a Ukukhanya	0.00	44,069.60	0.00	0.00	0.00	44,069.60	44,069.60
biytech	314,668.10	0.00	0.00	0.00	0.00	0.00	314,668.10
Blacks Transport and Logistics	104,635.60	104,635.60	0.00	0.00	0.00	104,635.60	209,271.20
Brakesafe Air-Brake Specialists CC	68,831.20	0.00	0.00	0.00	0.00	0.00	68,831.20
Burnett Hayley Joan	1,520.00	0.00	0.00	0.00	0.00	0.00	1,520.00
Chazile Bongekile Ndhlovu	3,550.00	0.00	0.00	0.00	0.00	0.00	3,550.00
citigas t/a	21,505.00	0.00	0.00	0.00	0.00	0.00	21,505.00
City Of Choice Travel And Tours	30,054.00	999.99	0.00	0.00	0.00	999.99	31,053.99
Corpco 1678 t/a	28,520.00	0.00	0.00	0.00	0.00	0.00	28,520.00
Cullin Africa	15,572.15	0.00	0.00	0.00	0.00	0.00	15,572.15
Cyberfox	238,781.40	0.00	0.00	0.00	0.00	0.00	238,781.40
D C Mare t/a	53,150.50	34,946.66	0.00	0.00	0.00	34,946.66	88,097.16
Daleka Trading Enterprise CC	333,380.76	37,960.14	0.00	0.00	0.00	37,960.14	371,340.90
Daluxolo Dickson Mketo	3,760.00	0.00	0.00	0.00	0.00	0.00	3,760.00
Datacentrix Pty Ltd	0.00	491,435.25	0.00	0.00	0.00	491,435.25	491,435.25
Datcentre Motors (pty) Ltd	72,646.38	0.00	0.00	0.00	0.00	0.00	72,646.38
Dayanand Graphics And Design Proj	11,327.50	0.00	0.00	0.00	0.00	0.00	11,327.50
Dcb Electrical Cc	17,355.35	0.00	0.00	0.00	0.00	0.00	17,355.35
DDP Valuers	29,900.00	0.00	0.00	0.00	0.00	0.00	29,900.00
Deloitte touche and consulting	642,454.08	6,429.65	0.00	0.00	0.00	6,429.65	648,883.73
Department Of Transport Driving	5,293.00	0.00	0.00	0.00	0.00	0.00	5,293.00
Derick Samuel boucher Gerhardus	600.00	0.00	0.00	0.00	0.00	0.00	600.00
Dia champion trading	1,011,332.97	3,082,471.85	0.00	0.00	0.00	3,082,471.85	4,093,804.82
Diya Valves International Cc	108,889.48	0.00	0.00	0.00	0.00	0.00	108,889.48
Dusi Electrical CC	409,628.53	0.00	0.00	0.00	0.00	0.00	409,628.53

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020... continued

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
Duzi cv joints	4,850.00	0.00	0.00	0.00	0.00	0.00	4,850.00
Duzi Umngeni Conservation Trust	83,196.75	0.00	0.00	0.00	0.00	0.00	83,196.75
DYNAMIC CONTRACTUAL	9,180.00	0.00	0.00	0.00	0.00	0.00	9,180.00
E Z TRADE 536	172,868.81	0.00	0.00	0.00	0.00	0.00	172,868.81
East Coast Power Steering &	8,970.00	0.00	0.00	0.00	0.00	0.00	8,970.00
ECA CONSULTING	194,583.46	0.00	0.00	0.00	0.00	0.00	194,583.46
ecocycle waste solutions	3,840.14	0.00	0.00	0.00	0.00	0.00	3,840.14
Egxeni Engineering	1,842,362.40	0.00	0.00	0.00	0.00	0.00	1,842,362.40
Ekene Investments	203,040.78	104,904.40	0.00	0.00	0.00	104,904.40	307,945.18
Emzansi Engineers	206,857.22	0.00	0.00	0.00	0.00	0.00	206,857.22
ETCORAIN (PTY) LTD	851.00	0.00	0.00	0.00	0.00	0.00	851.00
Evaluations Enhanced Property	1,105,150.00	0.00	0.00	0.00	0.00	0.00	1,105,150.00
Ewc Vehicle Communication (Pty) Ltd	343,460.15	0.00	0.00	0.00	0.00	0.00	343,460.15
Farhad Cassimjee	3,000.00	0.00	0.00	0.00	0.00	0.00	3,000.00
Fidelity Cash Solutions (Pty) Ltd	0.00	45,864.19	0.00	0.00	0.00	45,864.19	45,864.19
Flinns Truck and Car Repairs	77,565.65	0.00	0.00	0.00	0.00	0.00	77,565.65
Ford Motors Company Of Southern	0.00	0.00	0.00	1,065,175.10	0.00	1,065,175.10	1,065,175.10
Freshmark Systems (Pty) Ltd	34,471.22	129,087.50	0.00	0.00	0.00	129,087.50	163,558.72
Gabas Construction	0.00	97,595.90	0.00	0.00	0.00	97,595.90	97,595.90
GENJI OPERATIONAL DEVELOPMENT	29,756.25	0.00	25,313.23	0.00	0.00	25,313.23	55,069.48
GOLDEN MILE TECHNOLOGIES	0.00	10,091.25	0.00	0.00	0.00	10,091.25	10,091.25
Govert Vetten t/a	0.00	186,476.00	0.00	0.00	0.00	186,476.00	186,476.00
Govinsamy Ndzingi and Govender	0.00	70,755.00	0.00	0.00	0.00	70,755.00	70,755.00
Gracan Office Supplies	29,900.00	0.00	0.00	0.00	0.00	0.00	29,900.00
Grant Swanepoel Attorneys	5,262.85	0.00	0.00	0.00	0.00	0.00	5,262.85
Greenhough Occupational Therapy Inc	0.00	3,519.91	0.00	0.00	0.00	3,519.91	3,519.91

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020 ... continued

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
Groundwork Project	210,375.57	0.00	0.00	0.00	0.00	0.00	210,375.57
Gubela Trading	13,176.36	0.00	0.00	0.00	0.00	0.00	13,176.36
High End General And Construction	6,852,157.90	0.00	0.00	0.00	0.00	0.00	6,852,157.90
High Voltage Trading (Pty) Ltd	41,374.24	34,294.45	0.00	0.00	0.00	34,294.45	75,668.69
HISSCO	39,644.30	0.00	0.00	0.00	0.00	0.00	39,644.30
Hopewell Stationers CC	11,730.00	0.00	0.00	0.00	0.00	0.00	11,730.00
HYDROTECH PLUMBING AND JETTING	0.00	0.00	55,200.00	0.00	0.00	55,200.00	55,200.00
Ikhayelihle Cleaning Services	88,783.13	0.00	0.00	0.00	0.00	0.00	88,783.13
Imbawula Technical	74,765.43	387,798.98	0.00	0.00	0.00	387,798.98	462,564.41
Imex Africa	30,871.75	0.00	0.00	0.00	0.00	0.00	30,871.75
Imisebenzemihle Pty (Ltd)	26,455.00	0.00	0.00	0.00	0.00	0.00	26,455.00
Impande Consulting Engineers Pty Lt	290,609.60	0.00	0.00	0.00	0.00	0.00	290,609.60
IMQS Software (Pty) Ltd	0.00	0.00	303,041.99	0.00	0.00	303,041.99	303,041.99
incledon kzn	0.00	24,495.00	0.00	0.00	0.00	24,495.00	24,495.00
Indigenous Concepts Cc	46,410.00	0.00	0.00	0.00	0.00	0.00	46,410.00
INGABADI MEDIA GROUP	207,900.00	0.00	0.00	0.00	0.00	0.00	207,900.00
Innocent D Mncube	2,399.00	0.00	0.00	0.00	0.00	0.00	2,399.00
InsideData south (pty) ltd	14,324.45	0.00	0.00	0.00	0.00	0.00	14,324.45
Inspect-A-Pest CC	19,550.00	440,632.16	0.00	0.00	0.00	440,632.16	460,182.16
Isikhungusethu Enviromental	0.00	137,970.05	0.00	0.00	0.00	137,970.05	137,970.05
isiqalo uz trading and projects	13,400.00	0.00	0.00	0.00	0.00	0.00	13,400.00
Isizwe Electropak CC	436,088.99	42,523.04	0.00	0.00	0.00	42,523.04	478,612.03
Joat Consulting (Pty) Ltd	1,531,643.91	0.00	0.00	0.00	0.00	0.00	1,531,643.91
K And T Events Co-Ordinators And	3,000.00	0.00	0.00	0.00	0.00	0.00	3,000.00
KALDAINS MACHINING CENTRE	9,085.00	0.00	0.00	0.00	0.00	0.00	9,085.00
KAMADEE CONSULTING	9,500.00	0.00	0.00	0.00	0.00	0.00	9,500.00

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020 ... continued

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
Kay Kapakan Services	204,010.00	0.00	0.00	0.00	0.00	0.00	204,010.00
Key Truck & Car (Pmburg) (Pty) Ltd	52,367.37	0.00	0.00	0.00	0.00	0.00	52,367.37
Kfc Engineering And Industrial	4,899.00	0.00	0.00	0.00	0.00	0.00	4,899.00
Kmt Enterprise	0.00	28,750.00	0.00	0.00	0.00	28,750.00	28,750.00
Kone Elevators Sa (Pty)Ltd	10,255.10	0.00	0.00	0.00	0.00	0.00	10,255.10
kunene sechaba joseph	3,800.00	0.00	0.00	0.00	0.00	0.00	3,800.00
Kushj Traders CC	1,045,091.25	212,093.99	0.00	0.00	0.00	212,093.99	1,257,185.24
Kwaj investment	0.00	43,129.76	0.00	0.00	0.00	43,129.76	43,129.76
Lasec Sa (Pty)Ltd	6,136.06	0.00	0.00	0.00	0.00	0.00	6,136.06
Leomat Construction	2,914,647.78	0.00	176,180.89	0.00	0.00	176,180.89	3,090,828.67
Lonerock Construction	8,374,189.17	0.00	0.00	0.00	0.00	0.00	8,374,189.17
Lotus Auto Electrical Pmb	23,700.00	8,080.00	0.00	0.00	0.00	8,080.00	31,780.00
Lotus Stationers Pmb Cc	24,398.40	18,450.60	29,579.50	0.00	0.00	48,030.10	72,428.50
M Zuke Vehicle Maintenance Services	0.00	0.00	121,819.80	0.00	0.00	121,819.80	121,819.80
Makhaotse Narasimulu And	306,160.59	0.00	0.00	0.00	0.00	0.00	306,160.59
MAKHOYA MEDIA SOLUTIONS	386,923.02	0.00	0.00	0.00	0.00	0.00	386,923.02
Makhubu Civils CC	1,050,363.48	168,351.59	0.00	0.00	0.00	168,351.59	1,218,715.07
Manavi Enterprises	24,899.61	113,827.66	611,892.00	0.00	0.00	725,719.66	750,619.27
Marlisha Transport Cc	106,525.79	220,153.30	0.00	0.00	0.00	220,153.30	326,679.09
MARTIN MCNAMARA	3,478.00	0.00	0.00	0.00	0.00	0.00	3,478.00
Matthew Francis Inc	13,871.88	415,039.81	0.00	0.00	49,544.71	365,495.10	379,366.98
Mbk Agencies Cc	16,397.85	0.00	0.00	0.00	0.00	0.00	16,397.85
McCarthy	67,756.94	0.00	0.00	0.00	0.00	0.00	67,756.94
MCHUNU REPAIRS	13,078.38	0.00	0.00	0.00	0.00	0.00	13,078.38
Mdledle Incorporated CC	11,500.00	0.00	0.00	0.00	0.00	0.00	11,500.00
Melco Elevator (South Africa)	76,265.40	0.00	0.00	0.00	0.00	0.00	76,265.40

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020 ... continued

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
Merit Shoes CC	199,376.68	39,185.41	0.00	0.00	0.00	39,185.41	238,562.09
Metgovis (Pty)Ltd	0.00	124,163.28	0.00	0.00	0.00	124,163.28	124,163.28
Midlands Spares And Auto Electrical	20,166.66	28,981.07	0.00	0.00	0.00	28,981.07	49,147.73
Midmar Plant Hire Cc	209,495.02	95,870.60	0.00	0.00	0.00	95,870.60	305,365.62
Mkholwa IT Services	106,525.79	110,076.51	110,076.51	0.00	0.00	220,153.02	326,678.81
MOKSA ELECTRICAL	0.00	325,806.50	192,751.50	0.00	0.00	518,558.00	518,558.00
Morar Incorporated	302,680.00	286,580.00	0.00	0.00	0.00	286,580.00	589,260.00
Mortprop (Pty) Ltd	0.00	28,559.17	0.00	0.00	0.00	28,559.17	28,559.17
Much Asphalt (Pty) Ltd	42,359.72	0.00	0.00	0.00	0.00	0.00	42,359.72
Multi Solution Trading	1,761,226.40	0.00	0.00	0.00	0.00	0.00	1,761,226.40
MZI GENERAL SUPPLIES	16,000.00	0.00	0.00	0.00	0.00	0.00	16,000.00
Mzungezwa Projects CC	265,848.24	0.00	0.00	0.00	0.00	0.00	265,848.24
N and C maintanance and spares	202,454.10	112,102.00	0.00	0.00	0.00	112,102.00	314,556.10
NAGENI CIVILS	0.00	0.00	0.00	0.00	4,742.03	4,742.03	4,742.03
NHLALENHLE SECURITY SERVICES	106,444.00	371,588.00	0.00	0.00	0.00	371,588.00	478,032.00
Nissan South Africa (Pty) Ltd	0.00	875,769.47	0.00	0.00	0.00	875,769.47	875,769.47
Nkili Auto Engineering CC	0.00	11,934.00	0.00	0.00	0.00	11,934.00	11,934.00
NMI Durban South Motors (Pty) Ltd	0.00	22,955.35	0.00	0.00	0.00	22,955.35	22,955.35
Nomkhosi Gwala	2,140.00	0.00	0.00	0.00	0.00	0.00	2,140.00
North Safety Products Africa	22,701.00	0.00	0.00	0.00	4,986.69	4,986.69	17,714.31
Olympus Enterprise Pty Ltd	361,228.80	1,183,725.72	0.00	261,296.15	0.00	922,429.57	561,200.77
Oti Petrosmart (Pty) Ltd	89,187.68	109,936.55	0.00	0.00	0.00	109,936.55	199,124.23
Otis (Pty) Ltd	83,154.20	0.00	0.00	0.00	18,509.50	18,509.50	101,663.70
OWALULEKO MANAGEMENT	0.00	0.00	0.00	0.00	25,000.00	25,000.00	25,000.00
Petrus J. Mahlaba	899.00	0.00	0.00	0.00	0.00	0.00	899.00
PHAMBILE MACHUNU TRADING	9,177.69	0.00	0.00	0.00	0.00	0.00	9,177.69

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020 ... continued

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
PHEZISILE TRADING ENTERPRISE	22,500.00	0.00	0.00	0.00	0.00	0.00	22,500.00
Phumlani Mkhize And Associates	202,262.40	400,307.60	0.00	0.00	0.00	400,307.60	602,570.00
Pietermaritzburg Power Products Cc	70,868.75	0.00	0.00	0.00	0.00	0.00	70,868.75
Plumbers-In	29,095.00	0.00	0.00	0.00	0.00	0.00	29,095.00
PMB BELTING AND HOSES	0.00	22,181.20	0.00	0.00	0.00	22,181.20	22,181.20
Pmb Drawing And Survey Centre	445.80	21,284.20	0.00	0.00	0.00	21,284.20	21,730.00
POWABATT FITMENT CENTRES	28,421.36	0.00	0.00	0.00	0.00	0.00	28,421.36
Powerrec (Pty) Ltd	1,758,541.20	1,977,099.15	0.00	0.00	0.00	1,977,099.15	3,735,640.35
Powertrans Sales And Services	0.00	27,223.85	0.00	0.00	0.00	27,223.85	27,223.85
Premier Attraction 217	0.00	89,838.00	0.00	0.00	0.00	89,838.00	89,838.00
Ramella Enterprise	0.00	22,491.00	0.00	0.00	0.00	22,491.00	22,491.00
RANDELA GENERAL TRADING	24,265.00	0.00	0.00	0.00	0.00	0.00	24,265.00
Reshebile Aviation and Protection	0.00	795,570.00	0.00	0.00	0.00	795,570.00	795,570.00
Revival Engineering & Hydraulics CC	0.00	0.00	25,754.25	0.00	0.00	25,754.25	25,754.25
Richard Moodley	2,411.00	0.00	0.00	0.00	0.00	0.00	2,411.00
Richmond Automotive Engineers	27,336.18	0.00	0.00	0.00	0.00	0.00	27,336.18
Ricky'S Electrical CC	6,815.89	0.00	0.00	0.00	0.00	0.00	6,815.89
Rock Powerline Electrical CC	79,716.91	132,023.50	0.00	0.00	0.00	132,023.50	211,740.41
Royal Haskoning Dhv (Pty) Ltd	875,725.77	89,596.50	0.00	0.00	0.00	89,596.50	965,322.27
Sabinet	117,996.73	158,727.26	0.00	0.00	0.00	158,727.26	276,723.99
Safeway Safety And Industrial	75,468.75	0.00	0.00	0.00	0.00	0.00	75,468.75
SAILEM ELECTRICAL t/a DEE-EZ	0.00	54,919.54	0.00	0.00	0.00	54,919.54	54,919.54
SAZTOBKOL TRADING AND CONSTRUCTION	0.00	0.00	9,350.00	0.00	0.00	9,350.00	9,350.00
SBD BUSINESS SYSTEMS	1,959,028.71	0.00	0.00	0.00	0.00	0.00	1,959,028.71
Sbusiso Ngubane	900.00	0.00	0.00	0.00	0.00	0.00	900.00
Schindler Lifts (Sa) (Pty) Ltd	122,497.72	0.00	0.00	0.00	0.00	0.00	122,497.72

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020 ... continued

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
Secrete Steps Trading(pty)ltd	382,631.91	116,176.67	0.00	0.00	0.00	116,176.67	498,808.58
Senzangakhona industrial supplies	238.05	0.00	0.00	0.00	0.00	0.00	238.05
Silicon Engineering (Pty) Ltd	0.00	48,629.00	0.00	0.00	0.00	48,629.00	48,629.00
Sivest Sa (Pty) Ltd	448,338.02	0.00	0.00	0.00	0.00	0.00	448,338.02
Sizakancane Trading Enterprise 75	17,163.63	127,299.21	0.00	0.00	0.00	127,299.21	144,462.84
SM777	9,600.00	0.00	0.00	0.00	0.00	0.00	9,600.00
Sobuza Investments Cc	207,785.91	104,635.60	0.00	0.00	0.00	104,635.60	312,421.51
South African Post Office Ltd	2,110.00	0.00	0.00	0.00	0.00	0.00	2,110.00
SPCA (Pietermaritzburg)	230,045.76	0.00	0.00	0.00	0.00	0.00	230,045.76
SPECCOM	108,093.60	3,040,123.89	0.00	0.00	0.00	3,040,123.89	3,148,217.49
special investigation unit	0.00	0.00	0.00	0.00	202,350.00	202,350.00	202,350.00
Spring Lights 1083 CC	117,295.00	0.00	0.00	0.00	0.00	0.00	117,295.00
Stanyer Electroserve Cc	10,350.00	0.00	0.00	0.00	0.00	0.00	10,350.00
Stateway Switchboards (Pty) Ltd	174,831.50	0.00	0.00	0.00	0.00	0.00	174,831.50
Stephens Valves	8,840.61	0.00	0.00	0.00	0.00	0.00	8,840.61
SUPERTECH PINETOWN	0.00	15,906.69	0.00	0.00	0.00	15,906.69	15,906.69
Surel eyo Trading Pty Ltd	9,990.00	0.00	0.00	0.00	0.00	0.00	9,990.00
Tag Outreach	47,164.00	0.00	0.00	0.00	0.00	0.00	47,164.00
Tekmation	0.00	0.00	289,953.99	0.00	0.00	289,953.99	289,953.99
Thabang Goodwill Sewe	8,200.00	0.00	0.00	0.00	0.00	0.00	8,200.00
Thandanani Zondi	4,480.00	0.00	0.00	0.00	0.00	0.00	4,480.00
thando's electrical	152,720.73	0.00	0.00	0.00	0.00	0.00	152,720.73
The Borain Brothers CC	4,906.75	19,659.23	0.00	0.00	0.00	19,659.23	24,565.98
THE LIGHTING SPECIALIST	305,270.58	0.00	0.00	0.00	0.00	0.00	305,270.58
The Tatham Art Gallery Trust	26,550.45	0.00	0.00	0.00	0.00	0.00	26,550.45
Thuthuka 103 Engineering	0.00	93,064.90	0.00	0.00	0.00	93,064.90	93,064.90

CREDITORS AGE ANALYSIS – 31 OCTOBER 2020 ... continued

Vendor	Current	30 Days	60 Days	90 Days	120 Days	Overdue	Net Total
Tomlinson Mnguni James Incorporated	111,771.95	0.00	0.00	0.00	0.00	0.00	111,771.95
Traffic Signals & ACCessories	235,779.33	0.00	0.00	0.00	0.00	0.00	235,779.33
Tuscan Mood 1113 CC t/a	50,252.35	468,973.71	0.00	0.00	0.00	468,973.71	519,226.06
Ubhaqa Air Conditioning	65,551.04	0.00	0.00	0.00	0.00	0.00	65,551.04
UDUMO TRADING 26	1,802,533.00	0.00	0.00	0.00	0.00	0.00	1,802,533.00
Ugesi Contractors Cc	19,939.28	199,417.30	0.00	0.00	0.00	199,417.30	219,356.58
Umgungundlovu District Municipality	503,191.56	0.00	0.00	0.00	0.00	0.00	503,191.56
Universal Knowledge Software Pty Lt	0.00	28,377.42	0.00	0.00	0.00	28,377.42	28,377.42
University Of South Africa	3,050.00	0.00	0.00	0.00	0.00	0.00	3,050.00
USIBALWETHU TRADING	49,347.95	0.00	0.00	0.00	0.00	0.00	49,347.95
Verigreen pty ltd	94,392.00	155,250.00	252,684.90	0.00	0.00	407,934.90	502,326.90
Westwood Insurance Brokers Pty Ltd	8,510.00	7,245.00	0.00	0.00	0.00	7,245.00	15,755.00
William George Paton	2,545.00	0.00	0.00	0.00	0.00	0.00	2,545.00
Windeed Systems pty ltd	373.83	0.00	0.00	0.00	0.00	0.00	373.83
Xaba Attorneys Inc	21,735.00	0.00	0.00	0.00	0.00	0.00	21,735.00
Xolisisizwe Trading And Projects Cc	230,215.84	230,215.84	0.00	0.00	0.00	230,215.84	460,431.68
Zamagadu Trading CC	0.00	10,189.64	0.00	0.00	0.00	10,189.64	10,189.64
Zibambele Machibisa Co-Op	47,725.50	0.00	0.00	0.00	0.00	0.00	47,725.50
Zt Electrical	21,595.54	25,244.89	0.00	0.00	0.00	25,244.89	46,840.43
	293,542,718.49	77,846,214.60	211,966,995.67	1,326,471.25	476,158.08	291,615,839.60	585,158,558.09

Irregular Expend for 2018/2019 & 2019/2020		
Description	2018/2019	2019/2020
1st Quarter	R29,656,694.23	R9,530,476.24
2 nd Quarter	R27,420,867.44	R10,660,725.02
3 rd Quarter	R22,174,602.51	R344,344.34
4 th Quarter	R12,916,804.60	R9,933,471.17
TOTAL	R92,168,968.78	R30,469,016.77

Details of fruitless and wasteful expenditure	19/20
Cancellation of tenders	217 491,99
Interest on late payments: Eskom	1 511,85
Interest on late payments: SARS	
Interest on late payments: Telkom	50 809,95
Office of the Auditor General	
Salaries and wages for suspended employees with unresolved cases within prescribed	5 111 205,83
Clive Lotz remuneration - Investigation	
N C Gambu remuneration - non attendance of meetings	
	5 381 019,62

Analysis

Irregular expenditure year on year has decreased drastically from R 92,168,968.78 in the 18/19 FY to R30,469,016.77 in the 19/20 FY

2019/2020 Reasons for Irregular Expenditure

- SCM Regulation 21: Advertising less than 30 days (R1,145,537.47)
- SCM Regulation 36 and advertising less than 30 days (R532,082.40)
- Expired Contracts (R627,512.97)
- SCM Regulation 31: Non-compliance (R 28,163,883.93)

Remedial Actions

- The Internal Audit Unit of the municipality is currently reviewing the investigation reports for the 2013/2014, 2014/2015, 2017/2018 as well as 2018/2019 financial years.
- Investigations on Fruitless and Wasteful Expenditure for 2019/2020 have commenced
- Investigations on Irregular Expenditure for the same period is at planning stage as at 31 August 2020.

