Appendix 15: Ethekwini Municipal Support and Intervention Plan

1. In-fighting and/or Intra-political party divisions in council 2. Persistent & frequent section 139 interventions	3. Governance Structures such as: a) Council b) EXCO c) Portfolio Committees d) MPAC e) Ethics Rules Committee f) Audit Committee g) Internal Audit h) Local Labour Forum i) Disciplinary Board 4. DDM functionality a) Political Hub b) Technical Hub c) Clusters 5. Rapid Response 6. Ward Committees 7. Councillor vacancies	8. Vacant Section 54/56 posts 9. Disciplinary cases for Section 54/56 posts 10. Maladministration, fraud and corruption (Sec 106, discp) 11. Participation by Traditional Leaders in municipal councils 12. Performance Audit Outcomes 13. Implementation of SDBIP	14. Audit Outcome and Implementation of Audit Action Plan 15. Budget status 16. Status of UIFW 17. Arrear Debt Eskom and Water Board 18. Government Debt 19. Financial Ratios a) Current Ratio b) Collection Rate c) Net Debtors Days d) Creditors Payment Period e) Employee Related Costs f) Contracted Services 20. Cost Drivers – top 5	21. Grant Performance Expenditure on : a) MIG b) INEP c) WSIP d) RBIG 22. Risk Adjusted Approach on Grant Expenditure 23. Operation and Maintenance 24. Implementation of Water Master Plan 25. War on Leaks 26. Implementation of Electricity Master Plan 27. Cemeteries and/or Crematoria 28. Implementation of Integrated Waste Management Plan 29. Land fill site compliance 30. Implementation of Economic Recovery Plans 31. Spatial Planning and Land Use Management 32. Disaster Management a) Status of Disaster Management b) Awareness Campaigns c) Fire and Rescue Services 33. Integrated Development Plan

KEY FOCAL AREA	NO	INDICATOR	ETHEKWINI			
			Q1	OCTOBER	NOVEMBER	DECEMBER
Political	1.	In-fighting and/or Intra-political party divisions in council	No in fighting or Intra-political party divisions in council were observed or reported	• None	• None	• None
	2.	Persistent & frequent section 139 interventions	The eThekwini Municipality has hired three new former municipal employees from KwaZulu-Natal to help the city successfully implement its water and sanitation turnaround strategy. The new team, made up of three individuals made up of local government administrators, was introduced by City Manager Musa Mbhele during a two-day water and sanitation workshop held on 12 and 13 December 2023.	• None	• The City is not under section 139 of the Constitution of any kind, however, there is general section 154 support from various government departments (such as water and sanitation, CoGTA and National Treasury)	• Section 154 support continues, diagnostic report and turnaround plan due to be presented to Ethekwini.
		COMMENT				
ACTION / INTERVENTION / SUPPORT						

KEY FOCAL AREA	NO.	INDICATOR	ETHEKWINI		
			OCTOBER	**NOVEMBER**	**DECEMBER**
Governance	3.	Governance Structures such as: a) Council b) EXCO c) Portfolio Committees d) MPAC e) Disciplinary Board f) Ethics Rules Committee g) Audit Committee h) Internal Audit i) Local Labour Forum	**Council -**10 October 2023, 31 October 2023 **Executive Committee meeting -** 17 October 2023 (Cancelled), 24 October 2023 **Economic Development and Planning** **Security and Emergency Services Committee -** 19 October 2023 (cancelled) **Finance Committee -** 18 October 2023 **Human Settlements & Infrastructure Committee -** 20 October 2023 **Governance and Human Resources Committee -** October 2023 (Tour of inspection) **Community Services Committee -** 18 October 2023, Postponed **MPAC -** 03 October 2023, 19 October 2023 **Audit Committee -** No scheduled meeting **Council -** 10 October 2023, 31 October 2023 **Executive Committee meeting -** 17 October 2023 (Cancelled), 24 October 