

UTHUKELA
UMKHANDLU WESIFUNDA
DISTRKSMUNISIPALITEIT
DISTRICT MUNICIPALITY

ANNUAL PERFORMANCE REPORT

2023/2024



1. EXECUTIVE MAYOR'S FOREWORD

The uThukela District Municipality is pleased to present its 2023/2024 Annual Performance Report. The development of the Annual Performance Report is aimed at appraising the community of uThukela about our strides and challenges that the Municipality experienced during the previous financial year.

Institutional Renewal

While Council is fully behind the intervention since it may serve a great deal of purpose towards effective implementation of financial recovery plan, it is worth noting that the Council itself was not dissolved and its mandate, therefore, remains intact. This intervention has been impressive for the improvement in the governance of our Municipality. These plans are deemed as mechanisms to oversee a sound financial management. Lastly, the fostering of good relations with other spheres of governance proved to be essential. We dare not and will not relent in our quest for good corporate governance at our Municipality.

Financial Health Improvement

The 2023/2024 was challenging due to government continuing to experience change in economic environment in which global growth is slowing and trade tensions are mounting. The country's medium-term economic outlook has been revised down and tax revenue has significantly underperformed. As a result, the District's revenue projections have been sharply reduced and spending pressure continued to mount. The combination of lower revenue and increased spending continued to put pressure on service delivery.

The Municipality's finances have deteriorated since the beginning of the 2018/19 mainly due to lower collection rate, which also resulted in the Municipality being put under section 139, which is to support Municipality with the implementation of its financial recovery plan. Keeping in mind the fiscal pressure facing the Municipality.

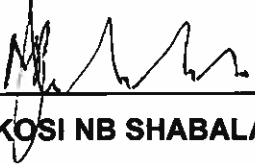
Service Delivery Improvement

The Municipality is still on track in its goal of providing water and sanitation services to its people. While all 1223 registered indigents are receiving free basic services (FBE) per month as pledged in our Service Delivery and Budget Implementation Plan. The Municipality will intensify this campaign in the next reporting year in order to alleviate the situation of our poor people.

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In conclusion, the 2023/2024 might have been one of the most difficult years the Municipality might have experienced, but with the resilient character by the Communities, Council, Administration, Intervention team and the Council workforce we are able to move forward and provide the improved services to the community.

It is a pleasure to present the uThukela District Municipality 2023/2024 Annual Performance Report.



INKOSI NB SHABALALA

HON. MAYOR: UTHUKELA DISTRICT MUNICIPALITY

2. MUNICIPAL MANAGER'S OVERVIEW

As an Accounting Officer, I hereby submit the 2023/2024 Annual Performance Report for uThukela District Municipality. The submission in question is as per dictates of Section 121 of the Municipal Finance Management Act No 56 of 2003 read in tandem with Section 56 of the Municipal Systems Act No 32 of 2000. The two afore-stated pieces of Legislation direct that the Accounting Officer should prepare both Annual Report and Annual Performance Report for the Municipality.

The development of the Annual Performance Report is a critical legislated process of local government system that is aimed at provision of services as well as accountability on the implementation of such services. It expresses the collective aspirations and effort of the city's community to improve the socio-economic livelihoods of the citizens incrementally and consistently. As part of addressing the financial viability and sustainability of the Municipality, the uThukela District Municipality is actively embracing the KwaZulu-Natal Government Provincial Intervention in line with Section 139 of the Constitution. The Municipality ought to improve its unstable financial position by focusing on revenue collection, enhancement, and expenditure management. This financial recovery journey is critical in ensuring that the Municipality can improve service backlogs, grow the economy, and attract investment within the Municipality. It will once more require partnerships with other spheres of government, business, labour, community structures and the community at large.

The Municipality has implemented all its programmes, strategies, and targets in line with its developmental objectives as follows:

- Service Delivery Improvement: Strengthen service delivery as a priority for economic growth
- Financial Positioning Improvement: Implement a financial recovery plan that rebuilds financial Strength
- Institutional Renewal: Strengthen the organisation – the heart of it all.

Regarding good governance, the Municipality's Council, Executive Committee, Management Team and the Provincial Intervention Team workforce are collectively responding to the pressing challenge of providing effective and efficient services to the inhabitants of our Municipality. The Council has been more visible in the community interacting with our key stakeholders at various forums and utilising a variety of mediums. This alone, has stimulated a sense of pride amongst our citizens. Central theme has been improved relations between

the Council, and its administration and the communities through meaningful and genuine engagement.

As Council, public participation is key to our communities in the affairs that affect their lives and livelihoods. To realise this goal, we went all out to engage communities of uThukela in a genuine effort to solicit their views on developmental issues and the solutions they propose. The Municipality involved its communities in the IDP and Budgeting processes.

We further believe that for optimal public participation to be realised, the community should be properly informed about their rights, responsibilities, and obligations. This process took place through community engagements which enabled the Council leadership to intervene effectively to quell community protest actions for service delivery thereby ensuring stability in the District.

LS JILI

MUNICIPAL MANAGER: UTHUKELA DISTRICT MUNICIPALITY

THE UTHUKELA DISTRICT MUNICIPALITY LONG-TERM VISION

“By 2030 uThukela will be a stable, sustainable and prosperous District with committed servants who serve with excellence in governance, service delivery and economic development”.

MISSION STATEMENT

We promote a people-centered environment with emphasis on communication, integrity, economy, effectiveness, and efficiency.

uThukela District Municipality (DC23) is one of ten District Municipalities in the Province of KwaZulu-Natal. uThukela District Municipality derives its name from one of the major rivers in the Province of KwaZulu-Natal, the uThukela River that rises from the Drakensberg Mountains and supplies water to a large portion of KZN and as well as Gauteng. uThukela District Municipality has three District Municipalities bordering onto it within the Province of KwaZulu-Natal, namely Amajuba, uMzinyathi, and uMgungundlovu.

uThukela District Municipality consists of three local Municipalities namely:

- ⇒ Alfred Duma (KZN238)
- ⇒ Inkosi Langalibalele (KZN237)
- ⇒ Okhahlamba (KZN235)

The size of uThukela District Municipality is approximately 11500 km². Alfred Duma is occupying 3 957.63 km², Inkosi Langalibalele 2 958.59 km², Okhahlamba which is occupying 3540.63km². uThukela District Municipality is 75 % rural and most of the areas comprising of traditional areas.