- The total Value of deviations awarded amount to R 36,237,312.52
- It be note that this amount exclude deviation that are rate based
- And expenditure spend under strip and quote which amount to R2,262,289.14

Contract No.	Description	Service Provider	Amount	Reason for Deviating
Contract No.2/S36 OF 19/20	REFURBISHMEMENT OF THE FREEDOM SQUARE TAXI RANK	Hi-GLEN Construction	R350,232.87	due to the extreme urgency of the work, Council cannot proceed with normal tender procedures. Threat to vacate the taxi ranks will create negative publicity and traffic congestion.
Contract No.3/S36 OF 19/20	UNBLOCKING OF STORM WATER DRAINS, SEWER PIPES, MANHOLES FROM BASEMENT TAXI RANK	Yeshua Aquajet	R217,500.00	due to the extreme urgency of the work, Council cannot proceed with normal tender procedures. Threat to vacate the taxi ranks will create negative publicity and traffic congestion.
Contract No.6/S36 OF 19/20	SUPPLY, DELIVERY AND OFF-LOADING OF INSULATED ELECTRIC CABLES	Kush J Trading	Rate Based	Due to no responsive tenderers on the main tender that was advertised, as an interim measure the municipality averted to purchase the cables under emergency conditions since there is a critical shortage of cables. This will have dire consequence on the municipality's ability to maintain and restore electricity and water supply to customers.

Contract No.	Description	Service Provider	Amount	Reason for Deviating
Contract No.8/S36 OF 19/20	RESTORATION OF CONCRETE AND STEEL PALISADE FENCING, INSTALLATION OF NEW RAZOR WIRE	Gaba and KK Construction and Civils (Pty) Ltd	R2,165,662.75	This request is done under Emergency. Under the present circumstances, the situation is dire as waste pickers are residents at the periphery of the site; fires erupt almost every day, council property is vandalized and waste pickers roam the site forcefully and dangerously ride the vehicles bringing waste to site, which has also led to fatalities. It is essential and urgent that the landfill site be secured as a matter of extreme urgency in view of the imminent risk of fires, inconvenience to the residents, contravention of Environmental Legislation and further vandalism.
Contract No.9/S36 OF 19/20	APPOINTMENT OF SECURITY SERVICE PROVIDER FOR THE PROVISION OF VIP PROTECTION	Takelaw Contracting and Trading	Rate Based	it is not possible to follow tender process, Municipal firearms were seized in May by the SAPS National intervention Unit as part of a routine audit, this necessitated that a swift interim measure be taken in terms of provision of an armed security services to the Political Office Bearers.
Contract No.10/S36 OF 19/20	DISPOSAL OF TIMBER (STANDING SALE) FOR THE MSUNDUZI FORESTRY COMPANY	Inzama Contractors	R 18,908,186.90	it is therefore impossible to follow normal processes, tenders advertised were found to be none responsive , the Msunduzi Forestry Company has missed two harvesting and timber sale seasons since the municipality took over forestry management because of the delay in identifying a suitable service provider. The rationale for the sale method is to salvage the value of the current mature timber that has reached its peak resale value and the condition of timber dictates that the municipality cannot wait for finalization of the SCM process.

Contract No.	Description	Service Provider	Amount	Reason for Deviating
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Contract No.9/S36 OF 19/20	APPOINTMENT OF SECURITY SERVICE PROVIDER FOR THE PROVISION OF VIP PROTECTION	Takelaw Contracting and Trading	Rate Based	it is not possible to follow tender process, Municipal firearms were seized in May by the SAPS National intervention Unit as part of a routine audit, this necessitated that a swift interim measure be taken in terms of provision of an armed security services to the Political Office Bearers.
Contract No.10/S36 OF 19/20	DISPOSAL OF TIMBER (STANDING SALE) FOR THE MSUNDUZI FORESTRY COMPANY	Inzama Contractors	R 18,908,186.90	it is therefore impossible to follow normal processes, tenders advertised were found to be none responsive , the Msunduzi Forestry Company has missed two harvesting and timber sale seasons since the municipality took over forestry management because of the delay in identifying a suitable service provider. The rationale for the sale method is to salvage the value of the current mature timber that has reached its peak resale value and the condition of timber dictates that the municipality cannot wait for finalization of the SCM process.

SECTION 36 DEVIATIONS 2019/2020 ... continued

Contract No.	Description	Service Provider	Amount	Reason for Deviating
Contract No.11/S36 OF 1920	ALLEVIATING HEALTH HAZARDS AND RESTOTATION OF NEW ENGLAND ROAD LANDFILL STE	Surg SUT PTY Ltd	R 7,924,800.00	<p>This request is done under emergency,</p> <ul style="list-style-type: none"> • Fires occasionally erupt at the Landfill site,. • The fumes from the fires constitute a health risk to plant and the of Sobantu, businesses and schools. • The leachate system has to be repaired urgently since the water containing impurities and poisonous substances • The manager at landfill in on suspension • CV sourced from COGTA did • the Municipalities that have properly managed landfill sites were approached with the request that they second to the Msunduzi Municipality one of their suitably qualified human resources to run our sites, but to no avail. • A request was also made to COGTA. The CV's of the candidates they had were given to the Municipality but unfortunately, none had the requisite qualifications and experience.
Contract No.12/S36 OF 1920	SUPPLY AND DELIVERY OF CYLINDER MOWER	Afgri Equipment	Rate Based	<p>it is no possible to follow tender process,</p> <ul style="list-style-type: none"> • Maritzburg United is currently utilizing Harry Gwala Stadium for all their Premier Soccer League (PSL) games. • The pitch requires highly specialized equipment for verti cutting. Due to no tenderers received on the main tender that was advertised. • It is critical that the mower specified is procured, as it will ensure that the pitch is complying as per PSL (Premier Soccer League) Standards.

SECTION 36 DEVIATIONS 2019/2020 ... continued

Contract No.	Description	Service Provider	Amount	Reason for Deviating
Contract No.13/S36 OF 19/20	APPOINTMENT OF A SERVICE PROVIDER FOR THE FUMIGATION OF MSUNDUZI TAXI RANKS, HALLS AND AMENTIES	Yeshua Aquajet	R 4,435,000.00	This request is done under Emergency, According to the Disaster Management Act: Regulations to address, prevent and combat the spread of coronavirus COVID-19, THE South African Government has, as precautionary measures to mitigate the health and safety risk and to respond to COVID-19 pandemic, issued a directive that the municipalities should provide temporary sanitation and hygiene services in areas that are in demand.
Contract No.14/S36 OF 19/20	SUPPLY AND DELIVERY OF COVER MATERIAL FOR THE NEW ENGLAND LANDFILL SITE	Masiqhambe Trading 1244	Rate based	<p>It is not possible to follow the SCM processes as such processes cannot be finalized and have the service provider appointed within four months.</p> <ul style="list-style-type: none"> According to the Landfill Licence condition, 5.3.9 the waste deposited at the landfill site must be compacted and covered at the end of each working day with a minimum of 150mm of soil or other material approved by the licencing authority. According to condition 5.3.10, sufficient cover material, enough for at least two (2) weeks must be stock piled within or in close proximity to the site at all times. These conditions have not been complied with due to the fact that the landfill compactors have been broken for a lengthy period of time and repairs were delayed as some of the parts had to be sourced abroad. the Municipality was issued with two compliance notices by the Department of Economic Development, Tourism and Environmental Affairs, with the second one giving an ultimatum that the waste be covered and compacted within seven days. Because of the current national lockdown as a result of the COVID-19 pandemic.

SECTION 36 DEVIATIONS 2019/2020 ... continued

Contract No.	Description	Service Provider	Amount	Reason for Deviating
Contract No.16/S36 OF 19/20	SUPPLY AND DELIVERY OF COVID-19 PERSONAL PROTECTIVE EQUIPMENT	Into Engalali Trading Enterprise, Lukhona Project and Development, Maduvane Trading Enterprise, MBX Packaging and Allied Services, Zathamis	Rate based	<p>This request is done under Emergency;</p> <ul style="list-style-type: none"> National Treasury issued an Instruction Note No.08 OF 2019/2020 that gave guidance that need to be followed in response to the COVID-19 procurement of goods and services. The Department of Public Services and Administration issued Circular 07 of 2020 that gives guidance for the containment and management of the Corona Virus in the Public Services. Paragraph 2.6.19 of the said Circular and reads as follows: "It is incumbent on departments to procure sufficient hand sanitizers, soap, gloves, masks, tissues and when possible temperature scanners for use to monitor employee's possible exposure in terms of the COVID-19 symptoms. The procurement of such equipment must be defrayed from departments existing budget allocations".The COVID-19 pandemic is a situation that justifies the use of emergency procurement provisions.
Contract No.17/S36 OF 19/20	SUPPLY AND DELIVERY OF ELECTRIC LAMPS AND ACCESSORIES	ARB Electrical Wholesalers & Manavi Enterprises	Rate based	<p>It is impossible to follow normal tender processes ,</p> <ul style="list-style-type: none"> The lockdown has adversely added a delay in the finalization of the Supply and Services Contract No. E6 of 2019: Supply & Delivery of electric lamps & accessories . This contract covers for supply, delivery of electrical installations and distribution related items and they will be kept at the municipal stores Municipal Stores to issue to the Electricity department. In terms of regulation 36(1)(a)(v) the regulation allow deviation where it is impractical to follow normal Supply Chain processes, the normal process have been followed , the delay is mainly caused by the COVID-19 in finalization of the current bid (Supply and Services Contract No. E6 of 2019: Supply & Delivery of electric lamps & accessories) hence the request to invoke section36 (1) (a)(v).

SECTION 36 DEVIATIONS 2019/2020 ... continued

Contract No.	Description	Service Provider	Amount	Reason for Deviating
Contract No.18/S36 OF 19/20	SUPPLY AND DELIVERY OF WATER AND SANITATION SUPPLIES	Diya Valves International & Ekuseni Investment Holdings	Rate based	<p>It is impossible to follow normal tender processes ,</p> <ul style="list-style-type: none"> • The lockdown has adversely added a delay in the finalization of the Supply and Delivery of Water and Sanitation Supplies No.1 of 2019: Section 4 tender . • In terms of regulation 36(1)(a)(v) the regulation allow deviation where it is impractical to follow normal Supply Chain processes, • the normal process have been followed , the delay is mainly caused by the COVID-19 in finalization of the current bid (SS NO1 OF 2019: SECTION 4) hence the request to invoke section36(1)(a)(v).
Contract No.20/S36 OF 19/20	SUPPLY AND DELIVERY OF COVID-19 PERSONAL PROTECTIVE EQUIPMENT	Amabhansi, Orap Medical Supplies, XQZ IT Construction and Related Projects	Rate based	<p>This request is done under emergency,</p> <ul style="list-style-type: none"> • National Treasury issued an Instruction Note No.08 OF 2019/2020 that gave guidance that need to be followed in response to the COVID-19 procurement of goods and services. • The Department of Public Services and Administration issued Circular 07 of 2020 that gives guidance for the containment and management of the Corona Virus in the Public Services. Paragraph 2.6.19 of the said Circular and reads as follows: "It is incumbent on departments to procure sufficient hand sanitizers, soap, gloves, masks, tissues and when possible temperature scanners for use to monitor employee's possible exposure in terms of the COVID-19 symptoms. • The procurement of such equipment must be defrayed from departments existing budget allocations. The COVID-19 pandemic is a situation that justifies the use of emergency procurement provisions.

Impact on Revenue Collection

- There is a notable increase of Debtors Book
- Reduction in employment levels affected the ability of debtors to honour their monthly payments
- The Post Office was not working at 100% capacity, so not all accounts were being posted monthly to debtors.
- The municipality was unable to disconnect at full capacity due to shortage of employees, inaccessible properties and a prohibition by KZN Cogta
- Water restrictions are not taking place thus increasing municipal losses.
- In April the collection fell to 62% from 86% in March 2020. In May the collection picked up to 82% but fell again to 68% by the end of June 2020.

SUMMARY EXPENDITURE ON COVID-19 RELATED ACTIVITIES/GOODS/SERVICES

Covid-19 related expenditure is not limited to Personal Protective Equipment (PPE) but a variety of other items including overtime due to shortage of employees, homeless shelters, tools of trade, fumigation of public areas, etc.

Overtime	11,082,073
Protective clothing (other general workers not only health workers)	3,534,723
Sanitization of office building	1,399,847
General - other	195,414
Disaster Provision Items	251,560
Feeding of homeless/food distribution	37,553
Sanitization of taxi ranks	4,435,000
Hired/bought tents	238,000
Provision for homeless	3,003,854
TOTAL	24,178,022

Below is a summary of expenditure per supplier:

Supplier	Item / Product Description	Unit of Measure	Price per unit	Quantity in units	Subtotal per Item	Total per Supplier
Overtime	Overtime Traffic, Disaster Management and ABM		11,082,073	1	11,082,073	11,082,073
Existing Stock	Emergency Food Parcels	each	250	150	37,553	37,553
Amabhansi	Face masks 3 ply surgical	Each	36	3,000	108,000	401,000
	Face masks 3 ply surgical	Each	36	8,000	288,000	
	Gloves examination latex	Each	3	1,000	2,500	
	Gloves examination latex	Each	3	1,000	2,500	
Eudemnia	Electrical Repairs to building housing homeless		1,303,854	1	1,303,854	1,303,854
Into engalali trading Enterprise	Gloves examination latex	box	127	600	76,440	184,080
	Hand sanitizer 500ml	Each	54	1,000	53,820	
	Hand sanitizer 500ml	Each	54	1,000	53,820	
Lokomotive events	Face masks 3 ply surgical	Each	14	10,000	135,000	135,000
Lukhona Projects	Disinfectant trolley wipes 5l/kg	Each	380	50	19,000	93,950
	Thermometer medical type non contact	Each	1,499	50	74,950	

Below is a summary of expenditure per supplier:

Supplier	Item / Product Description	Unit of Measure	Price per unit	Quantity in units	Subtotal per Item	Total per Supplier
Maduvane Trading Enterprise	Hand sanitizer Gel 5L	Each	406	100	40,580	267,828
	Hand sanitizer Gel 5L	Each	406	160	64,928	
	Hand sanitizer Gel 5L	Each	406	400	162,320	
MBX Packaging and allied services	Face masks 3 ply surgical	Each	14	10,000	135,000	468,000
	Face masks 3 ply surgical	Each	14	10,000	135,000	
	Hand sanitizer waterbase 5L	Each	330	300	99,000	
	Hand sanitizer waterbase 5L	Each	330	300	99,000	
MS. Ballim: Reimburse	Sanitizer	5 litre containers	668	8	5,346	5,346
Orap medical supplies	Disposable gown sterile	Each	112	400	44,600	199,360
	Masks with face shield	Each	112	400	44,600	
	Mop caps hair net pkt 100	Each	75	400	29,960	
	N95 Masks	Each	89	400	35,600	
	Overshoes pkt 100	Each	112	400	44,600	
Pietermaritzburg Power Products	Electrical mist blower/sprayer	Each	7,250	10	72,500	72,500

Below is a summary of expenditure per supplier:

Supplier	Item / Product Description	Unit of Measure	Price per unit	Quantity in units	Subtotal per Item	Total per Supplier
QUI Trading	Face masks 3 ply surgical	Each	14	10,000	135,000	168,750
	Thermometer medical type non contact	Each	1,350	25	33,750	
Reimbursement: LL. Singh	Patching of hoses		514	1	514	514
Rural Metro Emergency Management	Disposable Suits (x10)	each	443	10	4,425	8,850
	Disposable suites	Each	443	10	4,425	
Safeway safety & industrial supplies	Knapsack sprayer	Each	560	40	22,400	88,025
	Petrol mist blower/sprayer	Each	4,375	15	65,625	
Siyakulis	Blankets (x500)	each	134	500	67,000	133,000
	Mattresses (x500)	each	132	500	66,000	
Tarpaulin Bag and Tents	Tents (x 70)	each	3,400	70	238,000	238,000
Vanguard Inland	Bullard Visors (x20)	each	1,235	20	24,700	254,243
	Fire fighting boots (x64)	each	1,792	64	114,688	
	Fire fighting Gloves (x83)	each	1,005	83	83,415	
	Helmets (x3)	each	2,650	3	7,950	
	Lifeline Hoods NFPA (x29)	each	810	29	23,490	

Below is a summary of expenditure per supplier:

Supplier	Item / Product Description	Unit of Measure	Price per unit	Quantity in units	Subtotal per Item	Total per Supplier
XQZ IT Construction and related projects	Disinfectant trolley wipes 2l/kg	Each	1,847	5	9,233	2,171,338
	Disinfectant trolley wipes 5l/kg	Each	185	100	18,500	
	Disinfectant trolley wipes 5l/kg	Each	425	400	170,000	
	Empty spray bottle 1 L	Each	85	5	425	
	Empty spray bottle 2 L	Each	150	6	900	
	Empty spray bottle 500ml	Each	40	200	8,000	
	Empty spray bottle 500ml	Each	40	255	10,200	
	Empty spray bottle 750ml	Each	60	30	1,800	
	Face masks 3 ply surgical	Each	5	10,000	45,000	
	Face masks 3 ply surgical	Each	40	12,487	499,480	
	Face masks 3 ply surgical	Each	38	12,900	483,750	
	Face masks 3 ply surgical	Each	13	30,000	375,000	
	Gloves examination latex	Each	700	5	3,500	
	Gloves examination latex	Each	350	116	40,600	

Below is a summary of expenditure per supplier:

Supplier	Item / Product Description	Unit of Measure	Price per unit	Quantity in units	Subtotal per Item	Total per Supplier
XQZ IT Construction and related projects	Gloves examination latex	Each	350	150	52,500	2,171,338
	Gloves examination latex	Each	150	200	30,000	
	Hand sanitizer 500ml	Each	150	350	52,500	
	Hand sanitizer 500ml	Each	150	500	75,000	
	Hand sanitizer Gel 5L	Each	650	50	32,500	
	Hand sanitizer Gel 5L	Each	245	150	36,750	
	Hand sanitizer Gel 5L	Each	650	266	172,900	
	Hand sanitizer waterbase 5L	Each	600	10	6,000	
	Hand sanitizer waterbase 5L	Each	600	78	46,800	
Yeshua Aquajet	Fumigation of the various Taxi Ranks and CBD Roads within the Msunduzi Municipal area		4,435,000	1	4,435,000	4,435,000

Below is a summary of expenditure per supplier:

Supplier	Item / Product Description	Unit of Measure	Price per unit	Quantity in units	Subtotal per Item	Total per Supplier
YSF Property Fund	Refurbishment of old Transnet Offices, AF Wood Hall and old Municipal Offices all used to accommodate the homeless people related to Covid-19.		1,700,000	1	1,700,000	1,700,000
Zain Brothers	Food Parcels (x150)	each	790	150	118,560	118,560
Zamiphilo developmets projects	Thermometer medical type non contact	Each	1,700	26	44,200	86,200
	Thermometer medical type non contact	Each	1,400	30	42,000	
Zathamis (Pty) Ltd	Face masks 3 ply Cloth	Each	35	5,000	175,000	525,000
	Face masks 3 ply Cloth	Each	35	10,000	350,000	
					24,178,022	24,178,022

- Reduction in Consultants, by creating internal capacity and filling critical vacancies. In 2019/2020 the municipality spent R183 393 979 on consultants.
- Overtime budget has been reduced drastically by 60%, General Managers responsible for monitoring overtime cost.
- Reduction in legal fees by increasing internal capacity.
- Acquisition of laptops for councilors results to huge reduction in stationery as a results of a paperless system.
- Review current photocopying contract and reduce number of machines on site.
- Furniture and Equipment budget for office staff reduced to the borne.
- Filling of critical vacancies results to reduction in acting allowances.
- Utilization of Transversal contract.

COST CONTAINMENT MEASURES – COST DRIVERS

Cost Drivers	Audited Actual 2018/2019 millions	Unaudited Actual 2019/2020 millions	Movement
Security Cost	R81.1	R78.1	↓
Legal Fees	R24.9	R15.3	↓
Consultants Fees	R126.8	R114.4	↓
Water Bulk	R556.7	R735.2	↑
Electricity Bulk	R1 575.4	R1 755.8	↑
Overtime	R99.4	R109.8	↑
Standby Allowances	R17.5	R28.5	↑
Fuel and Oil	R31.9	R28.0	↓
Repairs and Maintenance	R119.0	R57.7	↓
OVERALL	R2632,7	R2 922,80	↑

EFFECT OF COST CONTAINMENT

- Cost containment measures are supposed to reduce costs but the table illustrates the opposite in Msunduzi
- The main contributing areas were water which grew by just over 32%, electricity 11.4%, overtime 10.4% and standby allowances 62.8%.
- Clearly the cost containment measures of the municipality did not produce the desired outcomes or were not effective, overall.

REMEDIAL STEPS

- Council should take the lead and **actively support** management in dealing with the root causes of increasing costs. These include high water and electricity losses, abuse of overtime and standby allowances and general acts of maladministration, fraud and corruption. The current mass disconnection programme will go no where unless supported by councillors.

COST CONTAINMENT - RELIANCE ON CONSULTANTS

- The municipality spent over R200m on consulting services between July 2019 & October 2020

BUSINESS UNIT	AMOUNT	NUMBER OF CONTRACTS	%
CBU	R20,347,420.47	12	9.7%
Budget And Treasury	R58,638,701.65	10	27.9%
Community Services	R 8,638,917.00	8	2.2%
Sustainable Development	R16,464,276.20	13	8.8%
Infrastructure Services	R85,102,922.00	56	42.1%
Corporate Services	R5,471,336.02	4	2.6%
Legal Services by Various Business Units	R13,211,413.44	4	6.6%
TOTAL EXPENDITURE	R207,874,986.34	107	100%

OVER RELIANCE ON CONSULTANTS

- There is no doubt that the municipality relies heavily on consultants for activities that could possibly be insourced.
- The Internal Audit Unit, the Budget and Treasury Office, Infrastructure Services and Legal Services can be weaned from this over reliance on consultants by building internal capacity. This will not be achieved in one year and cannot be achieved if not purposeful in approach.

REMEDIAL STEPS

- Measures to be put in place to plan for, implement, monitor and measure the outcomes of the plans to reduce the municipality's reliance on consultants over a period of at least three years. Key to this is the training and development of employees and the implementation of retention strategies.

COST CONTAINMENT – PERFORMANCE TO DATE

DETAILS	2019/20 ACTUAL R	2020/21 BUDGET R	2020/21 YTD (30 Nov 20) R	2020/21 COMMITMENT	VARIANCE
Bulk Purchases –Water	735 226 951	652 056 021	291 586 061	0	360 469 960
Bulk Purchases – Electricity	1 755 899 646	1 956 168 063	914 513 484	0	1 041 654 579
Consultants	109 278 439	94 699 976	20 765 841	12 329 225	61 604 908
Security Services	70 182 729	75 559 439	37 917 621	363 041	37 278 776
Overtime	109 881 709	49 054 276	43 145 626	0	5 908 649
Printing & Stationery	2 169 845	5 311 833	961 417	256 101	4 094 314
S &T	261 531	3 786 677	79 233	0	3 698 849
Leases – Machinery & Equipment	3 241 799	5 945 837	501 826	2 972 000	2 472 010
Water Tankers		11 727 024	3 721 778	4 921 439	3 083 806

- **NOTES** – The expenditure to date on bulk purchases for both water and electricity is worrying. If the trend continues the municipality is likely to overspend on both items. Cost containment measures including dealing with illegal connections, war on leaks, etc. should be intensified. The level of intensity in dealing with illegal connections should match the disconnections of late or non-paying consumers.

- **Consultants** - Not much change has been seen as far as use of consultants is concern. All business units have revised their organograms to improve internal capacity. Filling of vacancies has been prioritized in order to reduce use of consultants.
- **Security** - We have seen an increase in security cost due to an increase in number of VIP protection for both officials and councilors. Filling of vacancies has been prioritized in order to reduce use of external security.
- **Overtime** - Overtime budget has been reduced drastically. The Accounting Officer has issued instructions that overtime will be limited to 10 hours a month. Filling of vacancies is being prioritized in order to limit overtime work.
- **Bulk Purchases** - We have not seen any improvement as yet on the reduction of bulk purchases. A bulk of cost is on losses which must be addressed.
- **Travel and Subsistence** - Travelling expenses have been reduced drastically.
- **Printing and Stationery** - No more printing of agendas for council committee since meetings are held via MS Teams therefore printing cost have reduced. The cost of leasing copy machines will be reviewed.
- **Catering** - No more catering for meetings since meetings are held virtually.

