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SOUTH COAST TOURISM & INVESTMENT ENTERPRISE

2024 - 2025 Annual Performance Report

Approved by the SCTIE Board of Directors: 11 December 2025

Approved by Ugu District Municipality Council : 26 March 2026

Dr. VI Sibiya: Chief Executive Officer
vusumuzi@sctie.co.za

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LIST OF ACRONYMS

AFS	Annual Financial Statement
APR	Annual Performance Report
AG	Auditor General
AGSA	Auditor General of South Africa
APR	Annual Performance Report
APP	Annual Performance Plan
BoD	Board of Directors
DTF	District Tourism Forum
CEO	Chief Executive Officer
CFO	Chief Financial Officer
ED	Executive Director
ESD	Eastern Seaboard Development
IDP	Integrated Development Plan
KPA's	Key Performance Area
LED	Local Economic Development
KZNTAFA	KwaZulu Natal Tourism and Filming Authority
MFMA	Municipal Finance Management Act
MOU	Memorandum of Understanding
MICE	Meetings, Incentives, Conference and Events
MSA	Municipal Systems Act
MPAF	Marketing, Promotion, Attraction and Facilitation
NED	Non-Executive Director
PTAC	Provincial Tourism Audiovisual Committee
PMS	Performance Management System
PPP	Public Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
RNM	Ray Nkonyeni Municipality
RSDF	Regional Spatial Development Framework
SAT	South African Tourism
SCM	Supply Chain Management
SCTIE	South Coast Tourism and Investment Enterprise
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small, Medium and Micro Enterprises
SLA	Service Level Agreement
WIL	Work Integrated Learning
WTM	World Travel Market

CHAPTER 1: GENERAL INFORMATION

1.1. Mandate & Legal Framework

The South Coast Tourism and Investment Enterprise (SCTIE) is the official economic development and destination marketing agency for the Ugu District Municipality in KwaZulu-Natal. Established in July 2022, SCTIE was created through the merger of Ugu South Coast Tourism NPC and the Ugu South Coast Development Agency SOC Ltd, forming a single, unified entity responsible for driving both tourism promotion and investment facilitation within the district. The entity was established in terms of Chapter 10 of the Municipal Finance Management Act (MFMA) No. 56 of 2003, Sections 76 and 86 of the Municipal Systems Act (MSA), and the Companies Act No. 71 of 2008. It operates as the official investment arm of Ugu District Municipality, serving all municipalities within the Ugu family.

The entity's core mandate in terms of section 84 of MSA is to:

INVESTMENT CASE

Growth (AD)= C+I+G(X-Z)

- Diversification of regional investment portfolios.
- Identify, facilitate and package investment opportunities.
- Facilitate the enablement of environment to be investment friendly (investor ease of doing business).
- Promote KZN south coast as the investment destination of choice, and grow the economy.

TOURISM CASE

Growth (AD)= C+I+G(X-Z)

- Attract and increase the number of tourists to the destinations
- Extend tourist geographical spread across the district
- Facilitate the availability of world tourist services
- Ensure the availability of tourism information infrastructure
- Providing local tourism authority services in line with legislative prescripts (KZN Tourism Amendment Act 2002)

1.1.1. Legal and Policy Framework

SCTIE operates within the legislative and regulatory framework applicable to municipal entities, including:

- ***Municipal Finance Management Act, 2003 (Act No. 56 of 2003)*** – for financial governance, accountability, and reporting.
- ***Municipal Systems Act, 2000 (Act No. 32 of 2000)*** – for aligning strategic and operational planning with the Ugu District Municipality's Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP).
- ***Companies Act, 2008 (Act No. 71 of 2008)*** – as a state-owned company, SCTIE complies with the Act's requirements for governance, transparency, and reporting
- .

- ***Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)*** – for procurement practices that support local economic development.
- ***Labour Relations Act, Basic Conditions of Employment Act, and Employment Equity Act*** – for human resource management and fair labour practices.
- ***National Development Plan (NDP), Provincial Growth and Development Strategy (PGDS), and Ugu District Growth and Development Plan (DGDP)*** – as higher-level policy frameworks guiding economic development priorities.

1.1.2. Relationship With Parent Municipality

SCTIE is wholly owned by Ugu District Municipality, which is its parent municipality. The relationship is governed through a Service Level Agreement (SLA), approved by Council, which outlines:

- Annual performance targets and key deliverables.
- Funding arrangements, primarily from the municipality's equitable share and contributions from local municipalities.
- Governance and reporting protocols to Council, the Audit Committee, and relevant oversight bodies.

In terms of the Municipal Finance Management Act (MFMA) and the Municipal Systems Act (MSA), municipal entities are required to align their strategic and business plans with the Integrated Development Plan (IDP) of their parent municipality. This ensures that the entity's programmes contribute directly to the developmental priorities and Key Performance Areas (KPAs) of the municipality, thereby avoiding duplication and strengthening cooperative governance.

The South Coast Tourism and Investment Enterprise (SCTIE), as the municipal entity of Ugu District Municipality, has structured its four strategic KPAs to align with Ugu's IDP KPAs; Investment Attraction, Tourist/Visitor Attraction, Stakeholder Management, and Institutional Support & Financial Viability. The table below demonstrates this alignment, showing the line of sight between the municipality's strategic priorities and SCTIE's operational focus areas.