2023 **Economic Development and Planning** **Security and Emergency Services Committee -** 19 October 2023 (cancelled) **Finance Committee -** 18 October 2023 **Human Settlements & Infrastructure Committee -** 20 October 2023 **Governance and Human Resources Committee -** October 2023 (Tour of inspection) **Community Services Committee -** 18 October 2023, Postponed **MPAC -** 03 October 2023, 19 October 2023 **Audit Committee -** No scheduled meeting **Local Labour Forums** **LLF: Human Settlements -** 05 October 2023 **LLF Governance & Human Resources -** 19 October 2023 **LLF Water and Sanitation -** 17 October 2023 **LLF: Electricity -** 24 October 2023 **LLF: Cleansing and Solid Waste -** 23 October 2023 **LLF: Fire and Emergency, Security & Disaster Management -** Postponed **LLF: Economic Development and Planning -** 25 October 2023 **LLF: Community Services -** Postponed **LLF: Health -** Postponed **LLF: Metro Police -** Postponed **LLF: Treasury & OCM -** Postponed	**Council -** 09 November 2023 **Executive Committee meeting -** 14 November 2023 (Still to be convened) **Economic Development and Planning -** 16 November 2023 (still to be convened) **Security and Emergency Services Committee -** 16 November 2023 (Still to be convened) **Finance Committee -** 22 November 2023 (still to be convened) **Human Settlements & Infrastructure Committee -** 22 November 2023 (still to be convened) **Governance and Human Resources Committee -** 08 November 2023 **Community Services Committee -** 09 November 2023 **MPAC -** 02 November 2023, 07 November 2023, 23 November 2023 (still to be convened) **Ethics Committee -** 08 November 2023 **Audit Committee -** 24 November 2023 (still to be convened) **Local Labour Forums** **LLF: Human Settlements -** Postponed **LLF Governance & Human Resources -** 23 November 2023 **LLF Water and Sanitation -** 14 November 2023 **LLF: Electricity** **LLF: Cleansing and Solid Waste** **LLF: Fire and Emergency, Security & Disaster Management -** Postponed **LLF: Economic Development and Planning -** 22 November 2023 **LLF: Community Services -** Postponed **LLF: Health -** Postponed **LLF: Metro Police -** Postponed **LLF: Treasury & OCM -** 08 November 2023	**Council -**02 December 2024 (Ordinary and In-Committee) **EXCO -** 02 December 2024 (Special) **PORTFOLIO COMMITTEES:** **Finance Committee -** Nome **Security & Emergency Service Committee -** None **Community Services Committee -** None **Human Settlements, Engineering & Transport Committee -** None **Trading Services Committee -** None **MPAC -** None **Economic Development & Planning Committee -** None **ETHICS COMMITTEE -** None **LOCAL LABOUR FORUM:** **Treasury & Office of the City Manager Cluster -** None **Community and Emergency Services Cluster -** 21 October 2024 **Economic Development and Planning Cluster -** None **Governance & Human Resources Cluster - None** **Human Settlements & Infrastructure Cluster -** None

KEY FOCAL AREA	NO.	INDICATOR	ETHEKWINI			
			Q1	OCTOBER	NOVEMBER	DECEMBER
Governance	4.	DDM functionality a) Political Hub b) Technical Hub c) Clusters	• DDM Political Hub – no meeting held • DDM Technical Hub – a meeting was held on 19 July 2023 and 29 September 2023 • DDM Cluster Meetings – all four Cluster and Action Working Group held their meetings	• Political Hub – no meeting was held • Technical Hub – no meeting was held	• Political Hub – no meeting was held • Technical Hub – 16 November 2023	• 3 Dec: DDM-JCPS Cluster meeting • 5 Dec: DDM Core Team meeting in preparation for National meeting on 6 Dec. • 10 Dec: DDM: Provincial Forum meeting • 12 Dec: DDM Technical Hub meeting