BUDGET AND REPORTING

BUDGET AND REPORTING – SPECIAL ADJUSTMENT BUDGET

KZN225 Msunduzi - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	4	5	6	7	8	9	10		
R thousands	A	A1	B	C	D	E	F	G	H		
Revenue By Source											
Property rates	1,269,795	–	–	–	–	–	–	–	1,269,795	1,339,633	1,420,011
Service charges - electricity revenue	2,584,776	–	–	–	–	–	–	–	2,584,776	2,781,219	2,998,154
Service charges - water revenue	722,633	–	–	–	–	–	–	–	722,633	794,896	874,386
Service charges - sanitation revenue	152,022	–	–	–	–	–	–	–	152,022	160,383	170,006
Service charges - refuse revenue	116,333	–	–	–	–	–	–	–	116,333	122,731	130,095
Rental of facilities and equipment	29,079							–	29,079	30,678	32,519
Interest earned - external investments	15,260							–	15,260	16,100	17,066
Interest earned - outstanding debtors	202,458							–	202,458	213,593	226,409
Fines, penalties and forfeits	1,799							–	1,799	1,897	2,011
Licences and permits	1,120							–	1,120	1,181	1,252
Agency services	602							–	602	635	673
Transfers and subsidies	675,483					88,998		88,998	764,481	724,436	781,098
Other revenue	146,452	–	–	–	–	–	–	–	146,452	154,507	163,777
Total Revenue (excluding capital transfers and contributions)	5,917,810	–	–	–	–	88,998	–	88,998	6,006,808	6,341,889	6,817,456

BUDGET AND REPORTING – SPECIAL ADJUSTMENT BUDGET

KZN225 Msunduzi - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	4	5	6	7	8	9	10		
R thousands	A	A1	B	C	D	E	F	G	H		
Expenditure By Type											
Employee related costs	1,478,324	–	–	–	–	–	0	0	1,478,324	1,574,415	1,676,752
Remuneration of councillors	53,650						0	0	53,650	56,333	59,150
Debt impairment	123,904							–	123,904	130,099	135,303
Depreciation & asset impairment	489,941	–	–	–	–	–	(7,500)	(7,500)	482,441	523,339	547,413
Finance charges	31,793						4,712	4,712	36,505	28,331	20,014
Bulk purchases	2,608,224	–	–	–	–	–	–	–	2,608,224	2,816,882	3,070,401
Other materials	46,613						17,097	17,097	63,710	58,865	62,025
Contracted services	464,723	–	–	–	–	–	26,738	26,738	491,460	519,708	542,420
Transfers and subsidies	25,080						33,600	33,600	58,680	39,757	40,882
Other expenditure	194,223	–	–	–	–	–	(28,034)	(28,034)	166,189	179,482	190,174
Total Expenditure	5,516,477	–	–	–	–	–	46,612	46,612	5,563,090	5,927,213	6,344,534
Surplus/(Deficit)	401,333	–	–	–	–	88,998	(46,612)	42,386	443,718	414,676	472,922
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	525,892							–	525,892	487,849	455,969
								–	–		
Surplus/ (Deficit) for the year	927,224	–	–	–	–	88,998	(46,612)	42,386	969,610	902,526	928,891

2019/2020

- **Monthly Reports** – Complied except for quarter three (not submitted). Quarter three resolved at the end of the financial year
- **Quarterly Reports** - All four reports quarterly reports/ i.e. complied
- **Mid-Year** - Complied
- **Annual Financial Statements** - Complied

2020/2021

- **Original Budget** – Submitted with errors resulting in the withholding of the 2020/2021 Equitable Share for
- **July** – submitted and confirmed
- **August** – submitted on 18 September 2020

ANALYSIS

- From July 2017 municipalities were no longer expected to prepare and submit reports manually.
- Some of the reports (data strings) that are supposed to be generated automatically from SAP include: Tabled budget (TABB), Original budget (ORGB), Adjusted budget (ADJB), Monthly actuals from (M01 up to M12) and IDP
- Failure by Msunduzi Municipality to submit error free data strings at the end of the 2019/2020 financial year resulted in the municipality's equitable share being withheld for 30 days.

- In terms of mSCOA regulations all municipalities were required to go-live on mSCOA transacting as from July 2017.
- In order to comply with this requirement municipalities had the option to undertake major system overhaul or procure new integrated systems that were dubbed mSCOA compliant
- Msunduzi opted to migrate from Promis to SAP during the 2016/2017 financial year and appointed EOH to implement the new system. At the time it was believed that SAP would soon meet the requirements for an mSCOA compliant system. To date SAP is not mSCOA compliant.
- The fundamental requirement of mSCOA is the preparation of budget on the system as well as the monthly schedule C reports. This means that the financial system must have effective IDP and Budget modules. Currently the Msunduzi SAP is incapable of producing these reports.
- The municipality parted ways with EOH in March 2019. Elements of the system to make it mSCOA compliant were however still outstanding. The municipality decided to take legal action against EOH for uncompleted work and also for providing the municipality with a system that is not mSCOA complaint. Summons are ready to be issued to EOH.

Remedial Actions

- A GAP analysis was undertaken by the BTO in consultation with internal audit and it identified all modules that will be required to ensure mSCOA compliance
- Management are preparing to go out on tender and appoint a service provider that will ensure that will implement outstanding modules and ensure that the system is mSCOA compliant.
- In the meantime to ensure compliance BTO generates raw data from SAP which is then prepared manually to enable the submission of data strings (reports) to the National Treasury Portal.

SAP - 'THE ACHILLES HEEL OF MSUNDUZI'

ITEM	VALUE
Project Implementation (EOH)	78 860 879,19
Support(EOH)	42 840 900,00
mSCOA Upgrade (EOH)	8 091 440,44
Data Services	2 205 216,00
Issue Log and Risk	4 147 856,90
Project and Change Management	9 614 169,34
Safe City	10 162 188,00
Quality Assurance	41 612 812,42
Data Migration	8 839 446,00
Support (Nambithi) - 2018/2019	10 284 401.13
Support (Nambithi) – 2019/2020	32 364 154.61
Support (Nambithi) – 2020/2021	2 391 696.84
Total costs to date	251 415 160,87
Under dispute (Msunduzi / EOH)	61 695 766,23
TOTAL incl disputed amount	313 110 927,10



Challenges

- Incorrect billing as a result of errors in meter readings and estimates
- High level of reliance on consultants even for basic transactions and reporting
- Inadequate training or lack of assimilation to new technology
- The scratched out modules remain outstanding (never implemented)
- Both the Budget & Planning as well as the IDP Modules are key to mSCOA compliance
- Costs to date do not include the costs of litigation which are unknown at this stage

Remedial Actions

- Introduce electronic methods of meter reading
- Ongoing training for meter readers including consequence management measures
- Management in the process of procuring suitably qualified service to implement outstanding modules and make SAP mSCOA compliant
- Reevaluate the efficacy of SAP

PART TWO

3. SERVICE DELIVERY

MIG FUNDED PROJECTS 2020/2021

Project Description	2020/21 FY Budget	NOR Amounts	Expenditure against budget to date (Excl. VAT)	Shortfall	Comments
Upgrade of Gravel Roads in Vulindlela ward 1 (Shayamoya Road)	R3 000 000	R107,950,000	R2 240 989	R5 000 000	Project Complete
Upgrade of Gravel Roads in D2069 ward 2	R1 700 000	R20,705,200	R0	R1 100 000	Project In-Complete
Upgrade of Gravel Roads in Vulindlela ward 3	R3 000 000	R28,290,000	R2 608 695	R5 900 000	Project In-Complete
Upgrade of Gravel Roads in Vulindlela ward 4	R3 000 000	R92,550,000	R2 497 638	R740 000	Project In-Complete
Upgrade of Malala Road in ward 5	R1 700 000	R54,012,000	R1 471 999	R4 000 0000	Project In-Complete
Upgrade of Gravel Roads in ward 9 (Duma Road)	R3 000 000	R22,020,000	R906 469	R560 000	Project Complete
Rehabilitation of Gravel Roads in Azalea ward 10	R0	R12,885,455	R0	R240 000	Project Complete
Upgrade of Station Road Bridge in ward 11/12	R0	R16,213,258.44	R0	R500 000	Project Complete
Upgrade of Gravel Roads in ward 17 (Shenstone Ambleton Road)	R1 000 000	R71,970,000	R0	R5 000 000	Project In-Complete
Upgrade of Gravel Roads in ward 20 (Harewood Road)	R1 700 000	R35,000,900	R1 598 119	R2 300 000	Project In-Complete
Upgrade of Gravel Roads in ward 8 (Masoyi Road)	R3 000 000	R59,655,000.00	R0	R4 350 000	Project In-Complete
Community Hall in ward 5	R0	R11,168,009.38	R0	R1 000 000	Project In-Complete
Community Hall in ward 7	R1 000 0000	R11,061,886.98	R 150 000	R1 000 000	Project In-Complete
Community Hall in ward 8	R1 000 0000	R11,061,886.98	R 288 951	R3 000 000	Project In-Complete
Community Hall in ward 18	R0	R9,112,368.55	R0	R 56 000	Project In-Complete
Upgrade of Landfill site	R2 000 0000	R41,080,850.00	R1 532 007	R1 820 000	Project Complete

	Allocated	Total Actual	%
	Budget	Expenditure	
MIG (CAPEX)	188 639 228	79 703 874	35.66
MIG (ADMIN)	7 488 772	2 830 406	37.80
MIG (TOTAL)	196 128 000	70 093 944	35.74

NOTES:

- The performance should have been 45% as at 10 December.
- The risk that the municipality may not receive the last tranche has therefore increased.
- The last tranche will be just over R36m. If not received, it will have a major impact on service delivery
- Management has submitted a turn around plan to Cogta. It remains to be seen whether this will be approved.

ELECTRICITY

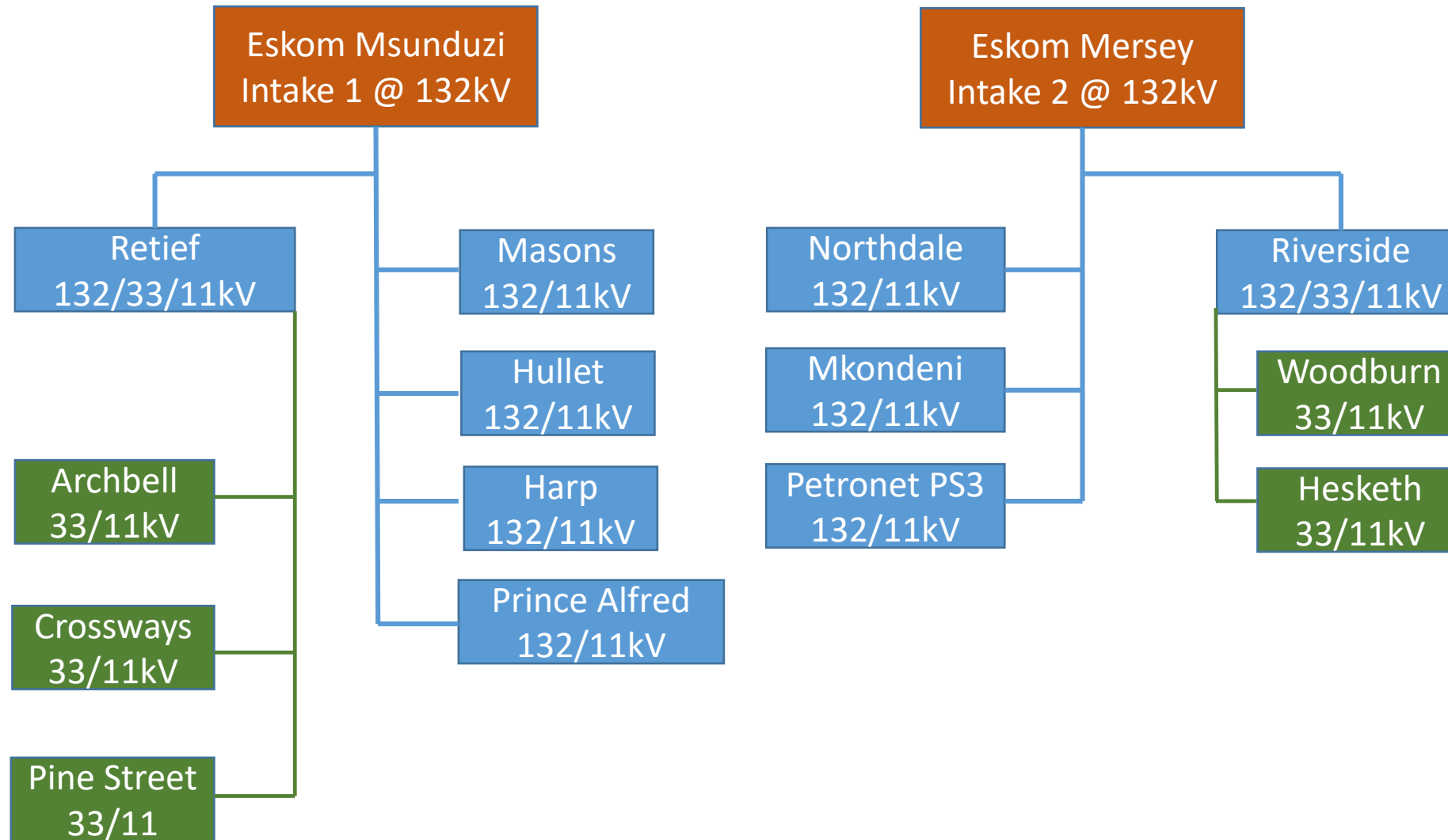
ENERGY DEMAND AND SUPPLY IN MSUNDUZI

- The notified maximum demand (NMD) from ESKOM is 370MVA (This is the connected load)
- There are two infeeds, namely; Mersey (190MVA) and Msunduzi (180MVA)
- The maximum peak in 2020 was 305 MVA, i.e. 82% of the NMD (Power consumed in 2020, i.e. 82% of connected load)
- The firm capacity has been exceeded by 125MVA (Firm capacity is the amount of energy guaranteed to be available)

PRIMARY SUBSTATIONS

- There are 15 primary substations, with various voltage levels raging from 132/88/33/11kV
- These primary substations cannot be fully interconnected due to variation in voltage levels
- This limit the substation capacity in sharing the load in case of emergencies as a contingency measure
- Most of the primary substation equipment are obsolete. There are no longer spare parts available from the suppliers

Existing Primary Substation Network



Existing Primary Substation Network ... continued

Primary Substation Name	Status of the substation	Loads
Archbell (33 KV)	Obsolete, confined location limiting expansion. Voltage requires upgrade from 33/11kV to 132/11kV.	This substation is feeding the provincial government offices, provincial legislature and premier's office, the CBD and the City Hall.
Crossways (33 KV)	Obsolete, overloaded. Voltage requires upgrade from 33/11kV to 132/11kV.	This substation is feeding Hilton and Sweetwaters. One of the transformer's insulating oil condition is poor, fails dielectric strength test and contains excess water.
Harp (132 KV)	Dedicated substation	Feeding Hulamin
Hesketh (33 KV)	Obsolete Voltage requires upgrade from 33/11kV to 132/11kV.	The substation is feeding the Hayfields, Lincoln Meade. It also feeds the UMngeni Waste Water Works site at Darvill, which takes about 5 MVA. This is a very critical circuit, when it's off, more environmental damage is caused on the Msunduzi river.

Existing Primary Substation Network ... continued

Primary Substation Name	Status of the substation	Loads
Hulamin (132 KV)	Dedicated substation	This substation is feeding Hulamin (our biggest customer) Slangspruit, AFROX, Newport road industries, Edendale private hospital, Transnet. The transformers are badly leaking and oil need to be reclaimed and leaks repaired
Mason's (132 KV)	Operating with temporary 11kV switchboard due to major explosion. Four feeders out eleven are connected.	This substation is feeding Hulamin (our biggest customer) Slangspruit, AFROX, Newport road industries, Eden Gardens private hospital, Pentrich industries, Richmond Crest, Grange and Transnet. The transformers are badly leaking and oil need to be reclaimed and leaks repaired.
Mkhondeni (132 KV)	This substation is running on unfirm-supply (only one power transformer). The switchgear is obsolete.	The sub is feeding the KwaZulu-Natal main control centre for ESKOM, Mkhondeni industries, Aloe Ridge, Oribi and airport.

Existing Primary Substation Network ... continued

Primary Substation Name	Status of the substation	Loads
Northdale (132 KV)	There are new transformers and switchgear. Some of the loads have not been transferred due to Eastwood being incomplete.	This substation is feeding the Northern suburban areas, government and private hospitals, big industries (Belgotex, Prilla Mills) and commercials.
Pine Street (33 KV)	Obsolete switchgear. Voltage requires upgrade from 33/11kV to 132/11kV.	This substation is feeding upper CBD with mostly light industries, commercials and educational facilities
Retief (132/33 KV)	Obsolete switchgear. Voltage requires upgrade from 33/11kV to 132/11kV.	This is one of our major substations feeding the Crossways, Pine Street primary, Archbell primary CBD, Liberty Midlands mall. Liberty Midlands mall, Western suburbs, Grey's Hospital, Car dealerships, Hilton (Crossway's primary substation), proposed new legislature buildings, and most part of the lower CBD.
Riverside (132/33 KV)	Obsolete switchgear. Voltage requires upgrade from 33/11kV to 132/11kV. Earthing has been stolen.	This substation is feeding the Woodburn primary substation, Hesketh primary substation

Existing Primary Substation Network ... continued

- The following slides provides an insight of the typical challenges and status of the Primary Substations.
- The Masons Primary Substation that caught fire in July 2020 has been selected for the purpose of giving the Council insight to the status of the infrastructure and the temporary arrangements that have been done in order to keep the light burning.
- The following photos depict the condition of the damaged Mason Substation 11kV board, cabling and building.



NOTE: It took more than 48 hours to set up the temporary power supply which then led to public protests from communities fed from this substation

The following photos depict the progress of work done in order to temporary restore power at Mason Substation.



- Most of these are brick transformer substations, switching substations, mini-substations and ring main units.
- Most of the equipment is obsolete and most have been vandalised.
- The cables are butted together which prolong fault finding, affect protection grading and selectivity. It prevents the use of ring circuits, prolongs the restoration time and damages other equipment.
- The Pieter Maritz/West Street Secondary Substation that has been vandalised in a number of occasions has been selected for the purpose of giving the Council insight to the impact of vandalism of the electricity infrastructure and the temporary arrangements the department has to do in order to keep the light burning.

Pieter Maritz/West Street Secondary Substation



Ring Main Unit



The Electricity Department replaced the vandalised switchgear with Ring Main Unit as a temporary measure in order to ensure supply to customers, this work also did not last as it was vandalised as per the following slide.

The 24 hour Security is currently deployed in the substation, which has prevented the further vandalism

Status of underground circuits and overhead lines

- Majority of the cables are old, paper insulated and have passed life span of 25 years
- They are now prone to frequent faults/failures and need to be upgraded to meet load requirements
- Most wooden and steel are rotten, conductors and accessories are old. These are a safety hazard to the public and employees alike
- Most pole transformers need to be upgraded as they have reached full capacity.

Servitudes need to be regularly cleared and the following pictures show 33kV Servitude clearing activities



- Street lighting in the CDB is facing high rate of vandalism
- The streetlight fittings are obsolete and need to be replaced with LED fittings which are energy efficient
- **5000** out of **22000** streetlight fittings have been replaced with LED as part of demand side management.
- Underground cables supplying streetlights need to be replaced due to age.
- There are currently **205 high mast** lights installed within Msunduzi municipality. Most of these are in the Eskom area of supply i.e. Greater Edendale and Vulindlela area. These were funded by the Municipal Infrastructure Grant (MIG).

Streetlight statistics

STREET LIGHTING STATISTICS AS AT 30 JUNE 2020				
MSUNDUZI AREA OF JURISDICTION & SUPPLY AREA				
ITEM No.	TYPE/TECHNOLOGY	RATING (W)	TOTAL NO. OF TYPE/TECH	LOAD(W)
1.	Tungsten Filament (T.F)	200	331	66200
2.	Low Pressure Sodium (LPS)	135	126	17010
3.	Low Pressure Sodium (LPS)	90	1343	120870
4.	High Pressure Sodium (HPS)	1000	33	33000
5.	High Pressure Sodium (HPS)	400	36	14400
6.	High Pressure Sodium (HPS)	250	1566	391500
7.	High Pressure Sodium (HPS)	210	33	6930
8.	High Pressure Sodium (HPS)	150	121	18150
9.	High Pressure Sodium (HPS)	70	1380	96600
10.	Mercury Vapour (MV)	1000	8	8000
11.	Mercury Vapour (MV)	400	66	26400
12.	Mercury Vapour (MV)	250	30	7500
13.	Mercury Vapour (MV)	125	95	11875
14.	Mercury Vapour (MV)	80	12734	1018720

STREET LIGHTING STATISTICS AS AT 30 JUNE 2020				
WITHIN MSUNDUZI AREA OF JURISDICTION & SUPPLY AREA				
ITEM No.	TYPE/TECHNOLOGY	RATING (W)	TOTAL NO. OF TYPE/TECH	LOAD(W)
15.	MB	160	9	1440
16.	QI	300	35	10500
17.	Metal Halide (MH)	400	139	55600
18.	Metal Halide (MH)	250	287	71750
19.	Light Emmitting Diode (LED)	145	753	109185
20.	Light Emmitting Diode (LED)	88	40	3520
21.	Light Emitting Diode (LED)	75	3857	289275
	TOTAL		23,022	2,089,150
				2,179.15kW

These photos portray the impact of vandalism. The sample below relates to vandalism in Ottos Bluff and Archie Gumede Drive



- The electricity network has only one control centre
- Some substations are not connected to the control centre
- The challenges with connectivity to remote sites limits timeous switching during load shedding

Another Control Centre should be established as back up and to ensure that all substations are connected to the Control Centre

Below are the informal and rural areas that need to be electrified:

- **Jika-Joe Communal Residential Units (CRU's)**- Ward 33: +/-1164 connections
- **Zamokuhle (Thamboville)**-Ward 38: +/-250 connections,
- **Thembalihle extension**-Ward 38: +/-200 connections
- **Northdale** – Nhlalakahle (infills)-Ward 28 : +/-100 connections.
- **Buntine Place**-Ward 23: +/-350 connections
- **Jesmondene Place**- Ward 35: +/-150
- **Sweetwaters, Ezinketheni, SWAPO and Mpumuza infills**- Ward 1, 2, 29 & 30: +/- 500 connections.

The approximated 3 014 connections mentioned above may well be higher. The municipality should consider submitting applications to the Department of Energy for allocations in terms of the Integrated Electricity Programme (INEP). Connecting these settlements to the grid may address the issue of illegal connections, losses and risks such as electrocutions.

The following pictures provide insight to the challenge of illegal connections arising from the informal settlement, the photos show the removal of illegal connections in the Jika Joe area where three children were electrocuted due to illegal connections. There is a need to formalise these areas and normalize electricity supply.



Electricity Losses

The table below provides the statics and trend of the Electricity Losses over the 6 years with the current financial year providing a year to date losses.

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
% Tech Losses	2%	2%	2%	2%	2%	2%	2%
%Non-Tech Losses	12%	10%	14%	13%	12%	23%	21%
Total Losses in %	13%	12%	16%	15%	14%	25%	23%

The significant increase in electricity losses main contributing factors are:

- 1) Non –Technical Losses (including illegal connections, infrastructure vandalism and metering inaccuracies (due to faulty meters) as well as unmetered energy (meter tempering or bypassing the meter at the customer meter).
- 2) Technical losses (these are inherent in the distribution networks and cannot be eliminated). Ageing infrastructure in Msunduzi results in increasing power dissipation during transmission and distribution on lines, cables and transformers in the system as well as overloading.

ELECTRICITY has developed a strategy to minimize electricity losses in the electricity network. The strategy entails with the following:

1) Reducing technical losses

- Purchasing and installation of efficient equipment
- Replacing/upgrading and refurbishing of ageing infrastructure
- Replacing of old conductors/cables
- Reducing non-technical losses
- Illegal connections
- Meter bridging
- Error in meter reading
- Meter replacement and ceiling
- Relocating of Low Voltage Network and Service Cables

2) Reducing non-technical losses

- Illegal connections
- Meter bridging
- Error in meter reading
- Meter replacement and ceiling
- Relocating of Low Voltage Network and Service Cables

Metering

- The table below provides the statistics of the meter categories within the Msunduzi Municipality area of supply. The Municipality is currently encouraging the customers to move from the credit meter to prepaid meter system in order to among other things eliminate the need for estimation, allow mainly the residential consumers to better manage their consumption.
- The Municipality is also in process of converting the bulk customer meters to Automatic Meter Reading in order to improve accuracy and turnaround time in reading their meters.

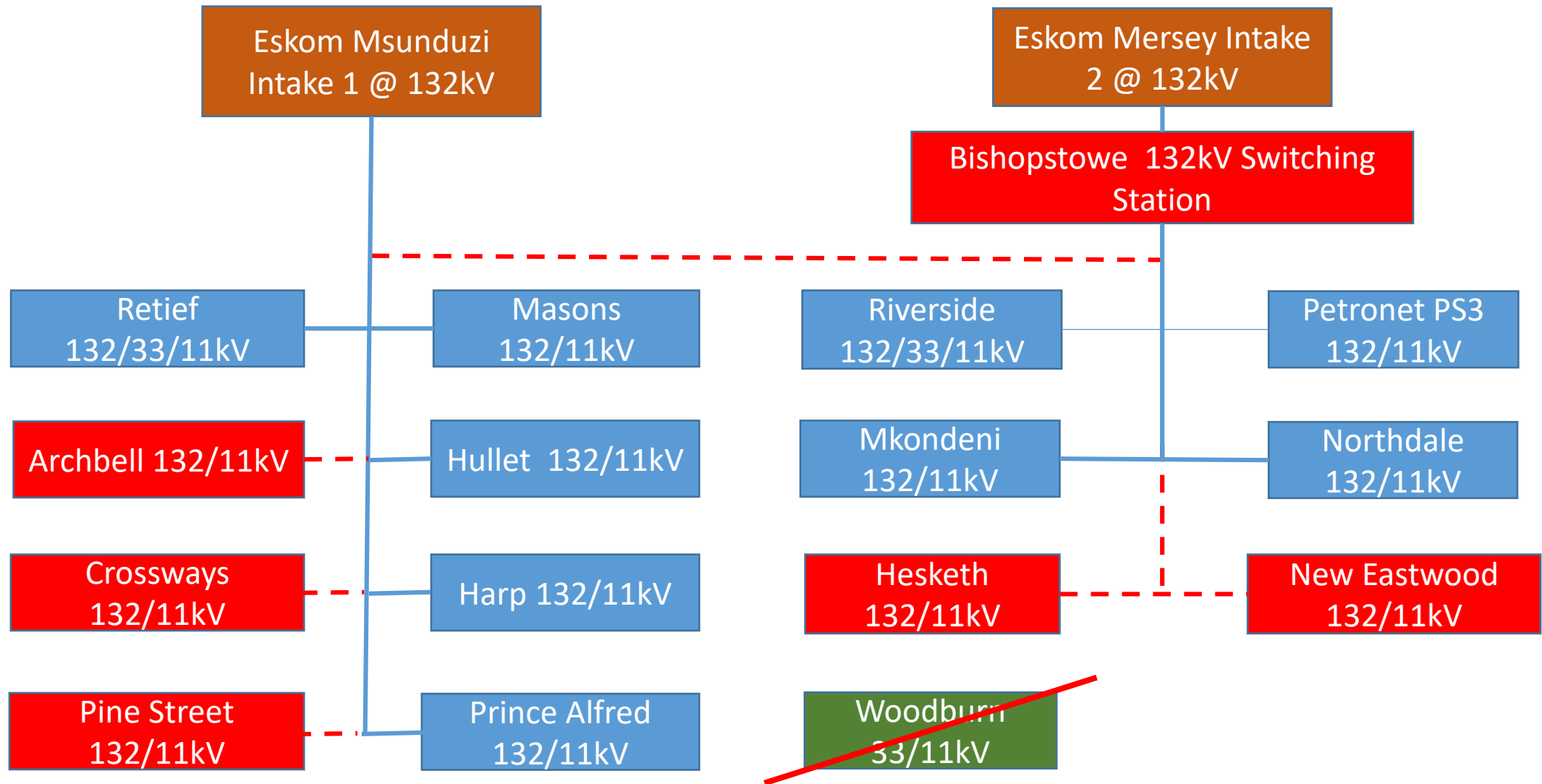
Category	Total Quantity per Category	Credit Meter	Meters Read Manually	Automatic Meter Reading (AMR)	Prepaid Meters
Residential	77,433	43,038	0	0	34,395
Business (T2 & C1)	659	0	129	530	0
Commercial (B1 & B3)	8,346	7,687	0	659	0
Industrial (T1)	105	0	15	90	0
TOTAL	86,543	50,725	144	1,279	34,395

- It should be noted that the South African Metering Standards Industry body, Standard Transfer Specification Association (STSA), has embarked on an awareness programme to inform utilities to upgrade their vending systems to STS600 and visit each meter in the community to clear the memory and change the meter key before November 2024.
- Approximately 9.7 million prepaid electricity meters in South Africa need to be reset before November 2024 as the system that runs the credit tokens will run out of numbers at this time and all existing meters will stop accepting credit tokens.
- The new range of TIDs will then start from a new base date of 2014 and run out in 2045, thus extending the useful functional life of the meter. “In order to do this key change,” STS Presenter explains, “it is necessary that each meter has to be physically visited, which can be performed either by dedicated employees of the utility or by the end customer.”