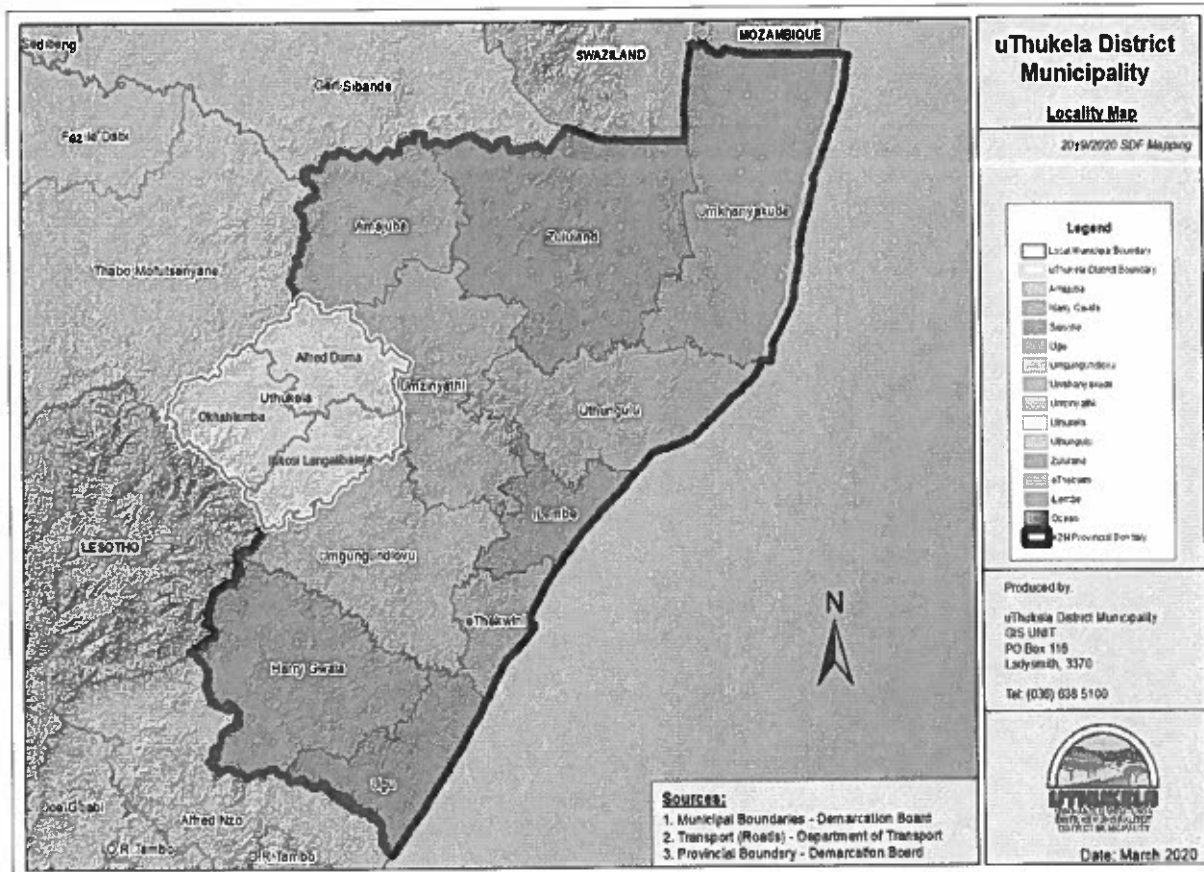
According to the Community survey 2016, the total population in the UTDM is estimated at 706,589 people spread unevenly among the seventy-four (74) wards. The 2% growth in population is noticeable from 2001 to 2011 as per the 2011 Statistics SA. Within the District Females are more than male and are occupying 55% in this category whereas male is on 45%. The dependency ratio in uThukela declined from 76.4 to 70.9 between 2001 and 2011. Dependency ratio is highest in the Alfred Duma Municipality compared to all other

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Municipalities within uThukela. Okhahlamba and Inkosi Langalibalele Municipality also have a high dependency ratio (79% and 72.7% respectively).

Generally, uThukela District experienced a decline in its dependency ratio between 2001 and 2011. However, the ratio is high when compared to the provincial (65.4%) and national (58.7%) averages. The majority of the people that lives in uThukela District Municipality are Africans and Coloureds are minority.

The main tourism hub is the Cathkin Park, which falls within the Cathkin Park node, and another node located near the Royal Natal National Park, called Babangibone Development Node. The Ladysmith town is a significant historical tourism destination and offers a number of museums and historical sites while Bergville and Winterton towns are located within the vicinity of the Drakensberg and derive some benefits from the tourism industry. uThukela District Municipality has a good climate and abundance of natural resources like Drakensberg mountains. The intrinsic beauty of the area enhances the tourism opportunities in the District. Below are the maps of uThukela District Municipality, wards, and tribal authorities.



3. EXECUTIVE SUMMARY

A Performance Management System is a tool which tracks the performance of employees in a manner that is consistent and measurable. The system refers to a combination of technologies and methodologies to ensure the people across the organization.

Performance Achievements on key performance areas – The organization's formal performance is evaluated by means of a management Municipal scorecard (75p layer SDBIP) at an organizational level and at departmental level. The SDBIP is a plan that finds its expression in the IDP and Budget. It also stipulates strategies, structures, and normal business processes of the Municipality. It further allocates responsibility to deliver the services in terms of the IDP.

The MFMA Circular No. 13 prescribes that:

- The IDP and budget must be aligned.
- The budget must address the strategy priorities.
- The SD BIP should indicate what the Municipality is going to do during the 12 months (Financial year).

PURPOSE OF THE REPORT:

The Annual Performance Report (APR) is a legislature requirement which prescribes that the report must be submitted to the Auditor General by the 31st of August annually.

The Annual Performance reflects a comparison of performance that the target sets for the year under review and performance in the previous financial year. As per Section 121 (2) (C) of the Local Government Municipal Finance Management Act the APR forms part of the Municipality's Annual Report.

In terms of Section 46 of the Municipal Systems Act (Act 32 of 2000 inter-alia stipulates the following:

A Municipality must prepare for each financial year an annual report consisting of:

- I. The Municipality's and any revenue provision performance during the financial year
- II. The development and service delivery
- III. Measures that were or to be taken to improve performance.

METHODOLOGY

The provision of the Municipal Systems Act (No. 32 of 2000) stipulates that Municipalities needs to monitor and measure the progress of their performance by preparing quarterly and mid-year reports, as required in terms of chapter 9 of the Municipal Systems Act on performance management system. These quarterly and mid-year reports constitute the Municipality's annual performance reports as required in terms of section 46 of the Municipal Systems Act. These reports are submitted to the Auditor General of South Africa, conjunction with the Annual Financial Statements for auditing. After the Council of the Municipality has adopted the audited performance report as part of the Annual Report it must then be submitted to the Department of Co-operative Governance and Traditional Affairs, National and Provincial Treasury, Auditor General and other relevant stakeholders.

4. LEGISLATIVE MANDATE

4.1 The Constitution of the Republic of South Africa, Act 108 of 1996:

Section 152(1) of the Constitution prescribes that the objects of local government are:

- a) To provide democratic and accountable government for local communities.
- b) To ensure the provision of services to communities in a sustainable manner.
- c) To promote social and economic development.
- d) To promote a safe and healthy environment.
- e) To encourage the involvement of communities and community organizations in the matters of local government.

Section (152) (2) further states that:

“A Municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1)”.