	5.	Rapid Response	The new structure of the Rapid Response Team (RRT) is in the process of being finalised	Rapid Response Team (RRT) functional	Rapid Response Team (RRT) functional	Rapid Response Team (RRT) functional
	6.	Ward Committees	July – 95 wards held July Ward committee meetings and 72 wards submitted evidence August – 96 Ward held Ward committee meetings in the month of August and 65 wards submitted evidence, Secretaries are still submitting evidence September - eThekwini scored 15% in terms of functionality of the Rapid Response – It is reported that there is deliberate failure by councillors to provide necessary evidence to prove community meetings held during period under review and failure by councillors to submit, sign or insert official stamp in their reports of planned activities. 9/111 Wards were recorded as functional (2, 4, 5, 10, 12, 13, 53, 92, 103,)	86 Wards held Ward committee meetings in the month of October 2024 and Secretaries submitting evidence with only 3 outstanding evidence.	45 wards submitted evidence for November 2024 and Secretaries are still submitting evidence.	• No ward committee meeting held in December 2024 . Ward committee meetings are convened once per month, from February to November of each year and chaired by Ward councilor as per Rules regulating Establishment and Operations of Ward Committee 2021-2026
	7.	Councillor vacancies	None	• None	• One (01) Councillor vacancy	One (01) Councillor vacancy
		COMMENT				
ACTION / INTERVENTION / SUPPORT						

KEY FOCAL AREA	NO.	INDICATOR	ETHEKWINI			
			Q1	OCTOBER	NOVEMBER	DECEMBER
Administration	8.	Vacant Section 54/56 posts	• Three posts are vacant - Recruitment item was tabled and council approved to prioritize the filling of the posts after the review of organogram has been concluded. • Chief Operations Officer - Mr M Shabalala is acting • Economic Development & Planning - Mr L Phewa is acting • Technical Service and Human Settlements - The post is overseen by Electricity (Trading Services) Department.	• Status remains the same as Q1	• Status remains the same as Q1	• Status remains the same as Q1
	9.	Disciplinary cases for Section 54/56 managers	None	• 1 case	• 1 Senior Manager resiged	• None
	10.	Maladministration, fraud and corruption (S 106)	July – 9 new cases Aug – 18 new cases Sept – 10 new cases	• There were 103 new matters reported in October 2024	• There were 36 new matters reported in November 2024	• There were 11 new matters reported in December 2024
	11.	Participation by Traditional Leaders in municipal councils	There are 18 Traditional Communities within eThekwini Municipal boundaries. There are three Traditional Leaders that were elected to sit in the Council: 1. Inkosi S Mlaba of Ximba TC, 2. Inkosi EB Shozi of Vumazonke TC, and 3. Inkosi JP Shangase of Shangase TC July – Ethekwini (11/12) = 92% participated in Council meetings in the previous year. Aug – eThekwini (0/2) = 0% participated in Council meetings Sept - Ethekwini (2/4) = 50% participated in Council meetings	• **Council** **10 October 2024** Inkosi EB Shozi (Absent) Inkosi Mlaba (Absent) Inkosi JJ Shangase (Absent) **30 October 2024** Inkosi EB Shozi (Absent) Inkosi Mlaba (Absent) Inkosi JJ Shangase (Absent)	• **Council** **06 November 2024** Inkosi EB Shozi (Absent) Inkosi Mlaba (Absent) Inkosi JJ Shangase (Absent)	• **Council** **02 December 2024** Inkosi EB Shozi (Absent) Inkosi Mlaba (Absent) Inkosi JJ Shangase (Absent)
	12.	Performance audit Outcomes	Achieved 78% as at Q4 in terms of performance 158/220 July – 49 items have been resolved and 61 items are in progress Aug -50 items have been resolved and 60 items are in progress	• 5 items have been resolved and 9 items are in progress.	• 6 items have been resolved and 8 items are in progress.	• 8 items have been resolved and 4 items are in progress.