The municipality has started a process of auditing all the meters with the intention of data cleansing, STS compliance and addressing the tampering issues.

- The Municipality has made submissions to the National Treasury and Development Bank of South Africa (DBSA) with the intention of sourcing funding in order to implement the Capital Projects.
- The following slides provides the details of readiness and funding requirements, which will be reviewed based on the availability of funding.
- The following slides provides the desired Primary network reconfiguration that will support 600MVA load on a firm bases, and higher depending on Eskom's infeed arrangements.
- The main item to note is the proposed Bishopstowe Substation should be established to allow for the two incoming feeds from Mersey to be dedicated feeds with unit short line differential protection to be installed on each circuit.
- Proposed Bishopstowe Substation layout to allow for the two Eskom Feeder bays to be upgraded to two 400kV bays feeding a 400kV busbar. Four 250MVA 400/132kV transformer Bays and a 132kV double busbar arrangement.
- Proposed new line servitude that will need to be acquired from Bishopstowe to a new substation servitude in the Garlington area.
- A new cable route for 2 x 132kV 1200mm² cable circuits required from Garlington to Crossways substation for the future infeed to the City Centre via Pine Street Substation. This will secure a firm supply to the city.

Capital Projects - Proposed Primary Substation Network



Capital Projects Plans ... continued

Item	NAME OF PROJECT	Estimated Shovel Readiness on Site	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Total Budget Required (Inc. VAT and CPA)
1	High Voltage Electrical aging infrastructure rehabilitation plan for Msunduzi primary 132kV electrical network (Phase 2 and 3)		R 4 033 194,90	R 228 020 377,10	R 385 534 962,08	R 211 452 595,92	R 21 825 520,00	R 3 097 330,00	R853 963 980,00
1.1	CROSSWAYS PH2	July 2022	R 1 220 202,90	R42 820 377,10	R95 000 000,00	R105 000 000,00			
1.2	MASONS PH2	July 2022	R 444 398,64	R20 000 000,00	R50 000 000,00	R18 435 329,36	R0,00	R0,00	
1.3	MKONDENI PRIMARY	July 2022	R 417 756,36	R27 000 000,00	R50 000 000,00	R6 133 515,64	R0,00	R0,00	
1.4	RIVERSIDE PRIMARY	July 2022	R 529 329,36	R30 000 000,00	R50 000 000,00	R25 336 542,64		R0,00	
1.5	HESKETH PRIMARY	July 2022	R 349 324,92	R25 000 000,00	R36 000 000,00	R8 515 659,08	R0,00	R0,00	
1.6	WOODBURN PRIMARY	July 2022	R 90 610,80	R4 000 000,00	R8 000 000,00	R6 031 549,20	R0,00	R0,00	
1.7	PRINCE ALFRED PRIMARY SUBSTATION	July 2022	R 263 244,66	R27 000 000,00	R25 385 687,34	R0,00	R0,00	R0,00	
1.8	NORTHDAL PRIMARY SUBSTATION	July 2022	R 61 196,10	R4 200 000,00	R7 978 023,90	R0,00	R0,00	R0,00	
1.9	PETRONET	July 2022	R 8 114,40	R0,00	R1 614 765,60	R0,00	R0,00	R0,00	

Capital Projects Plans ... continued

Item	NAME OF PROJECT	Estimated Shovel Readiness on Site	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Total Budget Required (Inc. VAT and CPA)
1.10	BISHOPSTOWE SWITCHING STATION	July 2023	R 0,00	R 0,00	R 236 670,00	R32 000 000,00	R12 000 000,00	R3 097 330,00	
1.11	132KV OHL	July 2021	R 270 480,00	R14 000 000,00	R20 000 000,00	R10 000 000,00	R9 825 520,00		
1.12	EASTWOOD PRIMARY	July 2021	R 378 536,76	R34 000 000,00	R41 319 815,24	R0,00	R0,00	R0,00	
2	Upgrade of Archbell, Crossways, Eastwood, Mason and Retief Substations and CBD		R 7 329 187,93	R 96 960 361,83	R 99 528 581,50	R 36 351 359,80	R 15 332 678,94	R 0,00	R255 502 170,00
2.1	ARCHBELL PRIMARY	July 2022	R 453 933,06	R32 000 000,00	R23 000 000,00	R20 000 000,00	R15 332 678,94	R0,00	
2.2	CROSSWAYS PH1	July 2021	R 6 259 000,00	R20 000 000,00	R15 205 584,00	R0,00	R0,00	R0,00	
2.3	PINE STREET	July 2021	R 177 502,50	R18 000 000,00	R17 322 997,50	R0,00	R0,00	R0,00	
2.4	MASONS PH1	July 2021	R 154 072,17	R8 660 361,83	R22 000 000,00	R0,00	R0,00	R0,00	
2.5	RETIEF PRIMARY	July 2021	R 284 680,20	R18 300 000,00	R22 000 000,00	R16 351 359,80	R0,00	R0,00	
3	Secondary 11kV distribution network electrical aging infrastructure rehabilitation		R 0,00	R 117 600 001,00	R 117 600 001,00	R 117 600 001,00	R 117 600 001,00	R 117 600 001,00	R588 000 005,00
3.1	SECONDARY SUBSTATIONS NETWORK	July 2021	R 0,00	R117 600 001,00	R117 600 001,00	R117 600 001,00	R117 600 001,00	R117 600 001,00	R588 000 005,00
4	MV and LV network electrical infrastructure rehabilitation-Eradication of mid-lock, T-joints and shared infrastructure		R10 000 000,00	R73 616 000,00	R73 616 000,00	R36 808 000,00	R0,00	R0,00	R194 040 000,00
4.1	NETWORK MODIFICATION TO IMPROVE ACCESS TO ELECTRICITY INFRASTRUCTURE FOR EASE OF REPAIRS AND REVENUE COLLECTION	April 2021	R10 000 000,00	R73 616 000,00	R73 616 000,00	R36 808 000,00			R194 040 000,00

Capital Projects Plans ... continued

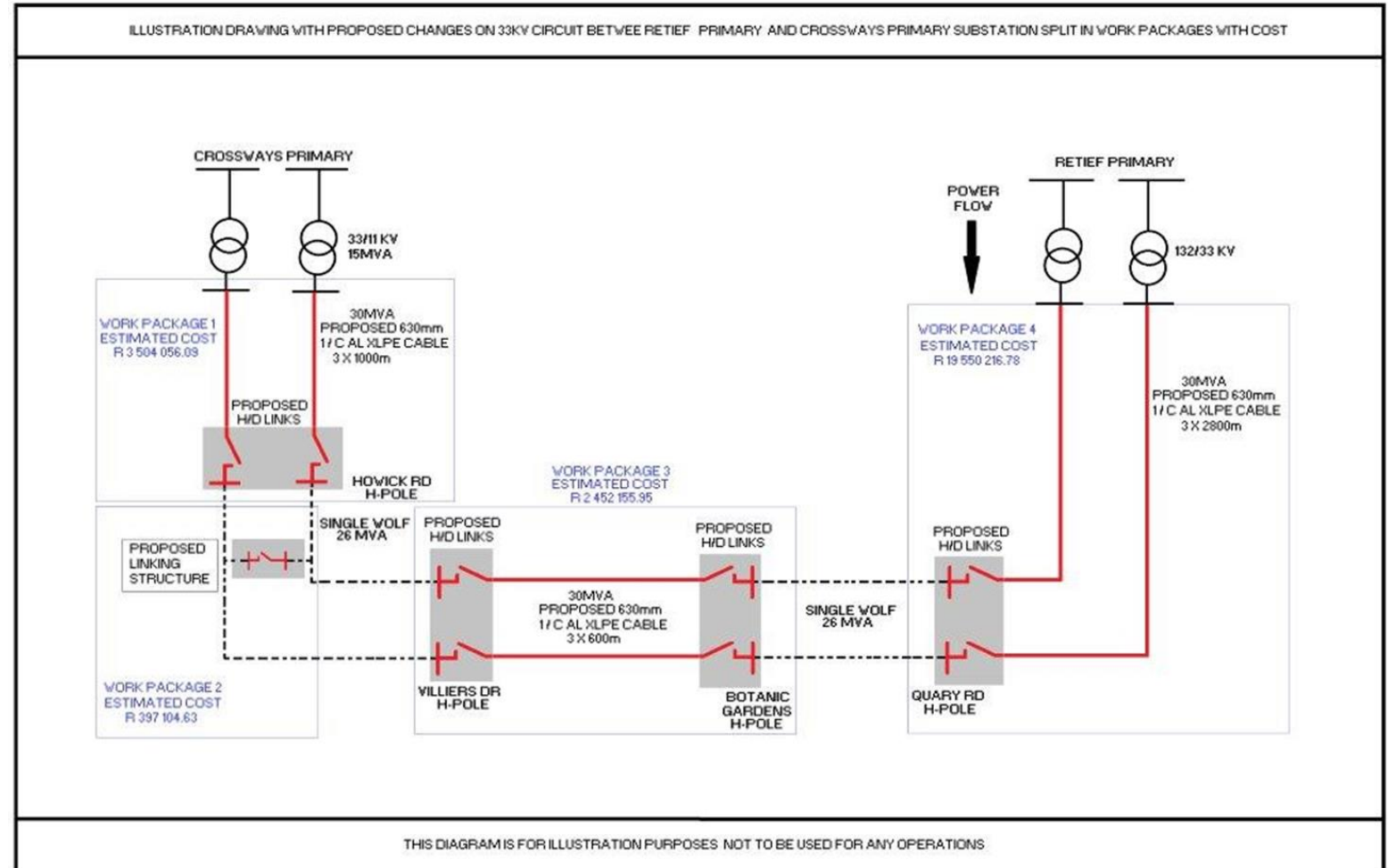
Item	NAME OF PROJECT	Estimated Shovel Readiness on Site	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Total Budget Required (Inc. VAT and CPA)
5	MV and LV network electrical infrastructure rehabilitation- Replacement of customer distribution units (CDU), low voltage transformers and associated.		R15 000 000,00	R37 162 657,28	R31 193 328,64	R19 254 671,36	R19 254 671,36	R19 254 671,36	R141 120 000,00
5.1	REFURBISHMENT OF CDU	April 2021	R5 000 000,00	R19 254 671,36	R19 254 671,36	R19 254 671,36	R19 254 671,36	R19 254 671,36	
5.2	POLE MOUNTED TRANSFORMERS	July 2021	R10 000 000,00	R17 907 985,92	R11 938 657,28	R0,00	R0,00	R0,00	
6	MV and LV network electrical infrastructure rehabilitation- street lighting network upgrade into energy efficient technology		R86 156 080,00	R140 966 186,63	R140 966 186,63	R148 276 006,63	R139 430 526,63	R90 964 626,63	R746 759 613,15
6.1	STREETLIGHTING NETWORK IMPROVEMENT	July 2021	R32 310 600,00	R32 310 600,00	R32 310 600,00	R48 465 900,00	R48 465 900,00	R0,00	
6.2	LV CIRCUITS UPGRADE	April 2021	R8 845 480,00	R17 690 960,00	R17 690 960,00	R8 845 480,00	R0,00	R0,00	
6.3	MV CABLE UPGRADE	April 2021	R5 000 000,00	R27 864 332,00	R27 864 332,00	R27 864 332,00	R27 864 332,00	R27 864 332,00	
6.4	REFURBISHMENT AND REPLACEMENT OF MANIATURE SUBSTATIONS	April 2021	R40 000 000,00	R63 100 294,63	R63 100 294,63	R63 100 294,63	R63 100 294,63	R63 100 294,63	
7	MV and LV network electrical infrastructure rehabilitation- Metering Equipment		R51 290 513,02	R51 290 513,02	R51 290 513,02	R51 290 513,02	R0,00	R0,00	R205 162 052,06
7.1	UPGRADE TO CONSUMER METERING EQUIPMENT	April 2021	R51 290 513,02	R51 290 513,02	R51 290 513,02	R51 290 513,02	R0,00	R0,00	
8	MV and LV network electrical infrastructure rehabilitation- Addressing of Vandalisation		R5 000 000,00	R29 100 000,00	R29 100 000,00	R19 400 000,00	R19 400 000,00	R0,00	R102 000 000,00
8.1	REPAIR AND RECONDITIONING OF VANDALIZED SECONDARY SUBSTATIONS	July 2021	R 5 000 000,00	R29 100 000,00	R29 100 000,00	R19 400 000,00	R19 400 000,00		

Capital Projects Plans ... continued

Item	NAME OF PROJECT	Estimated Shovel Readiness on Site	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Total Budget Required (Inc. VAT and CPA)
9	Electrification of approximately 7500 households in an informal settlement areas and CRU's and transit camps, and 25 000 streetlights with led streetlights, upgrade electricity network at primary substations and the control room to incorporate new communication protocols and fibre optic communication. installation and upgrading of manually read bulk meters to automated meter reading system (AMR)		R 26 000 000,00	R 251 161 071,79	R 337 800 252,00	R 281 372 252,00	R 229 708 992,00	R 139 950 252,00	R 1 265 992 819,79
10	REPLACE OIL FILLED RING MAIN UNIT WITH VACCUM/SF6 RING MAIN UNITS	July 2021	R0,00	R79 800 252,00	R79 800 252,00	R79 800 252,00	R79 800 252,00	R79 800 252,00	R399 001 260,00
11	PRIMARY SUBSTATION SCADA AND CONTROL CENTRE	July 2021	R3 000 000,00	R10 900 000,00	R10 900 000,00	R10 900 000,00	R10 900 000,00	R10 900 000,00	R57 500 000,00
12	PRIMARY SUBSTATION METERING AND QOS EQUIPMENT	July 2021	R2 500 000,00	R8 200 000,00	R8 200 000,00	R4 100 000,00			R23 000 000,00
13	EQUIPING DRAWING OFFICE WITH MODERN TECHNOLOGY HARDWARE/SOFTWARE AND UPDATE EXISTING INFORMATION	July 2021	R500 000,00	R2 000 000,00	R7 500 000,00	R0,00	R0,00	R0,00	R10 000 000,00
14	ELECTRICITY MAINTENANCE PLANT AND EQUIPMENT	July 2022	R0,00	R3 500 000,00	R12 000 000,00	R8 400 000,00	R358 740,00		R24 258 740,00
15	SWEETWATERS SUBSTATION	July 2022	R500 000,00	R26 000 000,00	R30 000 000,00	R18 572 000,00	R0,00	R0,00	R75 072 000,00
16	ESKOM 132KV INFED TO HILTON/GARLINGTON	July 2022	R1 500 000,00	R61 160 819,79	R75 000 000,00	R75 000 000,00	R24 250 000,00	R24 250 000,00	R261 160 819,79
17	STREETLIGHTS IN ESKOM AREA OF SUPPLY	July 2023	R0,00	R0,00	R25 000 000,00	R25 000 000,00	R25 000 000,00	R25 000 000,00	R100 000 000,00
18	POLE CHANGE	July 2021	R18 000 000,00	R59 600 000,00	R89 400 000,00	R59 600 000,00	R89 400 000,00	R0,00	R316 000 000,00

Status of Hilton network and proposed upgrades

- There are frequent power outages in this network
- The scope is to upgrade the sections of underground cables from Retief primary to Crossways substation
- This will partially resolve the issue of frequent outages affecting Hilton and Sweetwaters
- During the current financial year Council has made the budget available for the implementation of work package 1-3 as indicated on the following slide



- Winter Peak Causing strain on overloaded circuits.
- Old and overloading Infrastructure
- Theft and Vandalism of Infrastructure
- Illegal electricity connections
- Lack of Capital Investment and Budget
- Lack of Maintenance and Budget
- Lack of tools of trade including, Vacancy rate, Vehicles,

Planned Repairs and Maintenance

The following slides provides high level updates on the Repairs and Maintenance Work that is being undertaken by the Electricity Department during the 2020/21 financial year.

- There are number of faulty/ damaged cables
- The faulty cables are delaying the restoration of supply due unavailability of rings
- The repairs are in progress
- The new cable faults we repair them as they come
- We are utilizing internal staff and contractors

Underground Mains ... continued

FEEDER NAME	DETAILS OF FAULT	Issued to	ANTICIPATE D DATE TO COMPLETE	LOCATED	EXCAVATIONS COMPLETE	REPAIRS COMPLETE	ENERGISED	IN PHASE	COMPLETION DATE	COMMENTS
PROMED / MBOKODO - NXELE COTTAGE	CABLE FAULTED	PLANNING								HOUSE BUILT OVER CABLE.
MASONS PRIMARY - NEWPORT / SLANGSPRUIT	Cu CABLE VANDALISED IN SEVERAL PLACES	PLANNING								NEW CABLE TO BE INSTALLED
GRIX INT TO BIRMINGHAM BAYNESDRIFT	RELOCATED CABLE TO ANOTHER WAY IN THE RMU	SEC SUBS								SEC SUBS TO REPLACE RMU
MURRAY SUMMERVELD - NEW ENGLAND / DARVILLE SI 72 VIA OHL	11KV CABLE FAULTY - FAULT TO BE LOCATED	SEC SUBS								CABLE TESTED CLEAR AND CONTINUOUS. SI 72 TO BE FURTHER INVESTIGATE BY SECONDARY SUBS
TOWNBUSH / WALTDORF - 726 TOWNBUSH ROAD	11KV CABLE FAULTY	SEC SUBS								PASSED TO SECONDARY SUBS TO TEST AND POSSIBLY REPAIR RMU
545 OLD GREYTOWN	REMOVE SWITCHGEAR AND FORK CABLES	SEC SUBS								FORKED CABLES
CINDERELLA A AND MADIBA PARK	SUSPECTED MV CABLE FAULT	OHL								REPLACED FAULTED PT
LINCOLNE / BALLUCCI SHOES - GEORGE BENJAMIN / JACARANDA	OUT OF PHASE. R/W/B	Internal Staff	16/10/2020						26/10/2020	
DECCAN / DELHI - OLD GREYTOWN / ISHWARI	OUT OF PHASE. R&W.	Internal Staff	16/10/2020							
LOOP / DEREK HALL - LOOP / NTE	11KV CABLE FAULTED	Internal Staff	16/10/2020						19/10/2020	
PRINCE ALFRED PRIMARY - PIETERMARITZ / WEST NO : 2	FOURTH FAULT ON CABLE	SS TRADING	23/10/2020						26/10/2020	WILL NOT BE PHASED OUT AS NO SPARE WAY TO TERMINATE. PASS TO SECONDARY SUBS
PRINCESS ARCHIVES - STANDARD LANE / PUBLIC WORKS	RTHIRD FAULT ON CABLE	INTERNAL STAFF	23/10/2020						28/10/2020	
LINCOLN / OTTOS BLUFF - 34 LINCOLN / EX SPUNCRETE	TO PHASE OUT	Internal Staff	23/10/2020						26/10/2020	
BOMBAY / CROCUS - BOMBAY / HEATHER	11KV CABLE END FAULTED	INTERNAL STAFF	23/10/2020						16/10/2020	
37 MILLS CIRCLE - MILLS CIRCLE SPAR SI.199	11KV CABLE DAMAGED	BIYTECH	30/10/2020						27/10/2020	
LES VAN WYK / MUSTANG - OVER HEAD LINE	11KV CABLE FAULTY	REPAIRED	14/10/2020						14/10/2020	
DARVILLE MAIN - NEW ENGLAND / DARVILLE SI 72 VIA OHL	11KV CABLE FAULTY	DIVESH	14/10/2020						14/10/2020	
VICTORIA / WEST - VICTORIA / CHAPEL	11KV CABLE FAULT LOCATED	REPAIRED	01/10/2020						01/10/2020	
MYSORE / JINNAH - MYSORE / GANDHI	11KV CABLE FAULTY	DIVESH	23/10/2020						14/10/2020	

Underground Mains ... continued

FEEDER NAME	DETAILS OF FAULT	Issued to	ANTICIPATE D DATE TO COMPLETE	LOCATED	EXCAVATIONS COMPLETE	REPAIRS COMPLETE	ENERGISED	IN PHASE	COMPLETION DATE	COMMENTS
PETER BROWN / LINK SI.138 - DODO PLACE MINISUB	TO PHASE OUT.	Internal Staff	16/10/2020							
MC CARTHY / SHERATON - CHASE VALLEY / SILVERDALE	11KV CABLE FAULTY	ISIZWE	30/10/2020							REPAIR COMPLETE. TO REMOVE SWITCHGEAR AND FORK CABLE TO EXISTING FORK
11KV REFUSE DUMP - 9 PROMED ROAD	11KV CABLE FAULT	TWO	30/10/2020							FAULTED ACROSS LOW LEVEL BRIDGE.
BIRMINGHAM / FILPRO - SHEFFIELD / BIRMINGHAM	11KV CABLE FAULT	REPAIRED	08/10/2020						09/10/2020	
DENNIS SHEPSTONE / UNION BIBLE SI.07 - DENNIS SHEPSTONE SI.77	11KV CABLE FAULTY	BIYTECH	30/10/2020							CABLE TESTED CLEAR
JESMOND / ORIBI - 36 MAUDE AVENUE	PENETROL TO TOP UP	INTERNAL STAFF	14/10/2020							
BISHOPSTOWE SI 81 - BISHOPSTOWE SI 46 VIA OHL	11KV CABLE END FAULTY	INTERNAL STAFF	30/10/2020							NO FAULT FOUND
SHORTTS RETREAT / GALVANISE - OPP 25 SHORTTS RETREAT	11KV CABLE FAULTY	BIYTECH	22/10/2020							TO PRESSURE TEST AND ENERGISE
BOSHOF / GREYLING - 362 VICTORIA ROAD	11KV CABLE FAULT LOCATED	INTERNAL STAFF	06/10/2020						06/10/2020	
CHATTERTON / HYSLOP - BARLOWORLD	11KV CABLE FAULT LOCATED	DUSI	22/10/2020							TO PRESSURE TEST AND ENERGISE
SHORTTS RETREAT / CB DOWNES - LYNROY / OLEANDER	11KV CABLE TERMINATION FAULTY	SS TRADING	23/10/2020						12/10/2020	
ZWARTSKOP BRIDGE - BRIDGE SHOPPING CENTRE	11KV CABLE DAMAGED	DUSI	16/10/2020						22/10/2020	
EXETER / NEWLYN - HELSTON / NEWLYN	CABLE DAMAGED	IMBAWULA	30/10/2020						19/10/2020	
HELENA / DECCAN - 25 MERCURY CRESCENT	11KV CABLE FAULT	CITY LIGHTS	30/10/2020							
VICTORIA / CHAPEL - 102 VICTORIA ROAD	11KV CABLE DAMAGED	Internal Staff	06/10/2020						06/10/2020	
MURRAY / STAMFORD - GRIMPTHORPE / STEVENS	11KV CABLE DAMAGED	DIVESH / DUSI							16/10/2020	
RIVERSIDE PRIMARY - OHRTMANN / EPOL MAIN	11KV CABLE DAMAGED	Internal Staff	COMPLETED							
BARNSLEY / PG WOOD - 29 BARNSLEY ROAD	11KV CABLE DAMAGED	Internal Staff	COMPLETED						09/10/2020	
BALHAMBRA / TECHNICAL COLLEGE - MYSORE / AINTREE	11KV CABLE TERMINATION FAULTY	Internal Staff	COMPLETED							
STEENKAMP / WEBSTER - BAKEWALL / PAUL	11KV CABLE DAMAGED	INTERNAL STAFF	21/10/2020						27/10/2020	
CARDIFF ROAD - MANNING / OHRTMANN SI.153	11KV CABLE FAULTY	ISIZWE	COMPLETED						02/10/2020	