4.2 Municipal Systems Act (Act No 32 of 2000)

Chapter 6 of the Municipal Systems Act, and specifically Sections 38 to 49, deal with organizational performance management. These legislative mandates require of all Municipalities to:

- Development of a performance management system.
- Monitoring and review of performance management system.
- Setting of key performance indicators and performance targets.
- Publish an annual report on performance for the benefit of the communities served by the Municipality.
- Incorporate and report on a set of general key performance indicators prescribed nationally by the Minister responsible for local government.
- Auditing of performance measurement both internally and externally.
- Annual reporting on performance.

Chapter 7 of the Municipal Systems Act deals with local public administration and human resources. In particular, section 57 of this Chapter requires that the Municipal Manager and those officials reporting directly to the Municipal Manager (i.e., Section 57 employees) sign annual performance agreements. An individual performance plan must be attached to the

performance agreement, and it must include a set of performance measures that will enable actual performance of individuals to be assessed against planned performance.

4.3 Local Government: Municipal Planning and Performance Management Regulations, 2001

The Minister responsible for local government in terms of Section 49 of the Municipal Systems Act passed these Regulations. These Regulations spell out the performance management responsibilities of Municipalities in more detail. They deal with:

- The nature of the PMS.
- The adoption of the PMS.
- The setting of key performance indicators.
- The general key performance indicators published by the Minister, which reflect the
 - Object of developmental local government.
 - The review of key performance indicators.
 - Setting of performance targets.
 - Monitoring, measurement and review of performance.
 - Internal auditing of performance measurements.
 - Community participation.

The Regulations further instruct a Municipality to ensure that its performance management system:

- Complies with the requirements of the Act.
- Demonstrates how the system will operate and be managed from the planning stage up to the stages of performance and reporting.
- Clarifies the roles and responsibilities of each role player, including the local community, in the functioning of the system.
- Determines the frequency of reporting and the lines of accountability for performance.
- Relates to the Municipality's employee performance management processes.
- Provides for the procedure by which the system is linked to the Municipality's Integrated Development Planning processes.
- A performance management system must be adopted before or at the same time as the commencement by the Municipality of the process of setting key performance indicators and targets in accordance with its integrated development plan.

The implementation of the performance management framework should allow the Municipality to collect, process, organize, analyse, audit, reflect and report on performance information. It should also allow the Municipality to take practical steps to improve its performance.

4.4 Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006:

These Regulations prescribe how the performance of Municipal Managers and managers' directly accountable to Municipal Managers must be directed, monitored and improved.

The Regulations include the following:

- i. Chapter 2: requirements and provisions of employment contracts.
- ii. Chapter 3: performance agreements, including prescribed key performance areas (KPA's) and core competency requirements (CCR's).
- iii. Chapter 4: the content of a job description for Municipal Managers.

4.5 Municipal Finance Management Act

In terms of Section 53 (1) of the Municipal Finance Management Act of 2003 (MFMA), the mayor of a Municipality must take all reasonable steps to ensure that the Municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget.

Annual performance agreements as required in terms of section 57(1)(6) of the Municipal Systems Act for the Municipal Manager and all Senior Managers must also be concluded and they must be linked to the measurable performance objectives approved with the budget and to the service delivery and budget implementation plan.

The Service Delivery Budget Implementation Plan (SDBIP) and these performance agreements therefore give effect to the Integrated Development Plan (IDP) and budget of the Municipality in ensuring that the execution of the budget, performance of senior management and achievement of the strategic objectives set by the Council are monitored.

The MFMA stipulates general responsibilities of Mayors. Section 52 (d) of the Act requires that a Mayor of a Municipality must, within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state affairs of the Municipality.

5. PERFORMANCE MANAGEMENT PROCESS OVERVIEW



6. PERFORMANCE AND SUPPORTING INFORMATION

This section of the report highlights the overall performance of uThukela District Municipality for the financial year 2023/2024, ending on 30 June 2024, referring to the supporting portfolio of evidence, which is captured on the uThukela District Municipality scorecard.

The report of Performance Management System of uThukela District Municipality has incorporated five (5) National Key Performance Areas, and it is in line with the requirements of the Municipal Systems Act of 2000, Section 46 and will therefore:

- highlight and reflect on the overall strategic performance of the Municipality for the financial year under review.
- provide factual comparison to the performance of previous financial year.
- provide credible reasons for variances from set targets of all Key Performance Indicators not achieved.
- most importantly list the corrective actions to be taken to improve performance in the uThukela District Municipality are covered in this report.

7. BACKGROUND TO THE MUNICIPAL SCORECARD

The Organizational Scorecard reflects the five (5) national KPA's and local priorities and enables a wider analysis of the Municipality's performance. The performance report is based on measures included within the Organizational Scorecard. The scorecard highlights 90 indicators that are linked with uThukela District Municipality IDP strategic objectives.

During the Adjustment Budget period of 2023/2024, the Council amended the previously set targets to align with the budget and to ensure "SMART" principle to targets which were previously not measured to comply with Chapter 3 of Municipal Planning Performance Management Regulations, 2001 Section 12. The Council has also refined indicators to ensure they are measurable, relevant, objective, and precise to meet the requirements of Chapter 3, Section 9 (a) and (b). Council adopted these targets on 27 March 2024.

8. ANNUAL ORGANISATIONAL PERFORMANCE INFORMATION

To continuously ensure effective financial management and value for money in the execution of the Municipal Integrated Development Plan, regular assessments by Performance Management in reviewing the set targets on quarterly basis. These assessments are conducted to identify and implement appropriate remedial action promptly to improve the probability of achieving the targets and subsequently sound service delivery to the community of uThukela District Municipality.

Performance targets for the financial year of 2023/2024 were developed and outlined in the organizational scorecard that was adopted together with the Adjustment Budget. After the Council approved the resolution of the adjustment, it was uploaded on the Municipal website for public viewing, comment, and information.

This Annual Performance Report demonstrates the performance of uThukela District Municipality against its predetermined objectives and targets on the organizational scorecard. Both the Annual Performance Report and the Annual Financial Statements are subject to be submitted to the Office of the Auditor General on 31 August 2024.

9. MUNICIPAL FUNCTIONS PER DEPARTMENT AND OPPORTUNITIES

9.1. Technical Services

The Municipality is committed to improving the provision of water and sanitation. There is a huge backlog in terms of the latter services however,

The Municipality has completed the following project milestones:

- 411 Households provided with water to eradicate backlog within the District
- 1.2 kilometres of bulk rising main pipeline constructed at Bergville WTW
- 3,211 km's of reticulation pipeline constructed at Ezakheni WCDM: Phase 2
- Site establishment at Langkloof and Bulk Supply: Phase 1
- 13,7km of reticulation (HDPE Pipeline and PVC Pipeline) pipeline constructed at Fitty Park Community Water Project
- 2000 VIP toilets constructed
- 0,51 kilometres of reticulation pipeline constructed at Okhahlamba LM (Ward 2,3 & 14) East Reticulation 01
- 0,6 of Kilometers of bulk pipeline to constructed at Okhahlamba LM (Ward 2,3 & 14) East Reticulation 01
- 4 Km's of UPVC Mains to be constructed at KwaNobamba/Ezitendeni Water Supply
- Site Establishment completed at Ezakheni E Sanitation completed
- Site Establishment completed at Loskop Abstraction WTW

9.2. Water

uThukela District Municipality is both the Water Services Authority and Water Service Provider and therefore obliged to fulfil its mandate that of providing access to safe and reliable portable water to its consumers.