	13.	Implementation of SDBIP	SDBIP is reported on quarterly basis. Performance is qualified as per the AG report	• SDBIP is reported on quarterly basis. • 2nd quarter report will be available in December	• SDBIP is reported on quarterly basis. • 2nd quarter report will be available in December.	• Collected, consolidated, and analysed November (Monthly) information, compiled reports, and verified the supporting evidence, requested 2024/25 Mid-Year Amendments and requested Q2 performance information.
		COMMENT				

KEY FOCAL AREA	NO.	INDICATOR	ETHEKWINI			
			Q1	OCTOBER	NOVEMBER	DECEMBER
Financial Viability	14.	• Audit Outcome • Implementation of Audit Action Plan	• Unqualified • Audit action plan developed and approved	• Unqualified • 96 items have been resolved and 87 items are in progress	• Unqualified • 94 items have been resolved, 88 items are in progress and 01 is unresolved.	• Unqualified • 94 items have been resolved, 88 items are in progress and 01 is unresolved.
		COMMENT				
	15.	Budget status	• In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material • The revenue generated between year to date budget and year to date actual is 100% as a result there is 0% variance. Revenue generated is 27,4% when compared to original budget. • Actual operating expenditure as a percentage of YTD budget figures is 93% with a variance of -7% and Operating Expenditure spent to date is 23,4% when compared to original budget.	In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. The revenue generated between year-to-date budget and year to date actual is 100%. Revenue generated is 35,7% when compared to original budget. Actual operating expenditure as a percentage of YTD budget figures is 93% with a variance of -7% and Operating Expenditure spent to date is 31,1% when compared to original budget	In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. The revenue generated between year-to-date budget and year to date actual is 97% with a -3% variance. Revenue generated is 41,4% when compared to original budget. Actual operating expenditure as a percentage of YTD budget figures is 94% with a variance of -6% and Operating Expenditure spent to date is 40% when compared to original budget.	• In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. Actual year to date operating revenue is 98% of the year-to-date budget with a variance of -2% and revenue generated is 54,67% when compared to original budget.. • Actual year to date operating expenditure as a percentage of year-to-date budget figures is 96% with a variance of -4% and Operating Expenditure spent to date is 50,24% when compared to original budget. • In terms of the National Treasury norm, a variance of 10% between the budgeted and actual amounts is considered material. The reported capital expenditure is 75% of the year-to-date budget with a variance of -25%. The capital year to date spend is 26,59%
		COMMENT				
ACTION / INTERVENTION / SUPPORT						

KEY FOCAL AREA	NO.	INDICATOR	ETHEKWINI			
			Q1	OCTOBER	NOVEMBER	DECEMBER
Financial Viability	16	Status of UIFW	• R461,649,944.53 Irregular Expenditure has been reported for the September 2024 period.	R115,660,535.20 Irregular Expenditure has been reported for the July to 31 October 2023 period.	• R105,244,532.54 Irregular Expenditure has been reported for the July to 30 November 2023 period	• R522,599,621.50 Irregular Expenditure has been reported for the December 2024 period.
		COMMENT		• New SOP and Reduction Strategy being implemented.		• New SOP and Reduction Strategy being implemented.
	17.	Arrear Debt Eskom and Water Board	• Eskom: None • Umgeni Water Board: None	• Eskom: None • Umgeni Water Board: None	• Eskom: None • Umgeni Water Board: None	• Eskom: None • Umgeni Water Board: None
		COMMENT	Paid timeously every month. No cause for concern. No liquidity problems. R98.4bn cash on hand or R5.6bn after unspent grants	• Paid timeously every month. No cause for concern. No liquidity problems. R7.8bn cash on hand or R5.2bn after unspent grants.	• Paid timeously every month. No cause for concern. No liquidity problems. R7.4bn cash on hand or R4.2bn after unspent grants.	• Paid timeously every month. No cause for concern. No liquidity problems. R4,9bn cash on hand or R3,4bn after unspent grants.