Underground Mains ... continued

FEEDER NAME	DETAILS OF FAULT	Issued to	ANTICIPATED DATE TO COMPLETE	LOCATED	EXCAVATIONS COMPLETE	REPAIRS COMPLETE	ENERGISED	IN PHASE	COMPLETION DATE	COMMENTS
FITZSIMMONS JIKA JOE TO LARCH	11KV CABLE FAULTY	BIYTECH	COMPLETED							
KHAN OLDD GREYTOWN TO OLD GREYTOWN RAISETHORPE	11KV CABLE FAULTY	BIYTECH	COMPLETED							
EUGENE MARAIS PRISONS	11KV CABLE TO BE EXTENDED TO SPARE CB	INTERNAL STAFF	09/10/2020						26/10/2020	
9 THE RIDGE	11KV CABLE FAULTY	ISIZWE	COMPLETED						05/10/2020	
MURDOCH WHITE TO HATTING WESTGATE	11KV CABLE FAULTY	SS TRADING	06/10/2020						06/10/2020	
MASUKWANA SI TO LINCOLNE RICHLEIGH SHOES	REPAIRED - OUT OF PHASE	INTERNAL STAFF	08/10/2020						27/10/2020	
MASONS S1223 TO BARNSLEY ALUMICOR	VANDALISED CABLE REPAIRED	DUSI	09/10/2020						09/10/2020	
Canps Drift SI 100	VANDALISED CABLE REPAIRED	DUSI	09/10/2020						09/10/2020	
HIGHLANDS / DENNIS SHEPSTONE - THE RIDGE SI.136	CABLE STRAP FAULTED	BIYTECH	15/10/2020						15/10/2020	
VALLEY / DENNIS SHEPSTONE - DENNIS SHEPSTONE SI.77	11KV CABLE FAULTY	Standby	04/10/2020						04/10/2020	
17 KALLAPA ROAD - LOTUS ROAD OVERHEAD LINES	11KV CABLE FAULTY - end	Imbawula	06/11/2020							
MURDOCK / WHITE - HATTING / WESTGATE	11KV CABLE FAULTY	Biytech	06/10/2020						06/10/2020	
BALHAMBRA / STORK - BALHAMBRA / PARTRIDGE	11KV CABLE FAULTY	Isizwe	06/11/2020							
NEW ENGLAND / DARVILL SI 72 - MURRAY / SUMMERVELD	11KV CABLE FAULTY	SS TRADING	06/11/2020							
RIVERSIDE PRIMARY - OPP 249 OHRTMANN ROAD	11KV CABLE FAULTY	SS TRADING	13/10/2020						13/10/2020	
WINSTON / LOGAN - QUARRY / EX N.T.E	11KV CABLE FAULTY	Standby	16/10/2020						16/10/2020	
MONTROSE DRIVE M67 - DODO PLACE	11KV END FAULTED	SS TRADING	28/10/2020							REPAIRS IN PROGRESS
GREYTOWN - WALTON GREYTOWN ASPHALTERS	SUSPECTED 11KV END FAULTED	Standby	26/10/2020						26/10/2020	
MPUMUZA TOWARDS CHIEF ZONDI	11KV END FAULTED	NXELE/BIYTECH	26/10/2020						28/10/2020	

Underground Mains ... continued

FEEDER NAME	DETAILS OF FAULT	Issued to	ANTICIPATED DATE TO COMPLETE	LOCATED	EXCAVATIONS COMPLETE	REPAIRS COMPLETE	ENERGISED	IN PHASE	COMPLETION DATE	COMMENTS
NEW ENGLAND DARVILL SI 72 TO PT 1010	11KV CABLE FAULTED	Biytech	29/10/2020						30/10/2020	IN Progress
SWEETWATERS WAVERLYDALE TO LINWOOD DRIVE	11KV CABLE FAULTED	SS TRADING	29/10/2020						29/10/2020	
WILLOWTON TUCKER TO WILLOWTON MITCO	TO INVESTIGATE - CABLE NOT IN SERVICE	NXELE								
NORTHDAL PRIMARY - BOMBAY / EPS	11KV CABLE FAULTED	NXELE / CITY	02/11/2020						02/11/2020	
HATTING/WESTGATE - HAIGIE/ FOURIE	11KV CABLE FAULTED	NXELE / SS	30/10/2020						30/10/2020	
WINSTON / LOGAN - QUARRY / EX N.T.E		DIVESH / IMBAWULA								FAULTED INSIDE PHOENIX CASH AND CARRY. URGENT INVESTIGATION NEEDS TO BE DONE WITH BUILDING BEING CONSTRUCTED
PIETERMARITZ / MC CULLUM - PINE / MAYORS WALK	11KV CABLE FAULTED	NXELE / IMBAWULA	30/10/2020						30/10/2020	
AALWYN / ARUM SI.204 - EUGENE MARIAS / PRISONS 'A '										
MASONS PRIMARY - ALEX / FRENCH		NXELE / DUSI								CABLE VANDALISED IN SEVERAL PLACES. SECURITY IS NEEDED TO GUARD CABLE URGENTLY
ALEX / CARLTON - VISAGIE IN THE PARK										unable to locate fault
CEDAR / PLAINTREE - HAZEL / CHESTNUT	11KV CABLE FAULTED	Standby	01/11/2020						01/11/2020	
ORIBI / BISLEY PARK - ORIBI TS ASSEGAI	11KV CABLE FAULTED	Divesh / Imbawul	04/11/2020							
BOMBAY SI.49 - BOMBAY / KARUPANA	11KV CABLE FAULTED	Divesh / Dusi	04/11/2020							
TOTAL = 57	COMPLETED = 31	OUTSTANDING = 20	PASSED TO OTHER SECTIONS = 6							UPDATE FOR WEEK ENDING 23/10/2020
TOTAL = 62	COMPLETED = 39	OUTSTANDING = 16	PASSED TO OTHER SECTIONS = 7							UPDATE FOR WEEK ENDING 30/10/2020
TOTAL = 72	COMPLETED = 45	OUTSTANDING = 21	PASSED TO OTHER SECTIONS = 7							UPDATE FOR WEEK ENDING 03/11/2020

Batteries

- The AC supply for four subs has been fixed.
- The battery maintenance has been completed except for Promed/Mbokodo S/S, after the cable was repaired it faulted again. The cable has been fixed.

Switchgear

- Maintenance of So-Hi OCB have started in the workshop, oil have been changed and breakers have been cleaned. We are waiting for Test section to preform the tests.

SECONDARY SUBS ... continued

SUBNO	NAME	BUILDING TYPE	NETWORK TYPE	TRANSFORMER MAKE	RATIO (V)	RATING	YEAR OF MANUFACTURE	DISTRIBUTION NO.	MAINTENANCE DATE	OIL AVAILABLE	Comments
905	ELVED WRIGHT	M/S	RES	ASEA	11/400	200KVA	1983	D988	02/11/2020	Yes	
803	LINUM RD	M/S	RES		11/400	200KVA		D404	26/10/2020	Yes	
918	ADAM/ESSEGEI	BS	RES	MARRIS/AWERBUCH	11/400	800KVA	1976	D1304	29//10/2020	Yes	
1010	BOSHOF/SYMONS	BS	COM	ASEA	11/400	800KVA	1986	D1595	07/11/2020	Yes	
399	LOOP ST/DEREK HALL	BS	COM	ENGLISH ELECTRICAL	11/400	500KVA		D879	03/11/2020	Yes	
91	WINSTON RD/NESTLES'	BS	RES	POWER TECH	11/420	1000KVA	2013	D2654	30/11/2020	Yes	
236	YORK AVE/LINDUP	BS	RES	BOMA LONG	11/400	400KVA	1964	D680	26/10/2020	Yes	
156	WILLOWTON RD/TUCKER RD	BS	COM		11/400	500KVA		D1300	23/11/2020	Yes	
135	SIRKHOD/PARADISE	MS	RES	GSC POWER	11/400	315KVA		D1448	19/11/2020	Yes	
1160	SIMPSON/MILEMAN	MS	RES	GSC POWER	11/400	315KVA		D1449	10/11/2020	Yes	
701	PRINCE/EDWARD	BS	COM	G.E.C	11/400	1000KVA		D1256	16/11/2020	Yes	
528	BULWER/MERCHISTON	MS	COM		11/415	500KVA		Temp	22/10/2020	YES	Tightening of bushes and topping of oil performed

TREE CUTTING AND BUSH CLEARING

- As part of the maintenance programme, routine maintenance is conducted regularly, especially on circuits where there are overgrown trees that require trimming to clear the servitude.
- Customers are also encouraged to ensure that they maintain the trees within their private property in order to prevent them from interfering with the electricity network

LOCATION	KV	LENGTH OF LINE	START DATE	FINISH DATE	PROGRESS	REMARKS
Sanderson	0.4	1km	23/10/2020	26/10/2020	100%	Currently working on site
New England	11	3 km	09/10/2020	12/11/2020	0%	Planned Start date 09/11/2020 and completion date is 12/11/2020
Monzali Garden	11	1,4 km	18/11/2020	20/11/2020	0%	Planned start date is 18/11/2020 and completion date is 20/11/2020
Natal Crushers (Afrisam)	11	8,5 km	04/11/2020	11/11/2020	75% Completed	In progress
Pietermaritzburg to Hilton	33	9 km	14/09/2020	14/12/2020	13% Completed	In progress
Grimthorpe & Bishopstowe	11 & 0.4	1.5 km	11/11/2020	18/11/2020	0%	Planned Start Date 11/11/2020 and complete on 18/11/2020
Sweetwater's	11	45 km	24/11/2020	27/10/2020	0%	Planned start date start date is 24/11/2020 and completion date is 27/11/2020
Tanner Road	0,4	2 km	05/11/2020	10/11/2020	0%	Planned start date 05/11/2020 and completion date is 10/11/2020

Pole Transformer Protection Installation			
AREAS	No. of PT		COMMENTS
Cinderella	6	Install LV way and Phase balancing	Have finished with protection, load balancing and fenced PT921. 5 more left at Cinderella, to start with taking reading on the next Mini Sub to be worked
Site 11	5	Install MV and LV protection and Phase balancing	Planning stage
Sweetwaters	62	Install MV and LV protection and Phase balancing	Planning stage
Thembalihle	15	Install MV and LV protection and Phase balancing	Have arranged to meet with the Contractor and COW for a site meeting on the 04/11/2020

CURRENT RESIDENTIAL STREETLIGHTS REPAIRS AND PROGRESS

STREET	STATUS	COMMENTS
Brooksby Road	Completed	
Brand Van Zyl	Completed	
Boyd Road	Completed	
Steven Road	Completed	
Link Road	Completed	
Ohrtmann Road	Completed	
Old Howick Road	Completed	
Ginger Road	Completed	
Exeter Road	Completed	
Worlds View RD	In progress	
Orange Grove	In progress	Due to trees obstruction need to contact OHL for tree cutting
Hereford Circle	In progress	Change fault fittings and lamps. Still busy with fault
Helton Gardens	In progress	Change fault fittings and lamps from short standards poles
Hilton SAPS	In progress	Repairs of cable fault and control circuit
College Road	In progress	Need to change all pole due to rust on old existing poles. Awaiting to get contractor to change all the poles
Portland Road	In progress	Installation of fault fittings and changing fault lamps
Celtic Road	In progress	change fault lamp to be completed 04/11/2020.
Stamford Road		Cable fault located need to join the cable and to be completed 04/11/2020

- Warwick Road: Work already in progress
- Part of Town Bush Road - At planning stage
- Currently our focus is on the following areas with regards to street light repairs:
 - ✓ ***Scottville Ext,***
 - ✓ ***Allandale,***
 - ✓ ***Bombay,***
 - ✓ ***Cleland Area,***
 - ✓ ***Hayfields,***
 - ✓ ***Woodlands,***
 - ✓ ***The Grange and;***
 - ✓ ***Chasedene***

CBD UPDATE STREET LIGHT RPAIRS AS AT 03/11/2020

STREET NAME	SECTION	CBD STATUS (COMPLETED /IN PROGRESS/OUTSTANDING)	ALLOCATED WORK
Langalibalele	Moses Mabhida to West	Completed	Yes
	West Str to Peter Kertchoff Str	Completed	
	Kertchoff Str to Chief Albert Luthuli	Inprogress Busy at Worlds View Helton for today	
	Chief Albert Luthuli to Boshoff-	Outstanding	
	Boshoff to Retief street-	Outstanding	
	Retief to Masukwana	Outstanding	
Hoosen Haffejee	Pine to West	Completed	Yes
	West to Peter Kerchoff Str	Completed	
	Peter Kerchoff to Chief Albert Luthuli	In progress trees obstruction still need to contact OHL for tree cutting	
	Chief Albert Luthuli to Boshoff	Only one light not working will be completed today 03/11/2020	
	Boshoff to Retief	Outstanding for 04/11/2020	
	Retief to Masukwana	Outstanding	
Boom	Masukwana to Retief	Outstanding	Yes
	Retief to Boshoff	Outstanding	

CBD UPDATE STREET LIGHT RPAIRS AS AT 03/11/2020

STREET NAME	SECTION	CBD STATUS (COMPLETED /IN PROGRESS/OUTSTANDING)	ALLOCATED WORK
	Boshoff to Chief Albert Luthuli	Outstanding	
	Chief Albert Luthuli to Chapel	Outstanding	
	Chapel to west street	In progress one cable fault	
	West to pine	In progress, Three cable fault	
Greyling	Pine to West Street-	Completed	Yes
	West to Chapel-	Completed	
	Chapel to Chief Albert Luthuli	Work to be commenced this afternoon 17:00 (03/11/2020) due to traffic obstruction cars packed next to street light poles	
	Chief Albert Luthuli to Boshoff	Work to be commenced this afternoon 17:00 (03/11/2020) due to traffic obstruction cars packed next to street light poles	
	Boshoff to Masukwana-	Outstanding	
	Masukwana to the end of Greyling	Outstanding	
Victoria	Victoria passage to Retief primary	Outstanding	Yes
	Retief to Boshoff	Inprogress	
	Boshoff to Chief Albert Luthuli	Inprogress	
	Chief Albert Luthuli to Chapel	Awaiting to complete Emergency work at Portland road	
	Chapel to west	Completed	
	West to pine-	Completed	
	Winston Street	Completed	

- Council authorise the City Manager to engage Eskom to undertake work on Msunduzi Municipality Electricity Infrastructure as and when required.
- Council authorize the City Manager to engage Private Sector to undertake work on Msunduzi Municipality Electricity Infrastructure as and when required.
- Council authorise the Chief Financial Officer to allocate funding for the refurbishment of transformers.
- Council authorise the deployment of Security Guards to secure the Electricity infrastructure as and when required.
- Council authorise the City Manager to engage DBSA, DMRE, Private Investors and other prospective funders to source funding for the Electricity Infrastructure programmes.
- Request an additional budget of **R 92 000 750.00** for the 2020/21 financial year, **R25 800 000,00** for the 2021/22 financial year and **R239 820 690,00** for the 2022/23 financial year for the implementation of the projects listed below.

- Request an additional OPEX budget of **R24 000 000, 00** for the 2020/21 financial year, **R18 315 479, 60** for the 2021/22 financial year and **R16 650 436, 00** for the 2022/23 financial year for the refurbishment of power transformers listed below.
- Council authorize the Chief Financial Officer to ring fence the income generated from the disposal of (Scrap) electricity asset for the sole purpose of re-investing into the Electricity Infrastructure.
- Council note the huge imminent risks facing the electricity infrastructure network total collapse for the primary and secondary substations.
- Council note the unsafe conditions that the employees are exposed to due to the ageing and vandalized infrastructure.

REPORT FOR THE IMPLEMENTATION OF CRITICAL ELECTRICAL INFRASTRUCTURE PROJECTS; FUNDING REQUEST AND SECURITY REQUIREMENTS

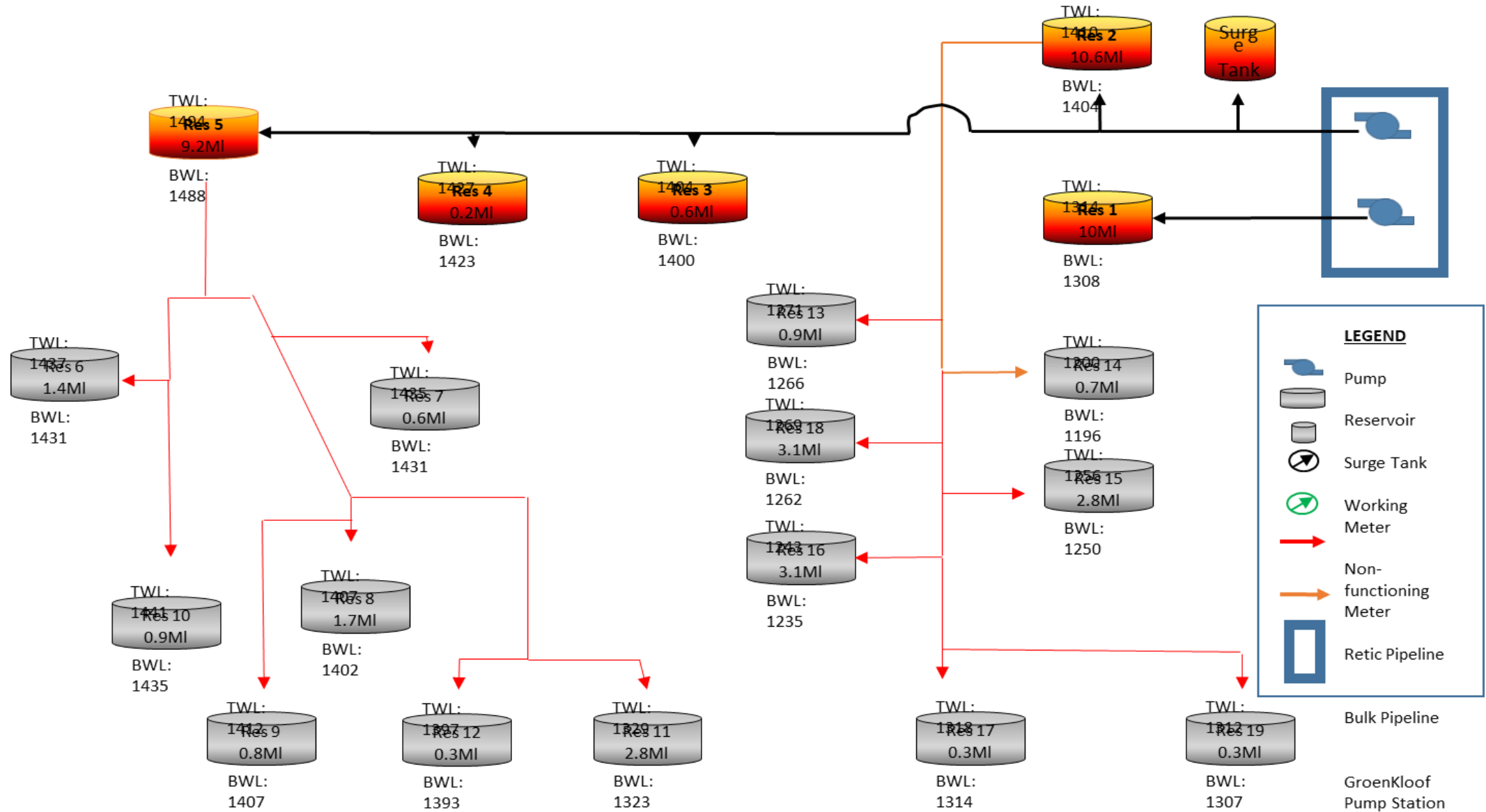
WATER AND SANITATION

WATER MASTER PLAN : VULINDLELA (Wards 1 to 9)

- The Vulindlela area is almost completely served with piped water. but waterborne reticulation only serves certain areas .
- Infrastructure was installed in 1992 onwards but needs replacement and upsizing as population densities have increased more than was designed for.
- Reservoirs and pipework upsizing/replacement is needed so that expansions of the network on the periphery can take place.

This Total figure to upgrade has now been revised to R 650 million

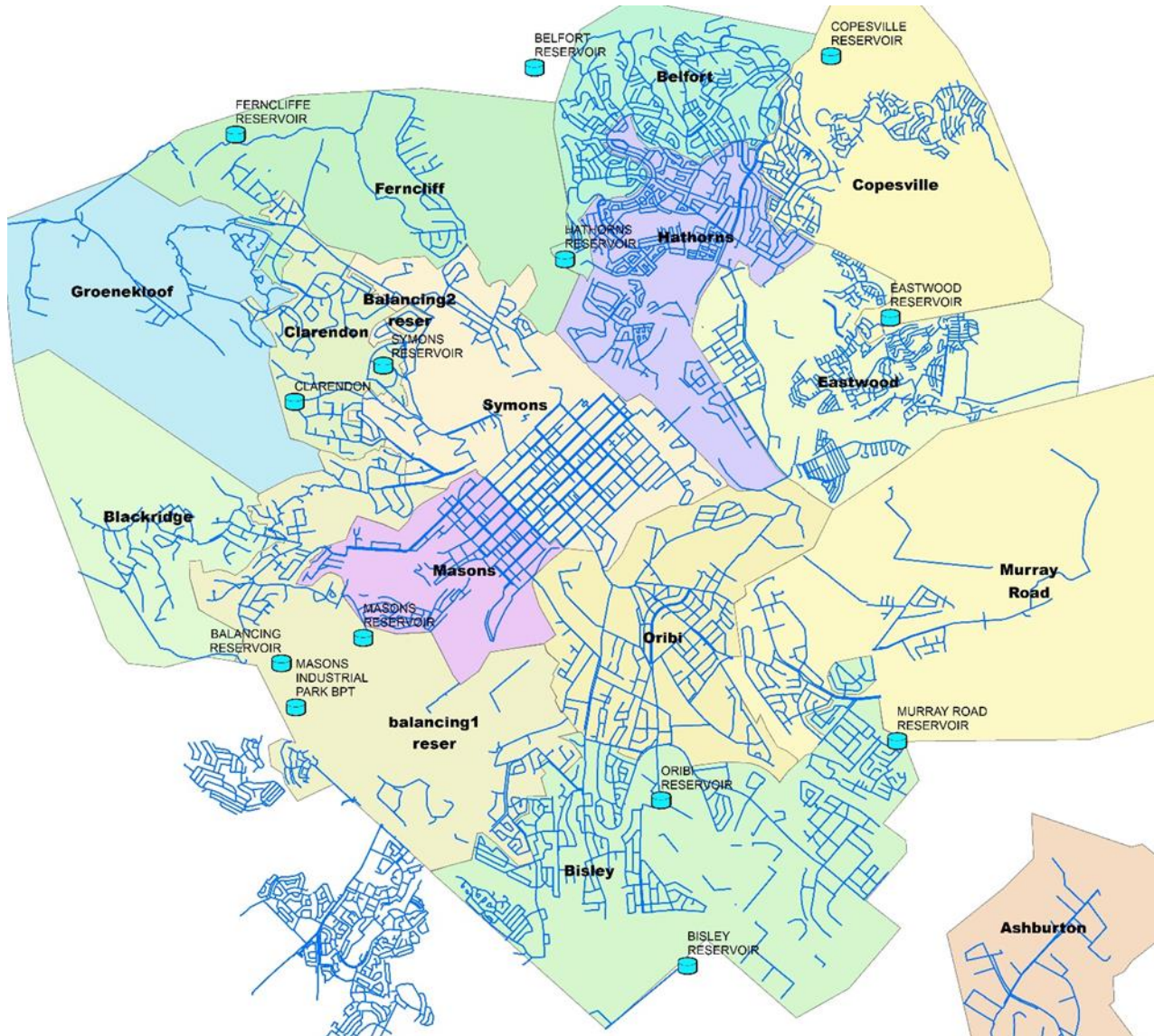
Vulindlela Bulk Schematic (NTS)



VULINDLELA : STATUS PER WARD

Ward No.	Affected Area	Supply Problem	Possible Cause/s	Short Term Solution	Long Term Solution
1	Upper Payipini	Intermittent Supply	Wrong Source of Supply - area currently supplied from Sweetwaters 'cos existing Upper Payipini (KoMkhulu) reticulation too far	Temporary Metered Connections onto Umgeni Water pipeline feeding Blackridge Res	Complete Planning & Design for System Upgrade
3	between Lines 14D and 13J2	Intermittent Supply	Insufficient Supply from Res14	convert old 65mm dia supply pipe to reticulation installation of new reticulation	Construction of Res 14 A and reticulation pipes
5	Various (within Res15 supply zone)	Intermittent Supply	Insufficient Supply into Res15 (Res battles to maintain full storage capacity even during off-peak hours, i.e. when pumping to Res5)	Currently doing water sharing when Res15 level is low	Complete Planning & Design for System Upgrade
6	Res12 supply zone	Intermittent Supply	Insufficient Supply into Res12 Insufficient Res12 Storage capacity	Daily Water Tankers	Complete Planning & Design for System Upgrade
7	Res10 (KwaMeya)	No Supply	Houses built above Res10	Daily Water Tankers	A new reservoir is currently being built above this community
7	Above Elandskop Railway Station	Intermittent Supply	Insufficient capacity of pipeline between Res6 & Res10	Daily Water Tankers	A new reservoir is currently being built above this community
7	Res9 supply zone	Intermittent Supply	Insufficient Supply from Res5	Water Sharing when Res9 level is low	
8	Machobeni (Res6)	No Supply	Houses (including RDP houses) built above Res6	Temporary standpipes off the bulk pipe to Res10 (resulting in water shortages to KwaMeya)	this will be addressed with the Umgeni Bulk Supply upgrade
9	KwaMam'uKhanyile (Res5)	No Supply	Houses (including RDP houses) built above Res5	Daily Water Tankers	this will be addressed with the Umgeni Bulk Supply upgrade
9	Inner Mafakatini (Res5 supply zone)	Intermittent Supply	Res5 battles to keep at least 65% of its capacity	Temporary connection to bulk pipelines to both Res8 & Res6	this will be addressed with the Umgeni Bulk Supply upgrade