Both the Water Services Authority (WSA) and Water Service Provider (WSP) are tasked with the preparation of a formal water services development plan (WSDP) that contains information on the physical attributes of the area, the socio-economic attributes, existing infrastructure, and water use, and provides a long-term water services plan with a five-year implementation plan.

9.3. Sanitation

As far as sanitation is concerned, an estimated 84% of households have access to sanitation facilities above RDP standard (VIP toilet and higher). The backlogs in this regard are most prominent in the rural areas, Inkosi Langalibalele and Okhahlamba.

9.4. Finance and Risk Management

The Municipality has developed, reviewed, and adopted policies as well as relevant procedures; and are currently being implemented. It has also embraced and adopted the new performance reforms at all levels, as articulated in the MFMA Circular No 88 and the budgeting and reporting systems are MSCOA compliant.

Overview of strategic interventions relating to revenue collection and expenditure are being implemented and the Municipality is ensuring that a prudent financial management and fiscal discipline through developing and reviewing internal controls is established with various oversight committees and improving capacity within financial management. Credit control measures will be ratchet up to improve financial liquidity position of the Municipality.

10. SUMMARY OF PERFORMANCE FOR THE 2023/2024 FINANCIAL YEAR

The Municipality had five (5) departments, including the office of the Municipal Manager, during the period under review. Those Departments were (1) Budget and Treasury; (2) Corporate Services; (3) Community services, (4) Water, Sanitation & Technical Services; and (5) Office of the Municipal Manager. All the five departments cumulatively contributed to the annual performance report of the Municipality for the period under review.

The SDBIP and Annual Performance Report 2023/2024 is arranged in terms of the six National Key Performance Areas of Local Government, viz, (1) Municipal Transformation and Institutional Development; (2) Basic Service Delivery; (3) Local Economic Development; (4) Good Governance and Public Participation; (5) Municipal Financial Viability & Management; and (6) Cross Cutting Issues. Further to this, the Municipality is still under Section 139 Intervention. The Municipality had a total of 90 targets and managed to achieve 63, while 27 targets were recorded as unachieved due to various reasons highlighted on a detailed report attached. The Council at a meeting held on 27 March 2024, approved the adjustments to the

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2023/2024 SDBIP to integrate KPIs relating to water and sanitation projects and recommendations by the Auditor General's report.

- a. The summary of performance results of the organization is outlined below.

10.1.1 Overall performance of the Municipality for 2023/2024 compared to 2022/2023 financial year.

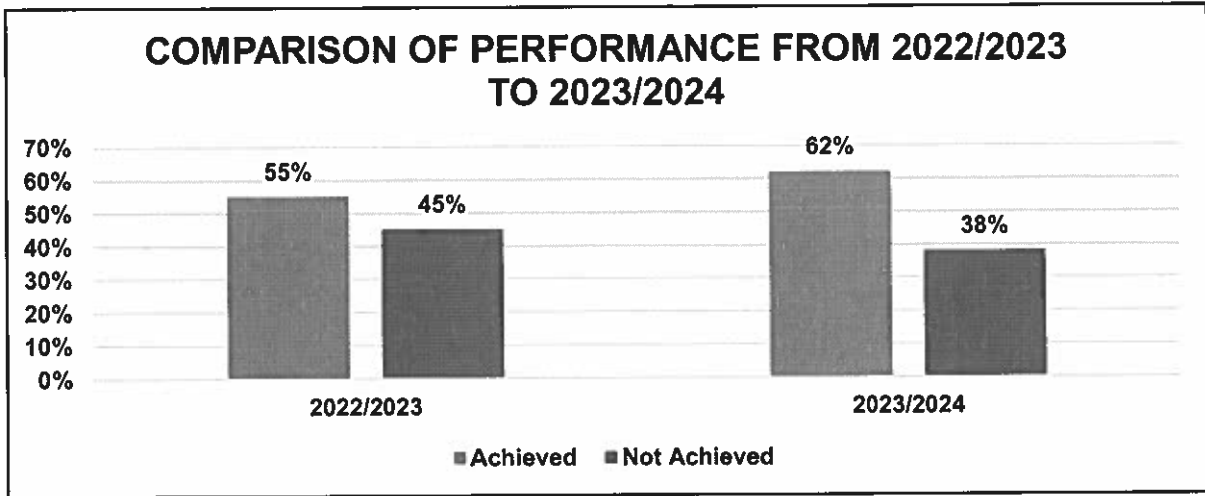
The table and the graph below illustrate the summary of overall performance of the Municipality for the financial year ending on 30 June 2024. This means that it is a tabulation of the total percentage of targets set by all departments combined, which then gives a picture of how the Municipality has performed.

uThukela District Municipality, despite the odds, has improved its performance from the 2022/2023 and 2023/2024 financial year by 7%. The Municipality's performance in the previous financial cycle was 55% and, in the year, ending, 30 June 2024, is 62%.

Through the perseverance of it's the political leadership, senior management and all employees, the residents within the uThukela District have benefitted from various major projects implemented and completed within the financial year. To improve this trend on service delivery, the Municipality will continuously monitor its performance, very closely and accordingly the monitoring controls will receive particular attention in all departments of the Municipality.

2022/2023		2023/2024	
Achieved	Not Achieved	Achieved	Not Achieved
55%	45%	62%	38%

The overall performance improvement between the two financial years is depicted in the graph below:



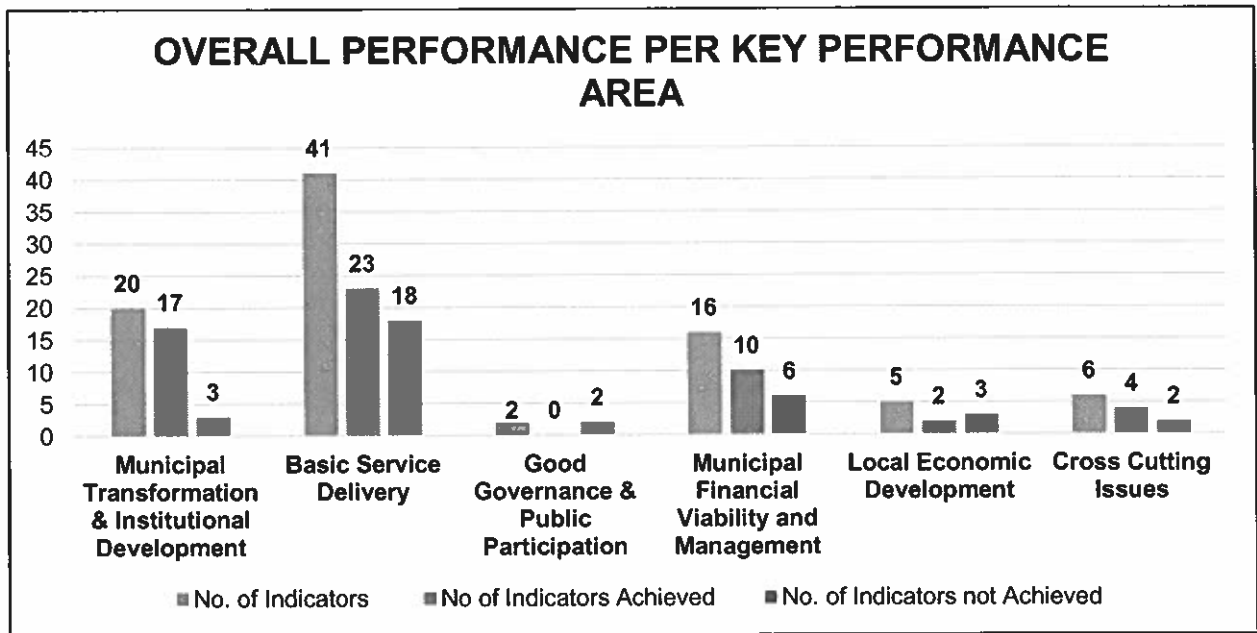
10.1.2 Overall performance of the Municipality for 2023/2024 financial year per National KPA

The table below illustrates the summary of overall performance of the Municipality for the financial year ending June 2024. This means that it is a tabulation of the total number of targets set for all departments combined, which then gives a picture of how the Municipality has performed. This simple summarised that out of the total of ninety 90 Key Performance indicators set for the Municipality, the uThukela District Municipality managed to achieve 56 key performance indicators and only 34 KPIs were not achieved. The report has indicated reasons for variance for each Key Performance Indicator and the corrective actions to be implemented to improve performance have been outlined in this report per each Key Performance Indicator. A detailed clarification on the reasons for variance and corrective actions per KPI can be accessed on the attached annexure A which is the organisational scorecard which then will give a detailed report per each KPI that the Municipality could not achieve.

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KEY PERFORMANCE AREAS	No. of Indicators	No of Indicators Achieved	% of indicators achieved	No. of Indicators not Achieved	% of Indicators not achieved
Municipal Transformation & Institutional Development	20	17	85%	3	15%
Basic Service Delivery	41	23	56%	18	44%
Good Governance & Public Participation	2	0	0%	2	100%
Municipal Financial Viability and Management	16	10	63%	6	38%
Local Economic Development	5	2	40%	3	60%
Cross Cutting Issues	6	4	67%	2	33%
TOTAL	90	56	62%	34	38%

Graph presentation of the overall number of targets achieved / not achieved per National KPA



The overall achievement of 62% achieved and 38% not achieved per Key Performance Area for the financial year under review.

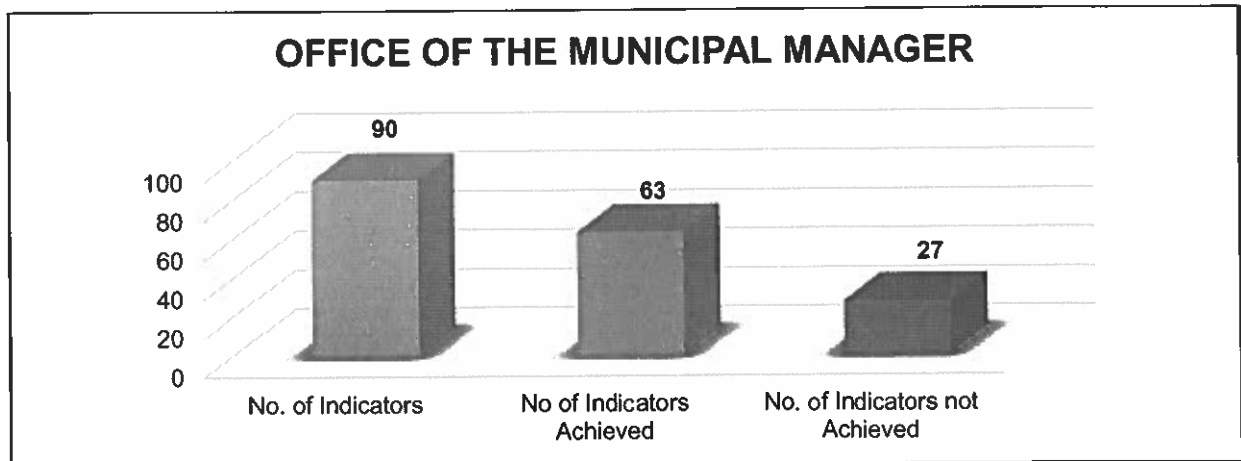
10.1.3 Overall Performance per Municipal Department

Departments	No. of Indicators	No of Indicators Achieved	% of indicators achieved	No. of Indicators not Achieved	% of indicators not achieved
HIGH LEVEL SDBIP					
Office of the Municipal Manager	90	63	70%	27	30%
LOWER LEVEL					
Corporate Services	18	17	94%	01	6%
Budget & Treasury Office	19	12	63%	07	37%
Community Services	19	16	84%	03	16%
Water, Sanitation & Technical Services	46	32	70%	14	30%
Applicable to All Departments	03	01	33%	02	67%

11 DEPARTMENTAL PERFORMANCE ANALYSIS (HIGH LEVEL SDBIP)

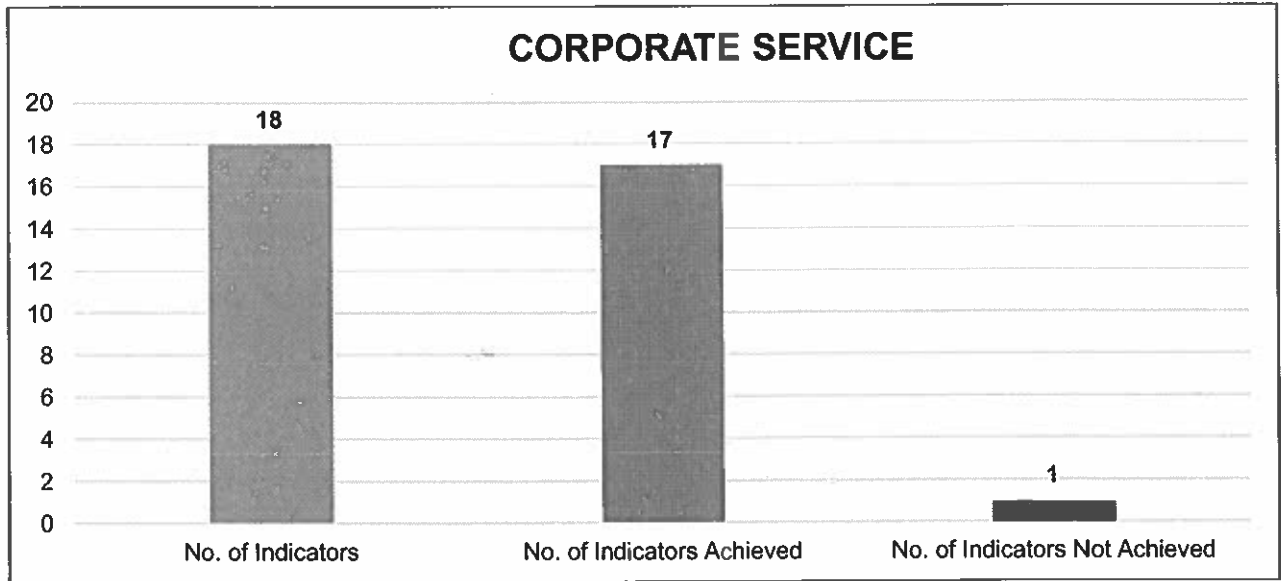
All the six departments cumulatively contributed to the annual performance report of the Municipality for the period under review as follows:

11.1 Office of the Municipal Manager



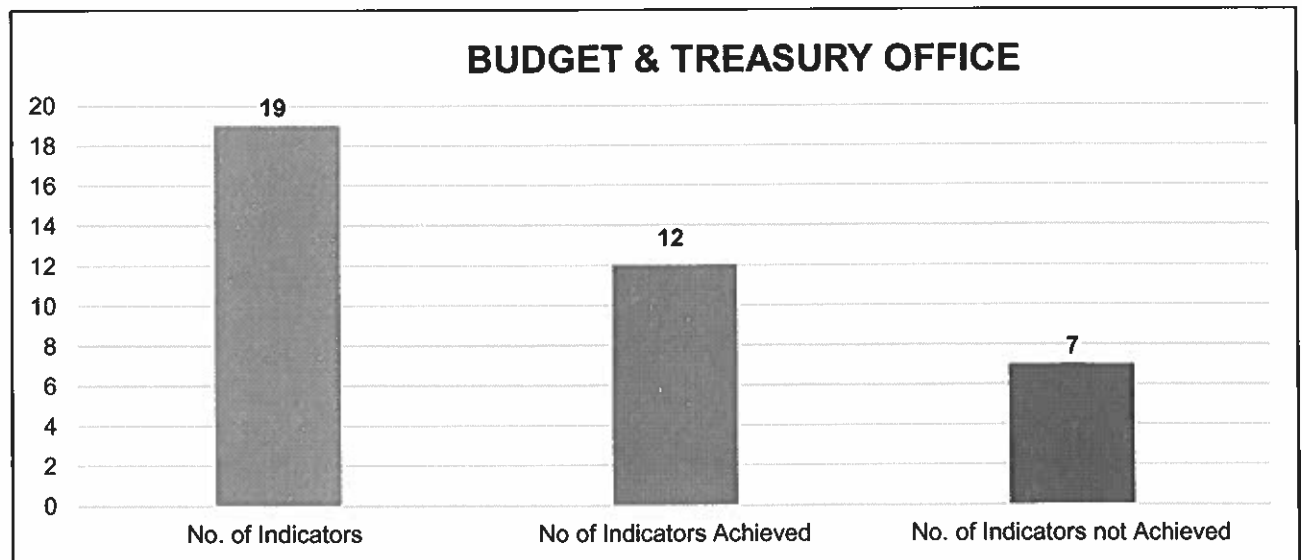
The Municipal Manager reports on the entire Indicators as reflected in the SDBIP. Out of ninety (90) Indicators, sixty-three (63) was achieved and twenty-seven (27) was not achieved.

11.2 Corporate Services



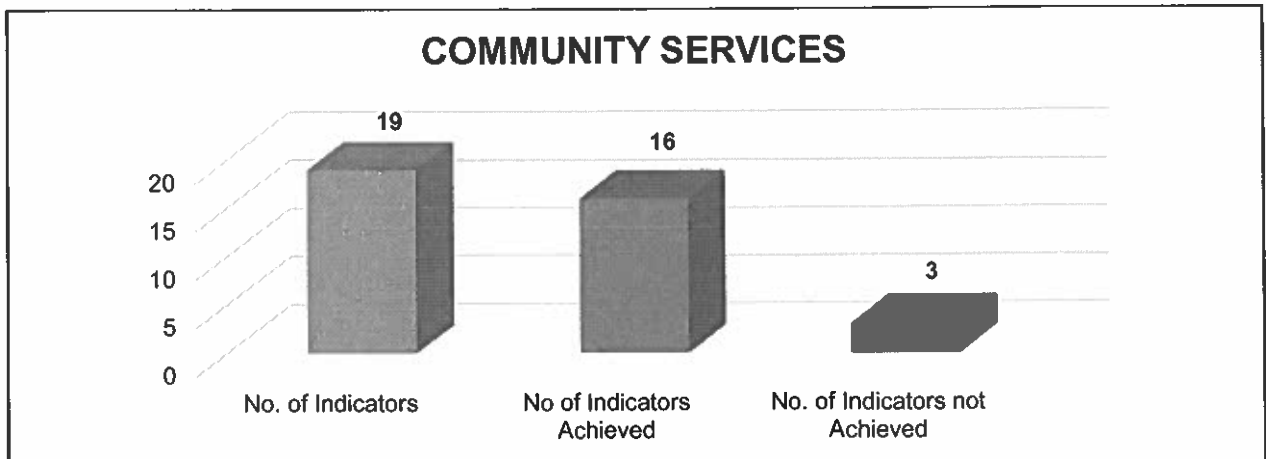
Seventeen (17) targets out of Eighteen (18) targets set for the Department of Corporate Services under the financial were achieved.