	18.	Government Debt	Ingonyama Trust, Section 21 schools & Provincial Public Works remain the challenges. Strategies in place to address	• R1 0821.2 compared to R1 055.6 in September 2023 • Ingonyama Trust, Section 21 schools & Provincial Public Works remain the challenges. Strategies in place to address.	• R906 compared to R1 082.2 in October 2023 • Ingonyama Trust, Section 21 schools & Provincial Public Works remain the challenges. Strategies in place to address.	• R1.3b in December 2024 • Ingonyama Trust, Section 21 schools & Provincial Public Works remain the challenges. Strategies in place to address.
		COMMENT		• Ingonyama Trust and Section 21 schools remain the challenges. Strategies in place to address.		
ACTION / INTERVENTION / SUPPORT			The City has in turn adopted a UIFW Reduction Strategy which clearly outlines the root causes and the reduction measures to be implemented. The Reduction Strategy is a 4-year plan which coincides with the National Treasury mandate to reduce UIFW by 75% by the 2023/2024 financial year.			

KEY FOCAL AREA	NO.	INDICATOR	ETHEKWINI			
			Q1	OCTOBER	NOVEMBER	
Service Delivery	21.	Grant Performance Expenditure on USDG	a) July – USDG – 2% b) Aug – USDG – 10% c) Sept – USDG – 17%	The spends reported for USDG is 24%. On track for 100% spend by year end.	a) The spend reported for USDG is 32%. On track for 100% spend by year end.	
		COMMENT				
	22.	Risk Adjusted Approach on Grant Expenditure		• Procurement plans must be in place for all projects before the start of the financial year. • Delays in the SCM process will be reduced. There must be strict adherence with the to 2-week turnaround time for evaluations, failing which the intervention teams must deal with the evaluations. • Tracking of reports through the bid process is important to avoid any delays. Any challenges will be expeditiously reported to and dealt with at CIC (Capital Investment Committee). • Improved contract management to avoid contracts expiring and stockouts that impact on projects. Ensuring the availability of plant and equipment will be key. • Project management will be improved, and project managers must be capacitated and take ownership and accountability for the spend on projects. Capacitation and eventual consequence management will be considered. • The performance of contractors will be closely monitored, and blacklisting considered. • Business forum to be addressed. Public participation and employing local people must be considered in planning the project to avoid protests. • Ongoing oversight and monitoring is essential – by CIC and regular project meetings.		
		COMMENT		• On track with capital spend – no major concerns at this stage.		
	23.	% Operation and Maintenance budget	July – 5,02% Aug – 5,95% Sept – 6,57%	• Repairs and maintenance spend as % on operating budget is 6.58%	• Repairs and maintenance spend as % on operating budget is 6.32%	• Repairs and maintenance spend as % on operating budget is 6.32%
		COMMENT		• Have budgeted for 7%. On track to achieve this.		
	24.	Implementation of Water Master Plan	In progress – refer to main water report	Currently work off our 25 Infrastructure Plan for both our Water and Sanitation bulk projects and on work programmed on that plans, combined 25% done and currently underway.	The Water and Sanitation Master Plan was due to be awarded and an appeal was submitted which resulted in the contract having to be Re-advertised. Hopefully it will be adverted again by end of January 2024.	• The Water and Sanitation Master Plan will be readvertised
		COMMENT				
	25.	War on Leaks	In progress – refer to main water report on PeWG	• The total spent on plumbers attending to water leaks as at 31 October R 139 962 739.71	• The total spent on plumbers attending to water leaks as at 30 November is R 182 610 846.35	• The total spent on plumbers attending to water leaks as of 31 December is R 192 585 876.56
		COMMENT				
	26.	Implementation of Electricity Master Plan	In progress – in progress	High voltage infrastructure projects from the transmission network master plan are proposed for each MTREF budget cycle	High voltage infrastructure projects from the transmission network master plan are proposed for each MTREF budget cycle	High voltage infrastructure projects from the transmission network master plan are proposed for each MTREF budget cycle
		COMMENT		Execution of the identified projects are hampered by budget and SCM challenges.		
Action / Intervention / Support						