Bulk Water System (Wards 23 to 38)



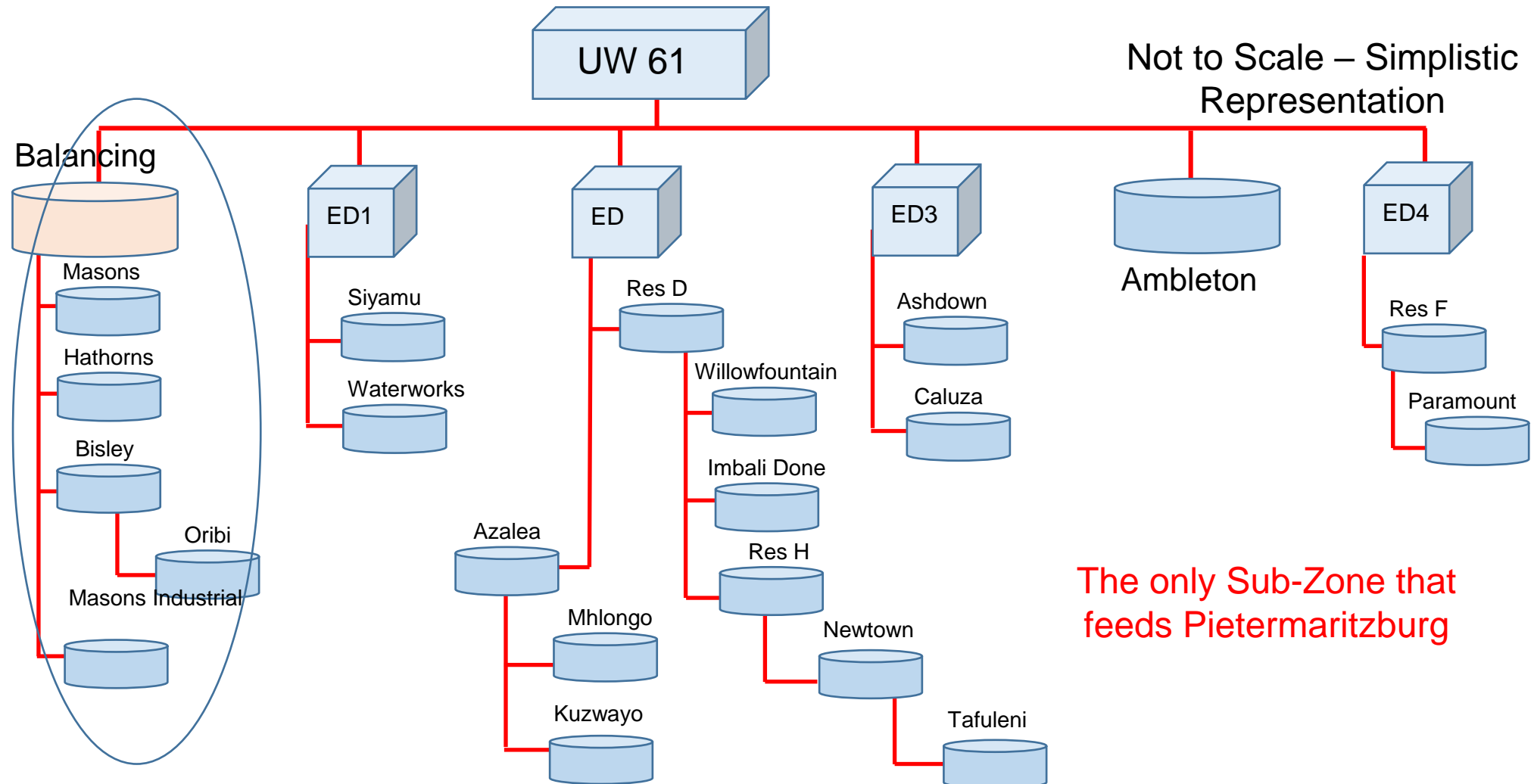
Greater Pietermaritzburg water system

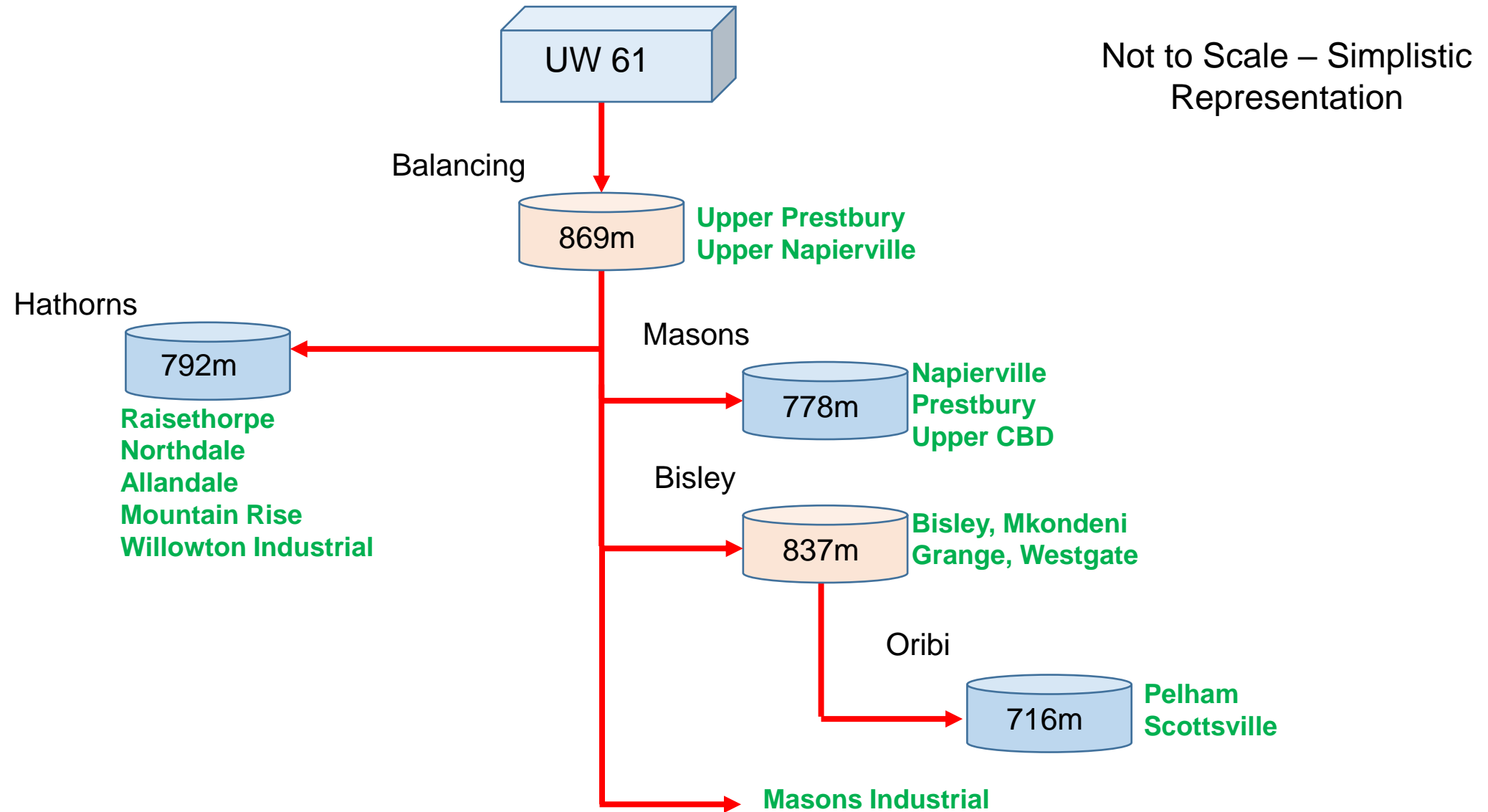
It encompasses parts of the following reservoir systems':

- Ferncliff,
- Symons,
- Clarendon and
- Groenekloof

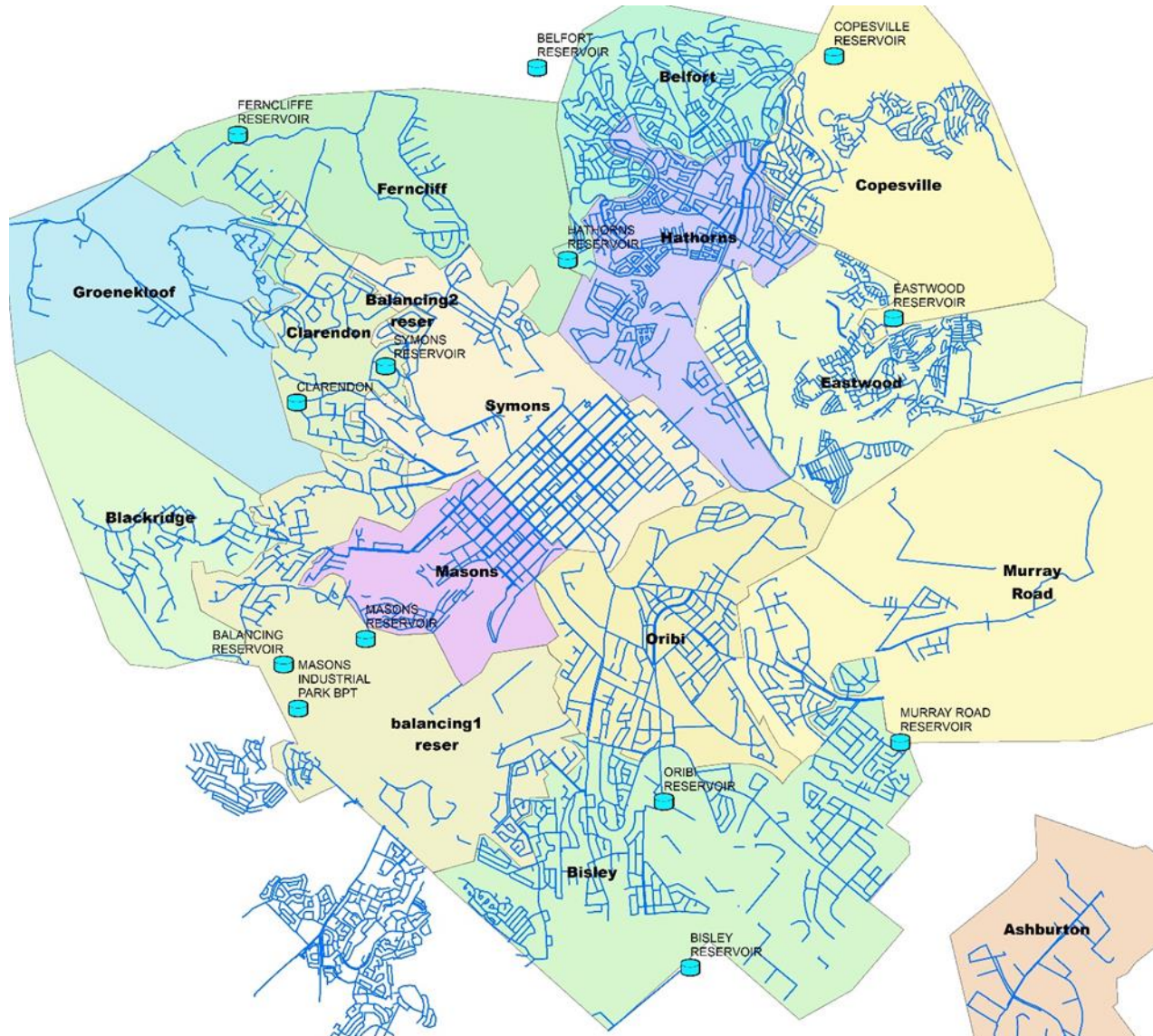
Chase Valley Road,
Townbush, Howick Road,
Athlone Upper Montrose

Umgeni Water 61 Pipeline Bulk Water System





How the Bulk Water System Work

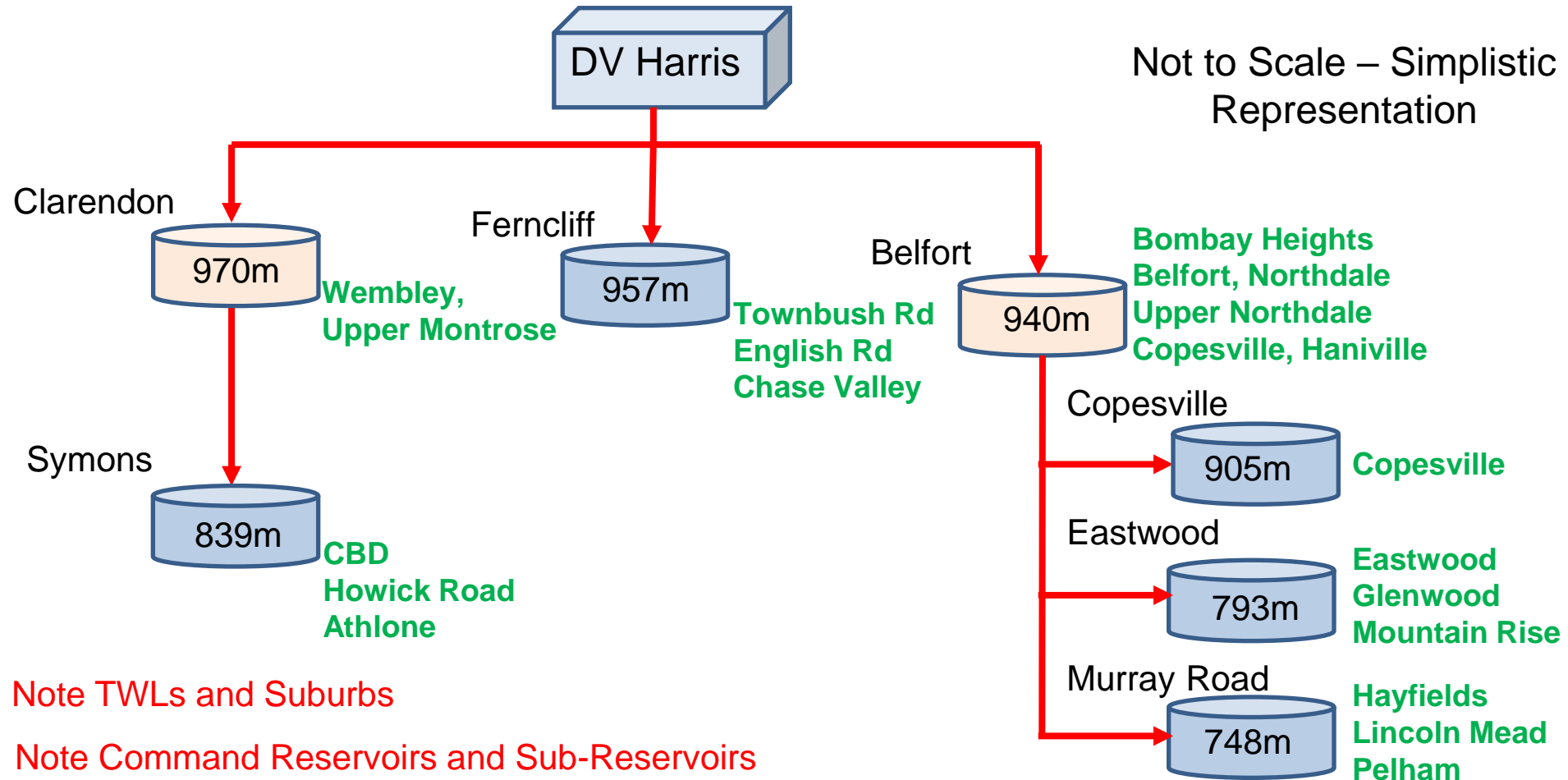


Filling the system and the various Reservoir Zones

Lowest reservoirs have to be filled and then feed their zones FIRST before other reservoirs can be fed!

NOTE: The consumer closest to highest Reservoirs always get water last!

How the Bulk Water System Work? DV Harris Bulk Pipeline



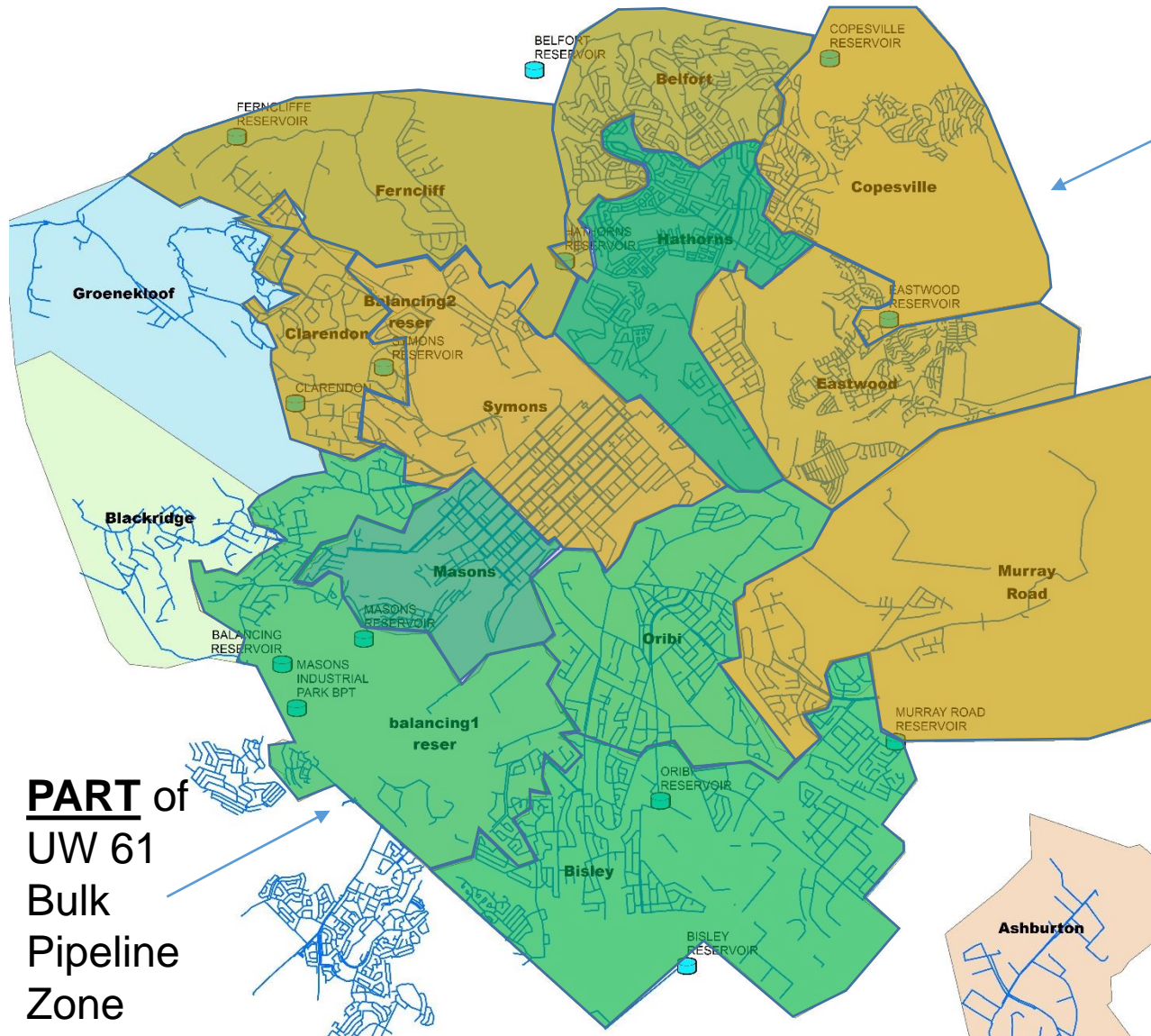
Note TWLs and Suburbs

Note Command Reservoirs and Sub-Reservoirs

What happens when UW opens the feed?

Its fills the lowest reservoir first before feeding the higher reservoirs depending on pipework operation

How the Bulk Water System Work – 2 Major Bulk Supplies



DV Harris Bulk Pipeline Zone

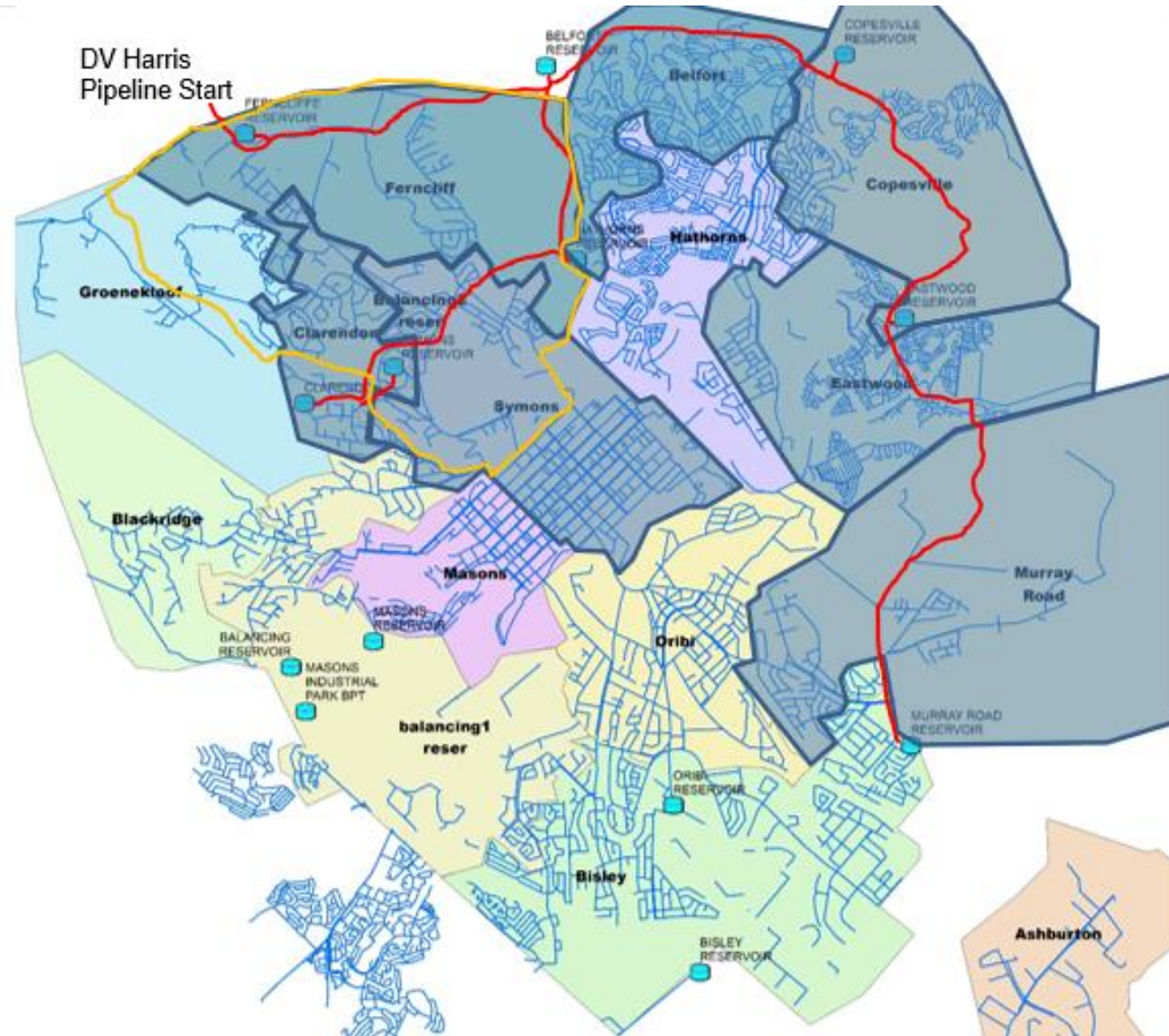
2 Major Bulk Supply Lines:

- DV Harris, and
- Umgeni Water 61

DV Harris feeds the North Eastern areas

Umgeni Water 61 Pipeline feeds the South Western areas

DV Harris Bulk Water System



Filling the system and the various Reservoir Zones

Lowest reservoirs have to be filled and then feed their zones FIRST before other reservoirs can be fed!

Similarly consumers closest to highest command reservoir get water last!