11.3 Budget and Treasury Office



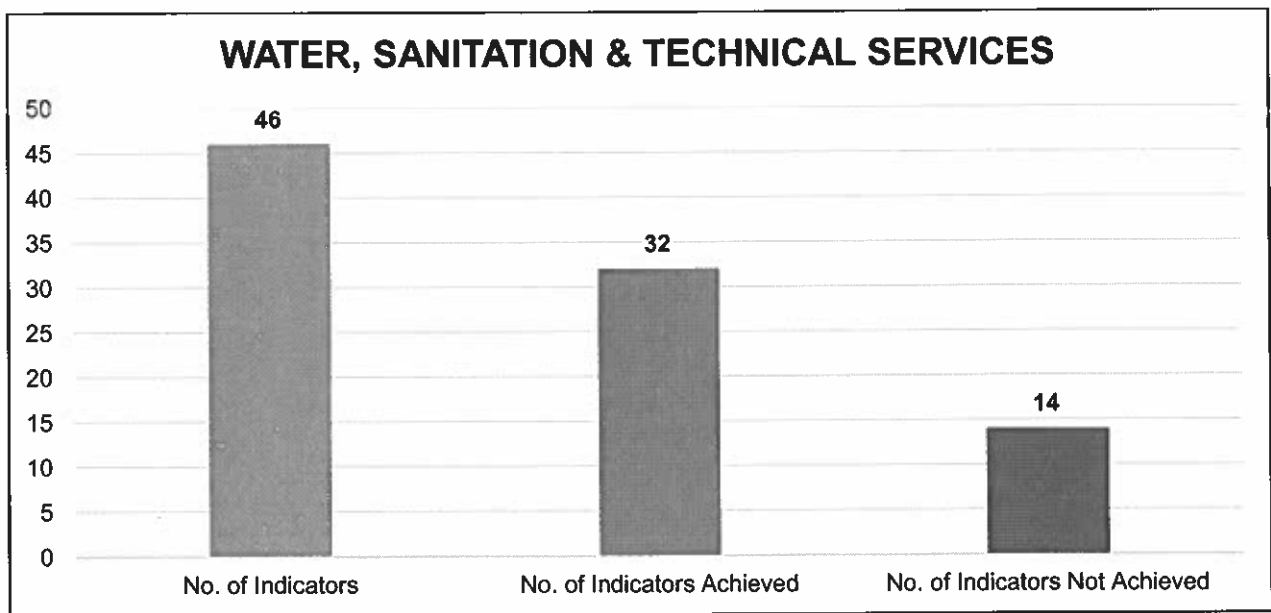
Twelve (12) out of nineteen (19) targets set for the Budget and Treasury Office were achieved for the financial year under review were achieved and seven (07) targets were not achieved.

11.4 Community Services



Sixteen (16) targets achieved for the Department of Community Services were achieved for the financial year under review out of nineteen (19) and three (3) were not achieved.

11.5 Water, Sanitation & Technical Services



Out of forty - six (46) targets set for the Department of Water, Sanitation & Technical Services for the financial year under review, thirty-two (32) targets were achieved and fourteen (14) not achieved.

12 KEY PERFORMANCE AREAS TO NOTE

This section contains the key areas that must be noted by uThukela District Municipality.

13 IMPROVED PERFORMANCE

uThukela District Municipality's overall achievement has improved over the financial year ending 30 June 2024, in comparison with the previous financial year.

14 MUNICIPALITY'S ACTUAL PERFORMANCE AGAINST THE PLANNED TARGETS 2023/2024

This section of the Annual Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. The report also included the also corrective measures that will be implemented accordingly to address the targets not achieved.

Due to the fact that the Municipality has developed six KPA's, the uThukela District Municipality will report as such. The Municipality's actual performance linked to the National KPA's are included and reported as part of the attached report (**ANNEXURE A**)

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15 INDICATORS ADJUSTED AS AT MID YEAR:2023/2024

IDP / SDBIP NO.	Indicator Before Amendment/Adjustment	Indicator After Amendment/Adjustment	Annual Target Before Amendment/Adjustment	Annual Target After Amendment/Adjustment	Reason for Amendment/Adjustment
BSD01	Number of Households provided with water to eradicate backlog by 30/06/2024	N/A	750 of Households provided with water to eradicate backlog by 30/06/2024	Four Hundred and Sixty-two (462) provided with water to eradicate backlog by 30/06/2024	Loskop Project has been terminated affecting the number connections. Okhahlamba Projects were suspended works due to non-payment in Quarter 1 which delayed implementation of Connections, The Annual target, quarter 3 and quarter 4 target was revised to align to Revised Scope of Works.
BSD02	Number of Water treatment plant constructed at Bergville WTW to be completed by 30/06/2024	Number of sedimentation tank constructed at Bergville WTW to be completed by 30/06/2024	One (1) sedimentation tank constructed at Bergville WTW to be completed by 30/06/2024	N/A	This is a multi-year project that will be completed in 2024. The Key Performance Indicator was amended to correctly reflect the annual target of what is required to be achieved in the 23/24 financial year.
BSD03.1	N/A	Number of Pump station at Bergville WTW to be completed by 30/06/2024	N/A	One (1) of Pump station at Bergville WTW to be completed by 30/06/2024	Inclusion of new Indicator to ensure alignment to the project plan for this multi-year project.
BSD05	Number of Bulk meter chambers (Rising main from Rose Hill Reservoir	N/A	12 Bulk meter chambers to be installed at	07 Bulk meters chamber (Rising main from Rose Hill Reservoir to high	Delay in SCM Processes. Contractor was appointed in December 2023. Technical Handover was done in January 19 January

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IDP / SDBIP NO.	Indicator Before Amendment/Adjustment	Indicator After Amendment/Adjustment	Annual Target Before Amendment/Adjustment	Annual Target After Amendment/Adjustment	Reason for Amendment/Adjustment
	to high Tower) to be installed at Ezakheni WCDM: Phase 2 by 30/06/2024		Ezakheni WCDM: Phase 2 by 30/06/2024	Tower) to be installed at Ezakheni WCDM: Phase 2 by 30/06/2024	2024. Revised the Annual Target and Quarter 3 & 4 targets to align to Revised scope of works.
BSD07	Date of Completion of Designs at KwaMkhize Bulk Water Supply and Reticulation Network by 30/06/2024	N/A	Completion of Designs at KwaMkhize Bulk Water Supply and Reticulation Network by 30/06/2024	This indicator is no longer applicable for the 23/24 financial year	This indicator is no longer applicable for the 23/24 financial year as the designs for this project was completed in May 2023. Due to incorrect planning, this indicator was erroneously included in the adopted 23/24 SDBIP; therefore, it is now considered N/A.
BSD09	Number of km reticulation pipelines constructed in Langkloof Package Plant and Bulk Supply by 30/06/2024	Number of km of bulk rising main constructed in Langkloof Package Plant and Bulk Supply by 30/06/2024	7,7 km reticulation pipeline to be constructed at Langkloof Package Plant by 30/06/2024	1,6 km of bulk rising main to be constructed at Langkloof Package Plant by 30/06/2024	Due to incorrect planning, the classification of the project was erroneously recorded under the KPI, annual target and quarterly targets in the adopted SDBIP, i.e. the project consisted of bulk rising mains to be constructed and not reticulation pipeline. Therefore, to ensure accuracy and completeness, the correct classification was included as per the revised annual target and revised quarter 3 and revised quarter 4 target.
BSD10	Number of Kilometres of reticulation pipelines constructed at Ennersdale/ Ephangwini	N/A	1 km of reticulation to be constructed at Ennersdale/Ephangwini ward 4 by 30/09/2023	This indicator is no longer applicable for the 23/24 financial year	This indicator is no longer applicable for the 23/24 financial year as the project is currently on hold due to resignation of the site agent.