Greater Pietermaritzburg and Edendale : Ward 23 to 38

Ward No.	Affected Area	Supply Problem	Possible Cause/s	Short Term Solution	Long Term Solution
30	Orient Heights	Elevated tank is leaking	Tank is too old	N/A	new pipeline from Copesville res to eliminate the elevated tank
36	Mkondeni (Sacca)	no Reticulation	Informal Settlement	installation of standpipes	formalisation of this area for housing and services
30, 29	Ezinketeni	no Reticulation from Reservoir supply	area above reservoir	water tanks filled water tanker	New Reservoir to be built and reticulation pipes
28	Balhambra Way Informal settlement	No reticulation	Informal Settlement	tap of hydrant	reticulation pipes
14	Willowfountain/Bulwer	insufficient water supply	increase in development	water tankers	new command reservoir under the bulwer project
13, 18	France/Mpumelelo	insufficient supply and new settlement	insuffient supply on ED 4	water shedding	new pumped supply from Umgeni Water
17	Unit BB	no reticulation	new settlement	water tankers	new reticulation
23	Peacevalley 2 and 3	insufficient water supply	Informal Settlement	standpipes	new reticulation
32	Lincoln Rd - at the Woodlands Railway Station	no reticulation	Informal Settlement	standpipe	relocated people from railway reserve
14/18	Thornville	no reticulation	illegal occupation of land	n/a	n/a
11	Gudlintaba - Snating, Nhlazatshe	no reticulation	illegal connection to gravity supply to reservoir	water tankers	formal supply to this area and new gravity main to reservoir
16, 10	Pata - Omazakhele	no reticulation	new development with no services	water tankers	formal supply to this area
15	Emaqeleni/FEDSEM	no reticulation	Informal Settlement	water tankers	formal supply to this area
15	Unit Q - below Cedar Rd	no reticulation	Informal Settlement	standpipe	relocate settlement (Housing Project)

CBD and surrounds

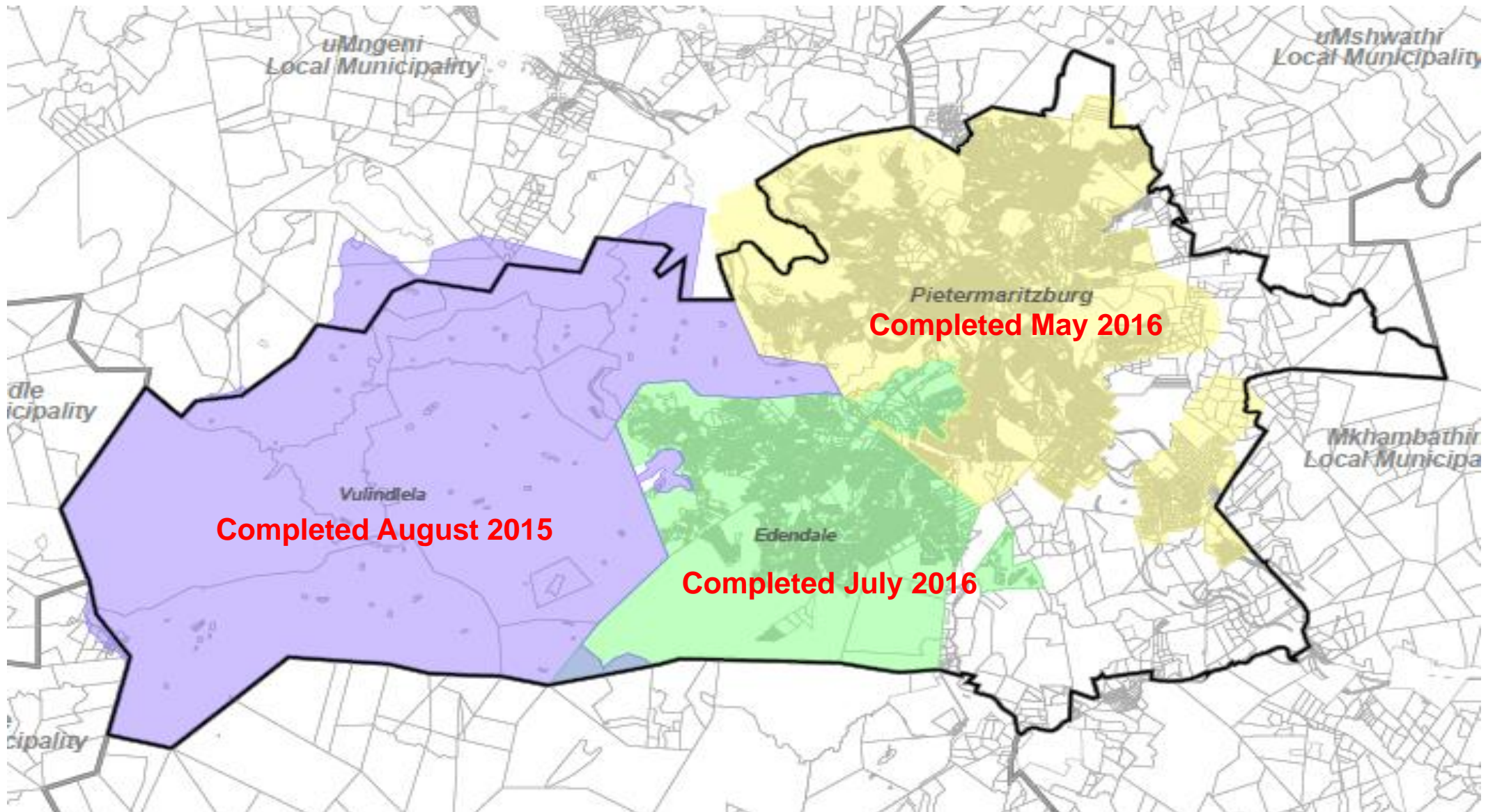
Description of Work	Time Scales	Estimated Costs
Addressing backlogs	Continuous throughout next 30 years	R171 000 000
Refurbishing aging and undersized infrastructure (Immediate and short term)	Next 5 years	R105 000 000
Refurbishing aging and undersized infrastructure (Medium term)	Next 10 years after Immediate and short term projects complete	R182 000 000
Refurbishing aging and undersized infrastructure (Long term)	Next 10 years after medium term projects complete	R40 000 000
	TOTAL	R498 000 000

WARD 39

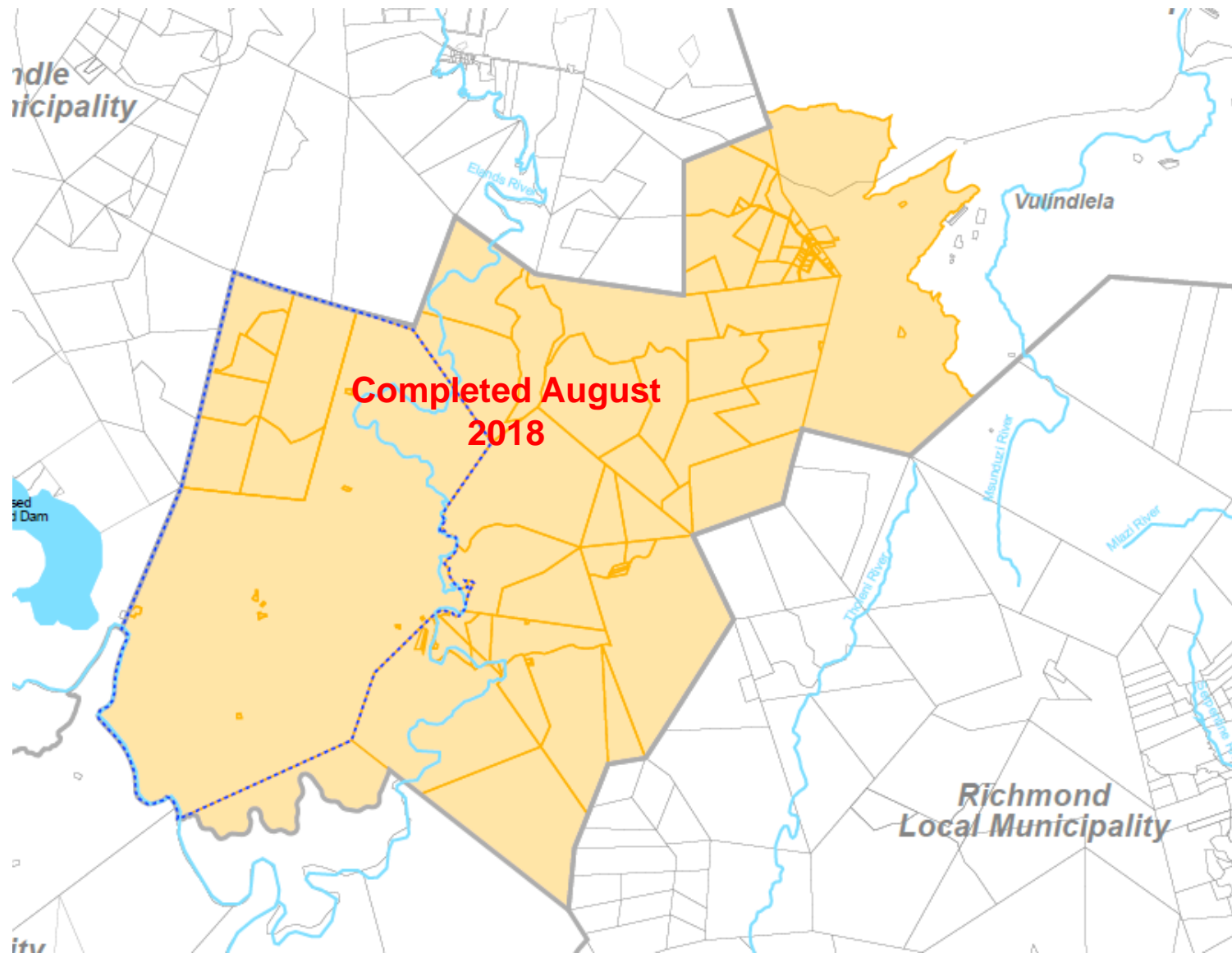
Description of Work	Time Scales	Estimated Costs
Addressing backlogs	Continuous throughout next 25 years	R5 000 000
Replacing undersized infrastructure and link to Vulindlela infrastructure (Immediate and short term)	Next 5 years	R50 000 000
Extend water infrastructure to new areas (Medium term)	Next 10 years after Immediate and short term projects complete	R37 000 000
	TOTAL	R92 000 000

Description of work	Time Scales	Estimated costs
Addressing backlogs	Continuous throughout next 30 years	R244 000 000
Refurbishing aging and undersized infrastructure (immediate ad short term)	Next 5 years	R182 000 000
Refurbishing aging and undersized infrastructure (Medium term)	Next 10 years after Immediate and short term projects complete	R123 000 000
Refurbishing aging and undersized infrastructure (Long term)	Next 10 years after medium term projects complete	R 92 000 000
	TOTAL	R642 000 000

Water Master Plan Study Areas - Completed



Water Master Plan Study Area - Ward 39



premier

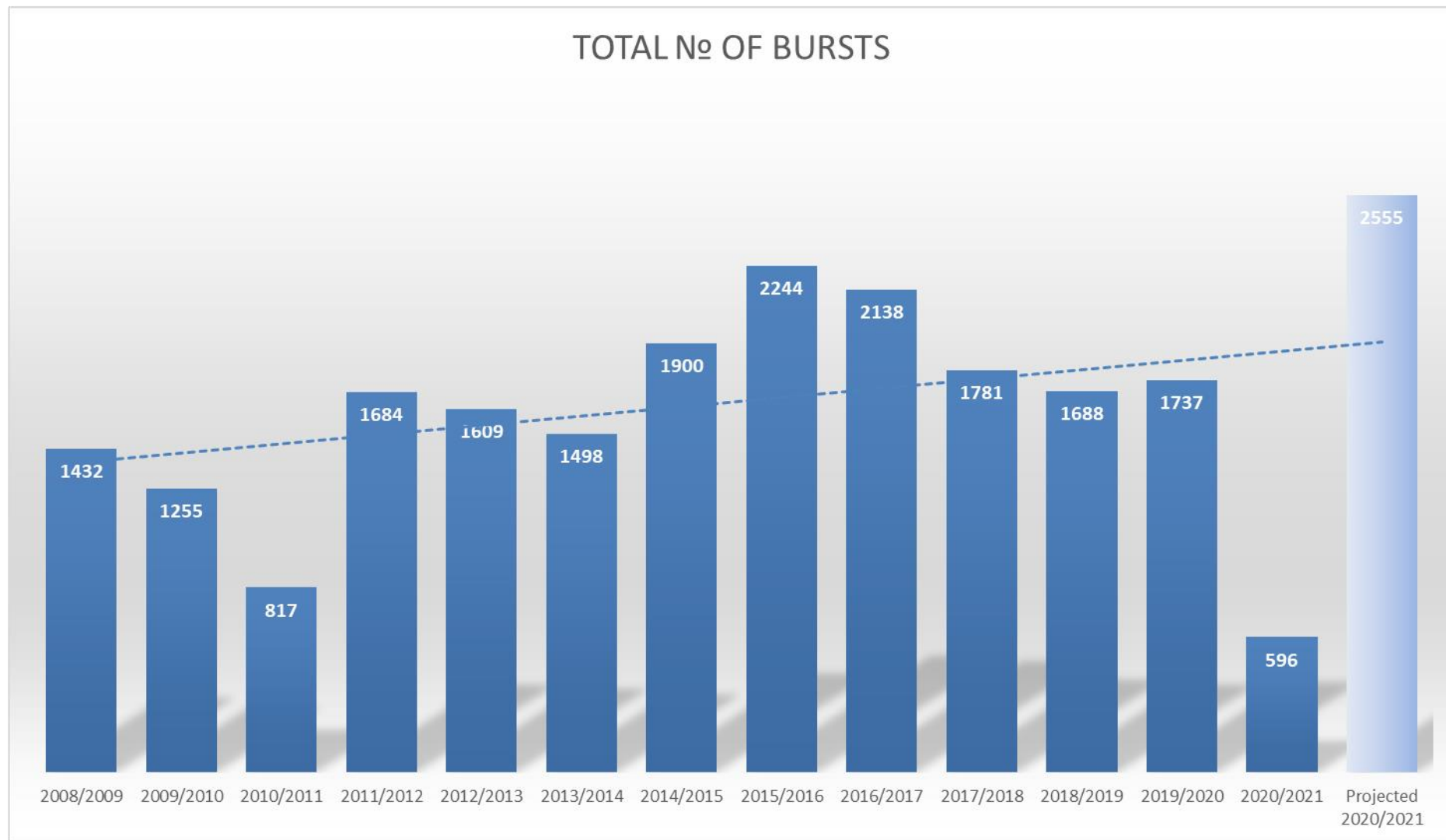
Department:
Office Of The Premier
PROVINCE OF KWAZULU-NATAL

Let's grow KwaZulu-Natal together

- Overall costs for the next 25 years are massive. A summary of costs for all the 4 areas for both Water and Sanitation is contained below:-

DESCRIPTION	TOTALS
Backlog	R560 817 960
Immediate Upgrades	R451 191 180
Short term Upgrades	R682 412 820
Medium term Upgrades	R495 849 020
Long term Upgrades	R164 382 320
TOTALS	R2 354 653 300

Mainline Burst Pipes per FY



Water Losses : AFS Format

Water losses 20/21			
Quarter 1			
Financial Year	20/21 - Quarter 1	2019/20	AUDITED FIGURES 18/19
Units purchased - kl	18 047 640	74 032 140	71 425 786
Units sold - kl	-12 608 709	-51 913 926	-51 307 317
Real losses - kl	4 355 563	17 915 753	14 763 105
Apparent losses - kl	1 021 675	4 202 461	5 355 364
Total Water Losses - kl	5 377 238	22 118 214	20 118 469
Total Water loss as a percentage	29,8%	29,9%	28,2%
Cost per kl in cents	R9,4543	R9,4543	R7,8140

Status of the Dams in the uMngeni System

Status of the dams in the Mgeni System							
	Spring Grove Dam	Mearns Weir	Midmar Dam	Albert Falls Dam	Nagle Dam	Inanda Dam	Overall System Storage
Full Supply Capacity (Mcm)	139,50	5,10	235,00	289,00	23,20	242,00	
Dam Percentage (%)							
03-Nov-16	42,00	43,71	47,78	24,41	68,61	63,45	44,2
03-Nov-17	77,17	32,72	74,29	21,25	67,38	58,39	53,8
03-Nov-18	66,92	55,00	95,11	44,57	62,91	64,58	66,3
03-Nov-19	46,69	56,41	92,09	33,59	77,87	61,01	58,6
03-Nov-20	35,42	85,03	90,63	28,51	77,5	77,67	59,45

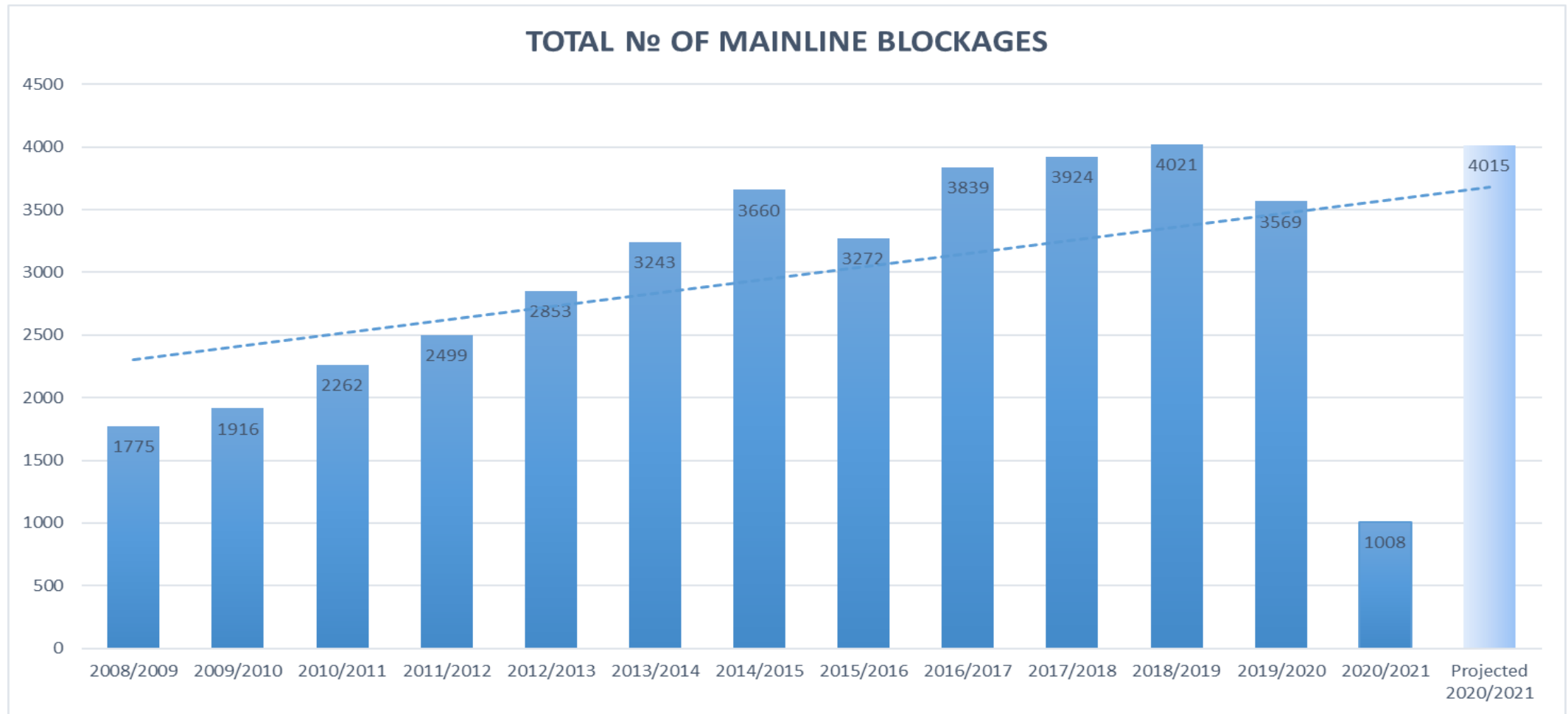
Meter Replacement - Summary of Progress

No. of Meter Replacements Issued: Work Package 1 & 2	3387
No. of Field Forms Processed	2440
No. of Meters Replaced by Contractors	1774
No. of Meters Replaced by Msunduzi Plumbers	201
No. of Bulk Meters and Unable To Locate Sites	293
No. of sites with community issues and access denied	172
No. of Memos submitted to Finance Unit	1774
No. of Memos processed by Finance Unit	1737

Weekly Progress

Period	Projected Progress: Meters Replaced	Actual Progress: Meters Replaced	Meters Installed: To Date (Cumulative Total)
31/05/2020 to 30/09/2020	1541	1541	1541
30/09/2020 to 06/10/2020	60	93	1634
06/10/2020 to 13/10/2020	90	67	1701
13/10/2020 to 20/10/2020	90	73	1774
20/10/2020 to 27/10/2020	90		

Mainline Sewer Blockages per FY



Sewer Spillages



Sewer Spillages ... continued



- The outfall sewer that delivers most of the City of Pietermaritzburg's sewage to the Darvill Waste Water Works (WWW) includes an elevated bridge section crossing over the Msunduzi River, namely Bridge 1.
- The elevated bridge crossing comprises bridge piers and two self-supporting steel sewer pipes; DN1200 and DN1500.
- Bridge 2 is situated approximately 350m upstream of Bridge 1. The DN1500 on bridge 2 was subjected to a catastrophic structural failure that caused severe pollution of sewage into the Msunduzi river. The failed DN1500 pipe was replaced with a DN1800 barrel by Group 5.
- Bridge 1's existing DN1200 and DN1500 pipes to Darvill WWW are showing similar defects to the previously failed DN1500 pipe on bridge 2. These pipes require urgent replacing to mitigate the imminent structural failure and subsequent major pollution into the Msunduzi river.

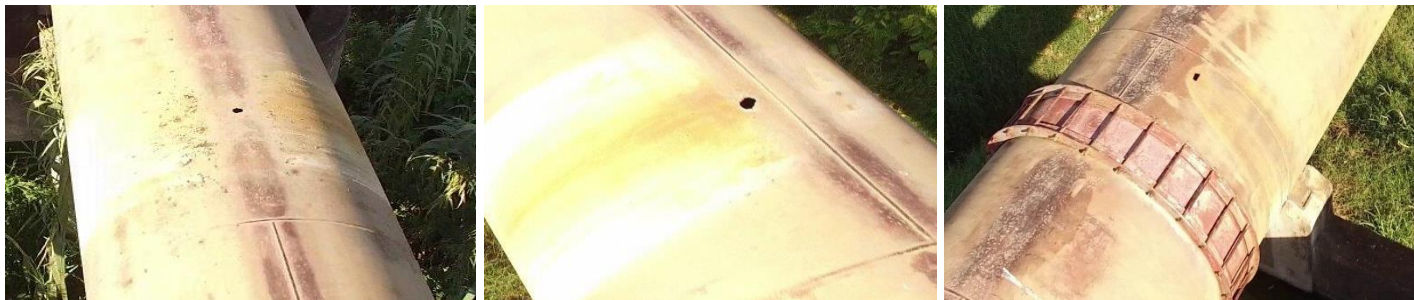
Bridge 1, chemical attack to crown of DN1200 and DN1500 outfall sewer pipe

Bridge 1, corrosion of internal lining thus causing the corrosion of steel to invert of DN1200 and DN1500 outfall sewer pipes.

Current operation of only the DN1500 outfall sewer pipe is a cause of rapid deterioration of the DN1500 pipe.

As a result of item 3, surcharging of upstream chambers and manholes occurs frequently resulting in major pollution to the Msunduzi river.

Pedestrians cross the river by walking on the crown of the DN1200 and DN1500 pipes. This is a major health and safety risk.



Pictures: Various pipe crown failures on DN1500, Bridge 1. These were repaired with externally welded steel “patches” but this should be seen as a crucially temporary solution.

Previous Solutions

- Bridge 2, replacement of failed 1500mm barrel with 1800mm barrel.
- Bridge 1, external welding of steel “patches” to close holes caused by erosion and chemical attack – Crucially temporary solution



Bridge 1 failure as a result of corroded weld



Bridge 2 replaced failed DN1500 with new DN1800



Bridge 1, DN1500 corrosion to crown of pipe replaced with steel patch

“Walking” of 1200mm pipe away from VJ adaptor due to expansion and contraction.



Existing arrangement of column heads to bridge 1

Internal Water Tankers

The Municipality currently has 18 Municipal (NPC) Water Tankers. Of the 18 municipal water tankers 13 are currently working in the wards as follows: -

NO	NPC	WARD
1	4425	39/3
2	4427	39/2
3	4433	9
4	4440	3/6/30
5	4452	6
6	4453	39/7
7	4463	39
8	4464	23/39
9	4719	12/7/6
10	4794	8
11	4795	4/20
12	4796	9
13	4797	8

Hired Water Tankers

- We currently have 15 hired tankers services the following areas at approximately R 630 000 per month :-
 - ✓ Ward 10 Azalea, Ward 16 Kwapata/Unit J/Unit H, Ward 14 Willowfountain/Bulwer, Ward 17 Unit BB, Ward 13 France, Ward 18 Mpumelelo, Ward 4 Henley Area, Ward 3, Ward 11 Sinathingzi/Dambuza
- We serve water to 68 schools and 130 tanks.
- The contractor only has 5 water tankers to serve these schools and tanks that cost approximately .
- So he has planned to serve all schools once every 3 weeks, unless a specific school requires more water as an emergency.
- There is a potential problem at present though as SALGA has been unable to get DOE to extend the MOA for all WSA's, which could lead to non payment by DOE.

- At present, Msunduzi WSA has a signed MOA with DOE to provide water to JoJo tanks at schools, as well as various tanks in communities for Covid 19 response.
- We serve water to 68 schools and 130 tanks
- The contractor only has 5 water tankers to serve these schools and tanks that cost approximately R 210 000 per month
- So he has planned to serve all schools once every 3 weeks, unless a specific school requires more water as an emergency.
- There is a potential problem at present though as SALGA has been unable to get DOE to extend the MOA for all WSA's, which could lead to non payment by DOE.

Hire Tanker Budget

Funded Prog/Commitment Item	Current Budget	Actual	Commitment	YTD Actual 30 Nov 2020	Avail Amount	Used Budg %
OPERATING LEASES	11,727,024.00	3,721,778.01	4,921,439.61	8,643,217.62	3,083,806.38	73.70

WATER SERVICES AUTHORITY

PART 3

WASTE MANAGEMENT

PART 3

PARKS AND GARDENS

MOUNTAIN RISE CEMETERY



GATE 3

key

.....
Boundary
line

GATE 2

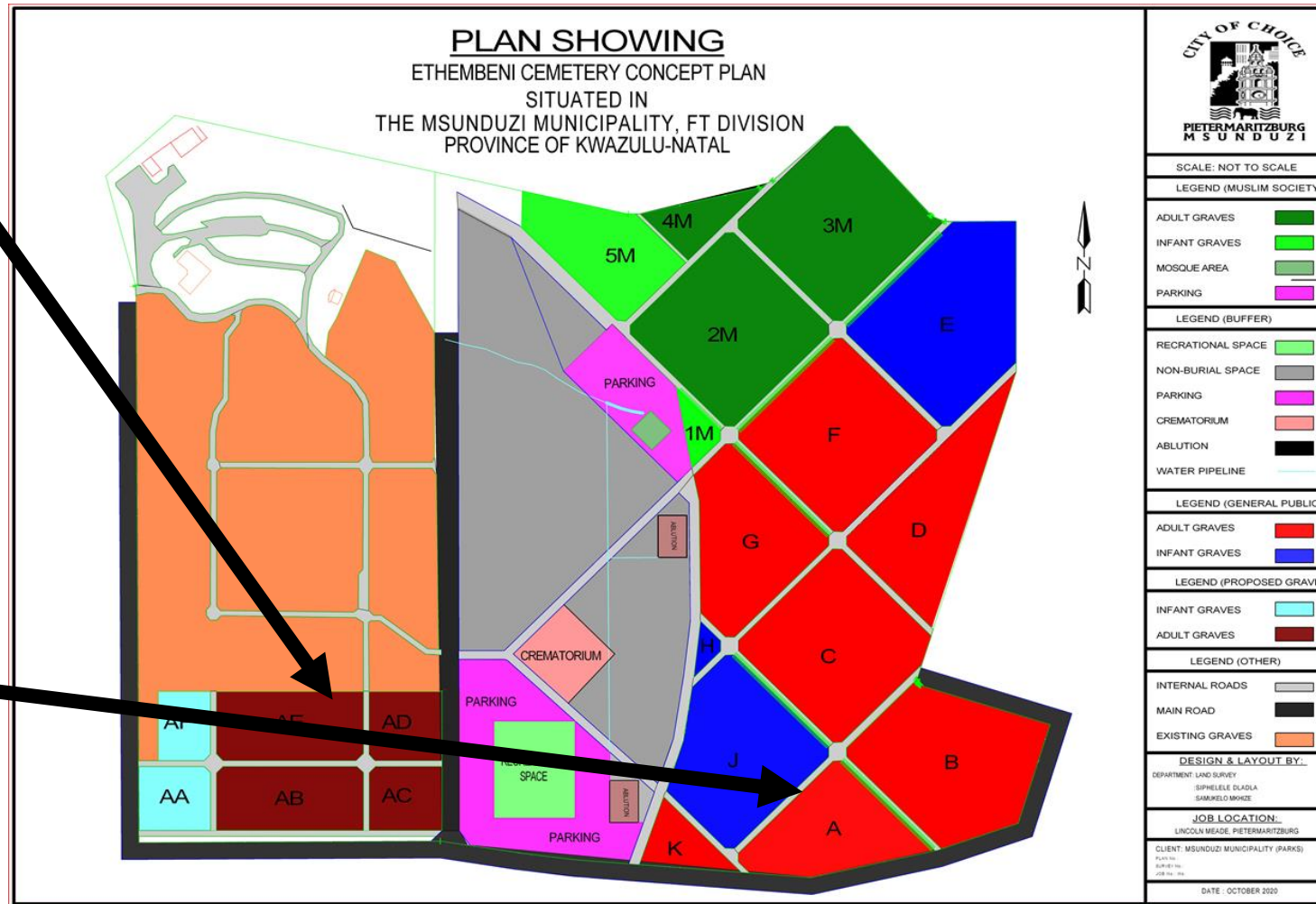
GATE 1

Cemetery is closed for new burials. Only re-openings are allowed. 244 Re-openings were conducted from June 2020-September 2020.

ETHEMBENI CEMETERY LAYOUT PLAN

Old Cemetery:
Block AB + AE = 50 Unlawful gravesites already occupied

New Cemetery:
Block A + B+C = 100 gravesites already occupied



OLD CEMETERY - Privately owned cemetery which is 7,5 hectares in total, 5 hectares is already occupied with gravesites. 50 Unlawful gravesites are occupied in the remaining 2,5 hectares.

KZN Department of EDTEA issued a Non-Compliance Notice for the 50 gravesites for unlawful burials on the 03rd of July 2020. Municipality instructed by EDTEA to cease burials and fence off the site within 21 days. Municipality instructed to commence with burials on the approved site (New Cemetery-Phase 2) and also to fence off the portion of the approved site to be used.

NEW CEMETERY - Site was purchased for the development of housing. 1,85 hectares remains for the development of a new cemetery with a yield of + 22 551 gravesites. The commencement of burials has occurred as per EDTEA instruction . 100+ Gravesites are now occupied in Blocks A, B & C. Fencing of both sites (old cemetery and new cemetery) will be carried out by the appointed service provider. Construction is to commence on 09 November 2020. Appointment of service provider for the provision of a Storm water Management plan, Geotechnical and Geohydrological (boreholes) assessment will be procured via an existing panel from contract SCM 48 of 16/17. KZN Department of EDTEA issued a Non-Compliance Notice on 29 October 2020.

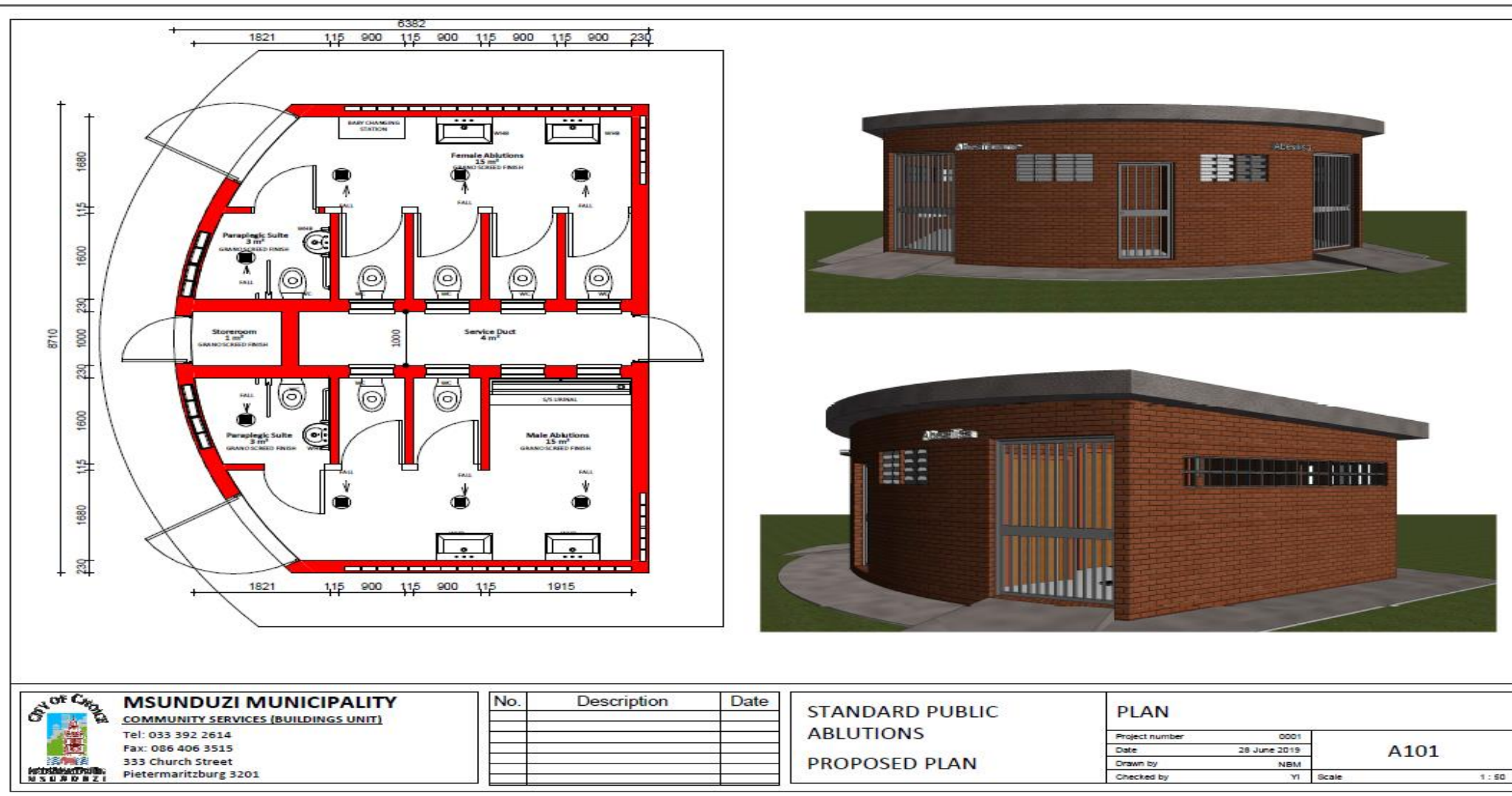
- Unlawful burials have been ceased.
- Cemetery plan for the portion (Blocks A & B) to be utilised has been drafted and area has been surveyed and demarcated .
- Fencing contractor (Phase 1 & 2) has been appointed via closed tender process.
- Awaiting quotations from service providers in order for the City Manager to be able to allocate a Service provider from SCM 48 of 16/17 for the provision of Storm water Management plan, Geotechnical and Geohydrological assessment (New Cemetery-Phase 2).
- Compliance Notice 2 dated 29 October 2020 has specific time frames. Community Services has drafted an action plan which will monitor the required timeframes as set by EDTEA.

SERVICES REQUIRED AT ETHEMBENI CEMETERY

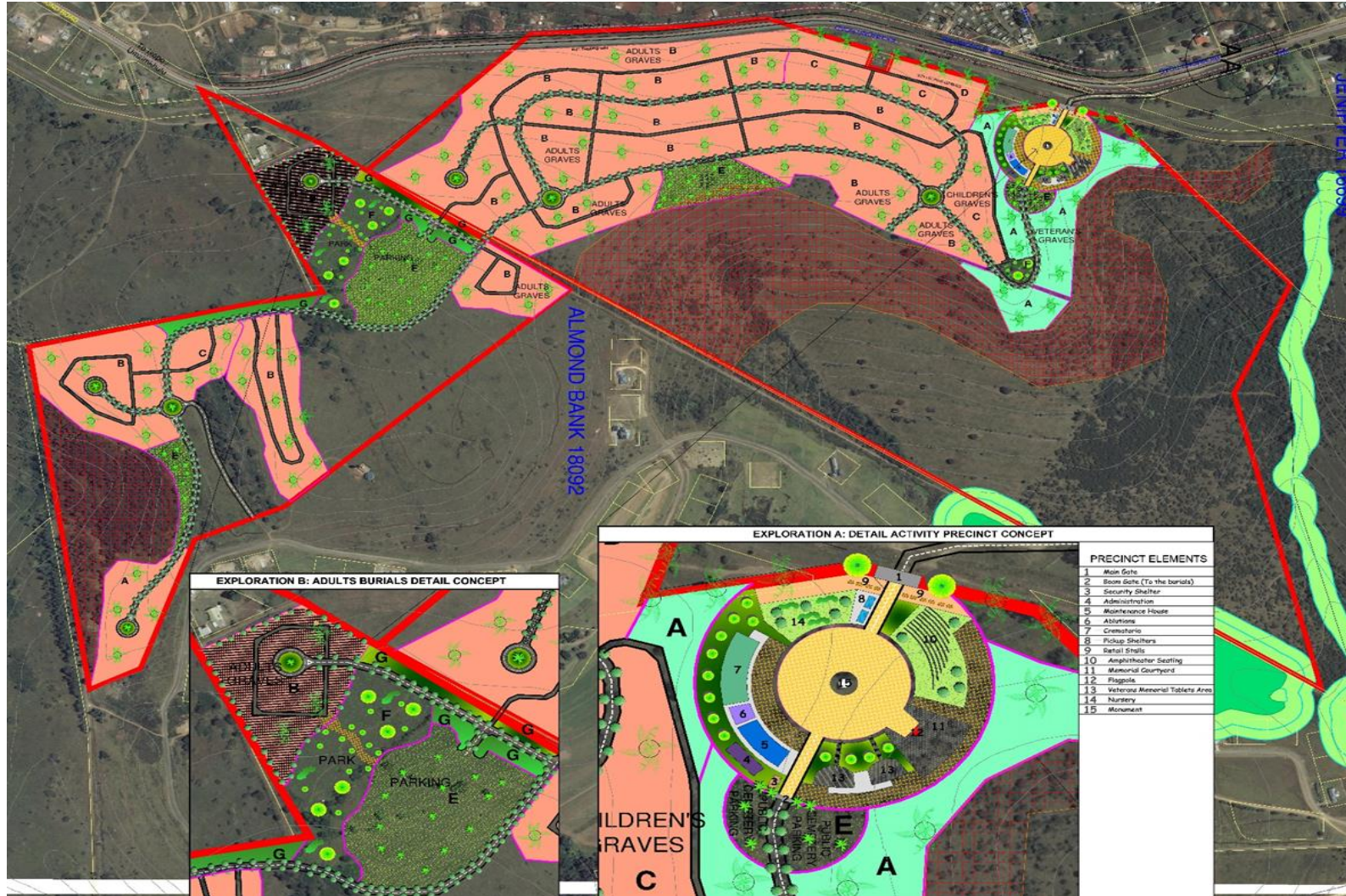
- **ABLUTION FACILITIES-** Containers will be utilised as means for temporary ablution facilities. Service Provider has been appointed . Designs for permanent ablution facilities have been finalised and construction will commence once the normal procurement tendering process has been followed or via SS72 of 19/20.
- **WATER CONNECTION-** A stand pipe will be connected to the existing water supply. Trenching for the connection of the main water supply to the new water pipe is completed. Connection of internal water reticulation is underway.
- **INTERNAL ROADS-** internal roads are clearly marked in the layout plan for both Phase1 and Phase 2 of the cemetery. A Contractor will need to be sourced for the construction of the internal roads. In the interim, ash will be utilised as a temporary measure for the internal roads.

PROPOSED TEMPORARY ABLUTION FACILITIES





LAMONTSVALE CEMETERY

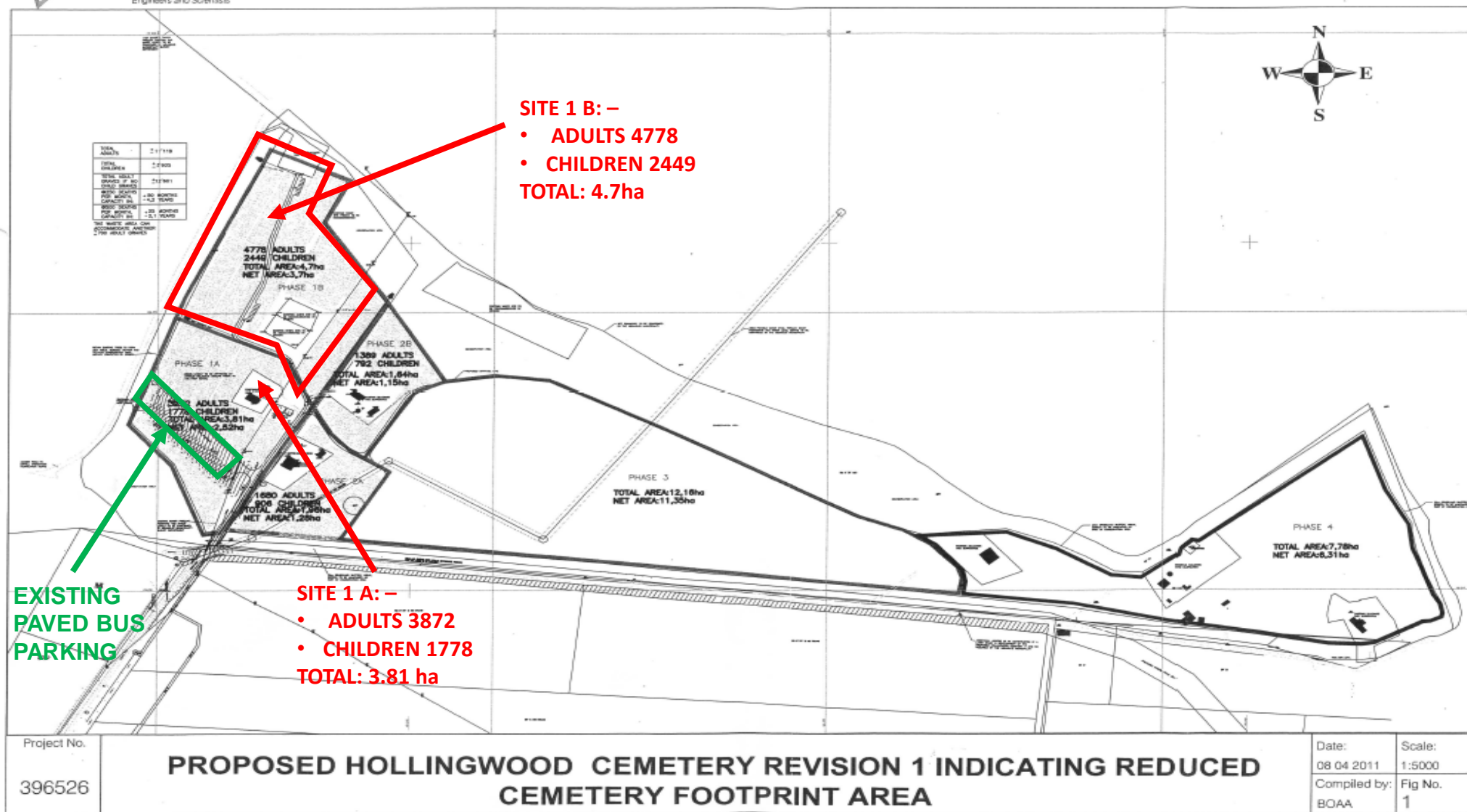


STUDIES COMPLETED

Traffic Impact Assessment report, Heritage Impact Assessment report, Agriculture consent, Geotech Investigation and Environmental Screening report.

HOLLINGWOOD CEMETERY

SRK Consulting
Engineers and Scientists



An Environmental Authorisation was granted on 28 February 2008 for the development of the cemetery with the following conditions:

- The holder of the authorization must exclude the existing industrial waste disposal areas located on site from the burial areas and rezone these areas as waste sites. The waste sites must be rehabilitated and closed in accordance with the requirements of the Department of Water affairs and Forestry, within one (1) year of the date of the environmental authorization.
- New England Road between Hesketh Drive and Murray Road must be widened to at least seven (7) metres prior to the use of the Hollingwood site as a cemetery.
- The 250 metre section of Murray Road and the 1.4 kilometre stretch of New England Road identified in the traffic impact assessment must be rehabilitated prior to the use of Hollingwood site as a cemetery.

Extensive work on the establishment of the cemetery was initiated by Msunduzi Municipality, however the project was fraught with difficulty due to disputes with Sobantu community demanding housing development

PAUPER BURIALS:

- +84 Paupers are in the government mortuary
- Service Provider has been appointed and awaiting Purchase Order.

LEASING OF CREMATORIA:

- Level 1-SMC Approval
- Level 2- Community Services Portfolio Committee
- Level 3- Local Labour Forum
- Level 4- EXCO
- Level 5- Full Council
- Bid Specification parallel process

STATUS QUO OF CREMATATIONS

DATE OF CREMATION	NUMBER OF CREMATORS	CHALLENGES
30 September 2020	1- City Funeral	Error in programming
3 October 2020	2- Holby, 1- Community Memorial	N/A
10 October 2020	1- Holby, 2- O.N Jadoo	N/A
11 October 2020	1-O.N Jadoo, 1- Doves	refractory wall flaking
13 October 2020	1-O.N Jadoo	N/A
15 October 2020	1-O.N Jadoo	N/A
16 October 2020	1-Doves	N/A
21 October 2020	1-O.N Jadoo	N/A
22 October 2020	1-O.N Jadoo	N/A
23 October 2020	1-O.N Jadoo, 1-Doves	N/A



WASTE MANAGEMENT



- The Landfill road infrastructure is dilapidated and requires urgent attention in terms of road cut ,fill compact and restructure.
- Landfill surface drainage also requires urgent attention in term of internal roads and gradient in terms of water diversion of flow of water away from the access roads.
- Accumulation of waste at the transfer station due to accessibility to working phase cell 3.4

Emergency Intervention Required

ROAD ENGINEERING

The Access ramp becomes muddy and inaccessible every time it rains.

This condition prevents vehicles from accessing the active cell which cell 3 through cell four (4)

This access road requires full attention in terms of cut and fill with cover material that will hold and also drains that will channel water away from the road.



Impact of the inaccessible roads at the Landfill

The Inaccessibility is causing the Transfer station to accumulate waste with has extended out the waste transfer station arising the warn9ing that has been issued by Edtea.

Waste Pickers have left the working phase waste picking at the transfer station which is an incident risk as you can see the congestion on the picture.



- Appointment of service provider from the Panel of service providers to perform the road upgrade at the Landfill site.
- Use the allocation as per the equitable share of approximately 3 million to address the access roads as well as drainage drains to complete the ramp enforcement with structural engineering and aggregate enforcement.
- Subject to design estimates as per the analysis that is required to be done so that the estimate can be reduced from that plan.
- An immediate intervention is required in this regard. This will also address the non-compliances cited in terms of 4.1.1 of the revised compliance notice.

- New Warning Letter from EDTEA
- Human Rights Commission – Application for a Declarator and Structural Interdict

ROADS AND RELATED MATTERS

INTEGRATED PUBLIC TRANSPORT NETWORK (IPTN)

Integrated Public Transport Network functions

Globally and in SA, certain core functions are required to run an IPTN

- Governance
- Project planning
- Infrastructure
- Ticketing
- Bus operations

Governance	Project planning	Infrastructure	Bus operations	
Legal	Systems	Fleet	Contract management	Public transport operations
Inter-govern-mental liaison	Training	Fixed infrastructure	ITS	Facilities
Sustainability	Industry transition	NMT	Operational control	Safety and security
Financial reporting	Ticketing			
Regulation		Paper tickets	Fare revenue	

<https://brtguide.itdp.org/branch/master/guide/institutional-planning/basic-brt-functions>

4 work packages were undertaken with the **intendent outcome** of upgrading, widening and re-alignment of the existing trunk route to include BRT lanes

Funding Received To Date

R 226 665 000

Received to date

R 132 086 000

Projected Spend By June 2020

R 94 579 000

Projected Rollover

Program Costs

- In addition to the above infrastructure costs, the adjacent project cost estimates would be required to roll out the current planning
- The total cost of this brings into question the affordability of the current approach.

Costing Estimates

Capital	R140m (to complete current commitments)
Operating	R135m/year
Compensation	R250m

FUNDING SHORTFALL

MIG ROAD UPGRADE PROJECTS – 31 OCT 2020

No	Project Name	Ward	Budget	Tender Value	Exp to date 2020/2021
1	CONSTRUCTION OF 1.02 KM ROAD IN VULINDLELA WARD 2	2	2,700,000		0
2	UPGRADING OF 1 KM OF MASOYI ROAD PHASE 1	39	3,000,000	7,338,026	0
3	UPGRADE OF PEACE VALLEY III ROAD	26	1,700,000	14 000 000	339 068
4	CONSTRUCTION OF 1.8 KM ROAD IN VULINDLELA WARD 5 FROM GRAVEL TO BLACK TOP	5	1,700,000	28 716 579	1 692 800
5	CALUZA ROADS UPGRADE		4 000 000	1 873 296	0
6	DAMBUZA ROADS UPGRADE		2 300 000	2 298 000	2 298 000
7	HAREWOOD ROADS UPGRADE		1 700 000	8 889 270	6 028 508
8	UPGRADING OF GRAVEL ROADS IN VULINDLELA (SHAYAMOYA ROAD)	1	3 000 000	15 342 591	2 229 481
9	UPGRADING OF GRAVEL ROADS IN VULINDLELA – (MPANZA ROAD)	3	3 000 000	15 357 347	1 652 118
10	PROFESSIONAL SUPERVISION FOR UPGRADING OF GRAVEL ROADS IN VULINDLELA	6	3 000 000	2 205 000	712 047

MIG ROAD UPGRADE PROJECTS – 31 OCT 2020 ... continued

No	Project Name	Ward	Budget	Tender Value	Exp to date 2020/2021
11	PROFESSIONAL SUPERVISION OF PGRADING OF GRAVEL ROADS IN VULINDLELA	7	3 000 000	2 205 000	648 413
12	PROFESSIONAL SUPERVISION OF UPGRADING OF GRAVEL ROADS IN VULINDLELA	8	1 700 000	2 205 000	537 877
13	PROFESSIONAL SUPERVISION OF UPGRADING OF GRAVEL ROADS IN VULINDLELA	9	1 700 000	2 205 000	537 877
14	UPGRADING OF SHAKA ROAD	23	1 700 000	5 717 085	4 491 512
15	DESIGN OF UNIT P ASPHALT ROAD	18	2 500 000	1 122 806	1 105 693
16	DESIGN OF MAKHATHINI CONCRETE ROAD		2 500 000	706 784	497 010
17	UPGRADING OF ROADS: GEORGETOWN	12	3 000 000	616 485	0
18	UPGRADING OF ROADS : SNATHING	11	3 000 000	3 408 270	1 500 000



*Siyabonga
Thank you*