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IDP / SDBIP NO.	Indicator Before Amendment/Adjustment	Indicator After Amendment/Adjustment	Annual Target Before Amendment/Adjustment	Annual Target After Amendment/Adjustment	Reason for Amendment/Adjustment
	(Loskop) ward 4 by 30/09/2024				
BSD13	Number District wide springs protected by 30/06/2024	N/A	Twelve (12) spring protected District wide by 30/06/2024	Seven (07) spring protected District wide by 30/06/2024	The annual target and quarterly targets were revised to ensure alignment and consistency to the scope of work for this project.
BSD15	Number of kilometres of Reticulation (HDPE Pipeline and PVC Pipeline) constructed at Fitty Park Community water project: Phase 2 by 30/06/2024	N/A	13 Kilometres of reticulation (HDPE Pipeline and PVC Pipeline) pipelines constructed at Fitty Park Community Water Project by 30/06/2024	13,7 Kilometres of reticulation (HDPE Pipeline and PVC Pipeline) pipelines constructed at Fitty Park Community Water Project by 30/06/2024	The annual target and quarter 3 and 4 targets were revised to ensure alignment and consistency to the scope of work for this project.
BSD27	Number of bulk pipeline (AC pipeline) constructed at Steadville WCDM by 30/06/2024	N/A	7 kilometres of bulk pipeline (AC pipeline) constructed at Steadville WCDM by 30/06/2024	3,779 kilometres of bulk pipeline (AC pipeline) constructed at Steadville WCDM by 30/06/2024	The Contractor was appointed in December 2023. The Technical handover was on the 19 January 2024. The annual, quarter 3 and quarter 4 targets were revised.
BSD28	Number of installations of bulk metering chambers at Steadville WCDM by 31/03/2024	N/A	(5) installation of bulk metering chambers at Steadville WCDM by 30/06/2024	(3) installation of bulk metering at Steadville by 30/06/2024	The Contractor was appointed in December 2023. The Technical handover was on the 19 January 2024. The annual, quarter 3 and quarter 4 targets were revised.
BSD29	Number of bulk pipelines constructed at Ladysmith AC pipeline replacement by 30/06/2024	N/A	10 kilometres of bulk pipeline constructed at Ladysmith AC pipeline replacement by 30/06/2024	2,45 kilometres of bulk pipeline constructed at Ladysmith AC pipeline replacement by 30/06/2024	The Contractor was appointed in December 2023. The Technical handover was on the 19 January 2024. The annual, quarter 3 and quarter 4 targets were revised.

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IDP / SDBIP NO.	Indicator Before Amendment/Adjustment	Indicator After Amendment/Adjustment	Annual Target Before Amendment/Adjustment	Annual Target After Amendment/Adjustment	Reason for Amendment/Adjustment
BSD30	Number of installations of bulk metering at Ladysmith AC pipeline replacement by 31/03/2024	N/A	(5) installation of bulk metering at Ladysmith AC pipeline replacement by 31/03/2024	(3) installation of bulk metering at Ladysmith AC pipeline replacement by 31/03/2024	The Contractor was appointed in December 2023. The Technical handover was on the 19 January 2024. The annual, quarter 3 and quarter 4 targets were revised.
BSD34	Number of food handling premises inspected by 30/06/2024	N/A	864 food handling premises inspected by 30/06/2024	118 food handling premises inspected by 30/06/2024	Amendment of Annual Target, Quarter 3 and Quarter 4. The Municipality has employed additional EHP's to carry out inspection of food handling premises.

16 INDICATORS INCLUDED AS AT MID YEAR:2023/2024

IDP / SDBIP NO.	Indicator After Amendment/Adjustment	Annual Target After Amendment/Adjustment	Reason for Amendment/Adjustment
BSD06.1	Kilometres of reticulation (C section subzone-ac pipe replacement) pipeline constructed at Ezakheni WCDM: Phase 2 by 30/06/2023	0,225KM's of reticulation (C section subzone-ac pipe replacement) pipeline to be constructed at Ezakheni WCDM: Phase 2 by 30/06/2024	Inclusion of new Indicator to ensure alignment to the scope of work for this project.
BSD31.1	Date of Site Establishment completed at Ezakheni E Sanitation by 31/03/2024	Date of Site Establishment completed at Ezakheni E Sanitation by 31/03/2024	Inclusion of new Indicator
BSD31.2	Number manholes constructed Ezakheni E completed by 30/06/2024	(18) manholes constructed (New 3) Refurbished (15) at Ezakheni E completed by 30/06/2024	Inclusion of new Indicator
BSD31.3	Number of installations of MI GMS Reservoir completed at Ntabamhlophe Community	1,0 MI GMS Reservoir completed at Ntabamhlophe Community Water Supply Scheme Upgrade of Bosch by 30/06/2024	Inclusion of new Indicator

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IDP / SDBIP NO.	Indicator After Amendment/Adjustment	Annual Target After Amendment/Adjustment	Reason for Amendment/Adjustment
	Water Supply Scheme Upgrade of Bosch by 30/06/2024		
BSD31.4	Number of Sewer Pump Stations (M&E) completed at KwaNobamba /Ezitendeni Sanitation WWTW completed at 30/06/2024	Two (2) of Sewer Pump Stations (M&E) completed at KwaNobamba /Ezitendeni Sanitation WWTW completed at 30/06/2024	Inclusion of new Indicator
BSD31.5	Number of Sedimentation Tank (M&E) completed at Kwanobamba/Ezitendeni Sanitation project by 30/06/2024	One (1) of Sedimentation Tank (M&E) completed at Kwanobamba/Ezitendeni Sanitation project by 30/06/2024	Inclusion of new Indicator
BSD31.6	Date of Site Establishment at Loskop Abstraction WTW by 30/06/2024	Site Establishment at Loskop Abstraction WTW by 30/06/2024	Inclusion of new Indicator
BSD31.7	Number of bulk pipelines at Loskop Abstraction WTW by 30/06/2024	0,14 Kilometres of bulk pipeline at Loskop Abstraction WTW by 30/06/2024	Inclusion of new Indicator

17 SERVICE PROVIDERS PERFORMANCE

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done by user department levels. The end user department is providing monthly reports to the SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order. **ANNEXURE B**

Assessment Key	
Good (G)	<i>The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract</i>
Satisfactory (S)	<i>The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract</i>
Poor (P)	<i>The service has been provided below acceptable standards</i>

18 CONCLUSION

This Annual Performance Report is a clear depiction of the uThukela District Municipality's uncompromised commitment to continuously challenge its inner ability to test the barriers of service delivery.

While challenges still confront our Municipality, we have made huge progress in delivering on the objectives of the Municipal 'blueprints'. Some of these challenges include an increasing demand for service delivery in the face of an ever-growing.

This Annual Performance Report bears testament to what is possible in local government through hard work, focus and determination in the face of various forms of adversity.

The office of the Municipal Manager maintains a Portfolio of Evidence to support the achievements recorded in this Annual Performance Report, and Internal Audit has performed a verification of credibility of evidence for validity of the reported achievements.

Furthermore, in areas where performance was not achieved, we have provided reasons and remedial actions to ensure that performance is improved in the 2023/2024 financial year.

Finally, the Municipality strives to prioritize Performance Management. The PMS unit is functional and is entrusted with coordination of all performance management activities.

I thank you.



LS JILI
MUNICIPAL MANAGER
UTHUKELA DISTRICT MUNICIPALITY