SCTIE KPA	Focus Areas	Corresponding Ugu District IDP KPA	Alignment Explanation
1. Investment Attraction	- District Investment Framework - Investment promotion & facilitation - Red tape reduction & walk-through support	**Local Economic Development (LED)**	Ugu IDP's LED KPA emphasizes economic diversification, job creation, and enabling an investor-friendly environment. SCTIE is the implementing arm for this.
2. Tourist / Visitor Attraction	- Destination marketing - Tourism product development - Service quality improvements	**Local Economic Development (LED)**	Tourism is a core LED driver in Ugu's IDP. SCTIE directly manages tourism marketing and product development, fulfilling the IDP's tourism growth strategy.
3. Stakeholder Management	- Social compacts - Investor one-stop shop - PPP facilitation	**Good Governance & Public Participation**	Ugu IDP emphasizes Intergovernmental Relations (IGR), DDM clusters, and partnerships. SCTIE extends this by formalizing private-sector and investor relations.
4. Institutional Support & Financial Viability	- SCTIE funding model - Financial sustainability - Organisational capacity	**Municipal Financial Viability & Management Municipal Transformation & Institutional Development**	SCTIE's financial and governance framework supports Ugu's broader financial viability KPA, while its organisational strengthening aligns with institutional development in the IDP.

1.2. Strategic Overview

The 2024-2025 financial year marked the third year of operations for the South Coast Tourism and Investment Enterprise following the merger of Ugu South Coast Tourism and the Ugu South Coast Development Agency in July 2022. The period under review was defined by a combination of strategic progress and significant operational challenges, most notably the delayed receipt of grant funding from the parent municipality, which placed considerable strain on the organisation's cash flow and resource capacity.

Despite these constraints, SCTIE delivered 87% of its Annual Performance Plan targets, reflecting the resilience and adaptability of its staff and management team. Key achievements included:

- Implementation of coordinated tourism and investment marketing campaigns that generated a combined Annual Average Value Equivalent of over R45 million from a marketing spend of approximately R2.9 million.
- Facilitation of catalytic projects such as the KwaXolo Caves development, the One Stop Shop investor facilitation centre, and the Hibberdene Mixed Use precinct.
- Support for SMME and youth development programmes, enabling participants to access training, placement, and stipends amounting to approximately R6.7 million across the district.
- Sustained digital growth through social media platforms, websites, and mobile applications, strengthening SCTIE's ability to reach both local and international markets.

The strategic focus for the year was guided by the entity's mandate to:

1. Position the KwaZulu-Natal South Coast as a leading tourism and investment destination.
2. Facilitate sustainable local economic development by unlocking sector-specific opportunities.
3. Enhance stakeholder partnerships to leverage additional resources and capacity.
4. Support local enterprises through the Buy Local campaign, product development initiatives, and training programmes.

Looking ahead, SCTIE's Board of Directors, appointed in October 2023, has approved a revised strategic plan that seeks to diversify revenue streams, strengthen marketing efforts, and increase the geographical footprint of both tourism and investment activities. While the current funding environment remains uncertain, the organisation is committed to implementing strategies that ensure operational sustainability and continued impact in the district.

1.3. Organisational Structure

1.3.1. Board of Directors

The South Coast Tourism and Investment Enterprise is governed by a Board of Directors that provides strategic leadership, ensures alignment with the Ugu District Municipality's development objectives, and upholds principles of good corporate governance. The Board consists of independent directors with sectoral expertise, supported by ex-officio representatives from each local municipality in the district, and is led by the Chairperson.




SOUTH COAST TOURISM & INVESTMENT ENTERPRISE
SCTIE
South Coast
PARADISE OF THE ZULU KINGDOM
Ms. Deidre Rankin
GM: Economic Development & Environmental Services – Ugu
Mr. Sfiso Nxele
GM: Planning & Development – Umdoni
Mr. Ngcebo Mthembu
Manager: Local Economic Development – Umzumbe
Mr. Velemseni Nxumalo
Manager: Local Economic Development – Umuziwabantu
Mr. Dalisu Zulu
HOD: Planning & Development Services - Ray Nkonyeni
South Africa
KWAZULU-NATAL
Inspiring new ways
MEET OUR EX -OFFICIO MEMBERS OF THE BOARD

Board Member Profiles

1. Mr. Sandile Dlomo – Chairperson & NED

As Board Chairperson, he provides strategic direction and ensures that governance processes align with municipal and national frameworks.

Qualifications:

- Bachelor of Laws (LLB)
- Practical Legal Training

2. Ms. Nongcebo Masito – Deputy Chairperson & NED

She serves as the Deputy Chairperson, supporting the Chair in strategic oversight. She also serves as a Non-executive director accountable to the mother board of director.

Qualifications:

- Master of Business Administration (MBA)
- Bachelor of Arts: Communication Science
- Bachelor of Commerce: Economics and Business Management
- PhD in Business Management and Administration (in progress)

3. Mr. Lunga Yeni – Board Member & NED

Serves as a Non-executive director accountable to the mother board of director.

Qualifications:

- Bachelor of Laws (LLB)

4. Dr. Khululiwe Godlwana – Board Member & NED

Non-executive director accountable to the mother board of director and sits on the Audit committee.

Qualifications:

- Master's in Public and Development Management
- Harvard MBA equivalent leadership Development course which focused on Personal Development, Organisational Management as well as Human Resource Management
- BA Honours International relations
- BA (Law and Politics)
- Specialist Certificate: Programme Planning, Programme Design and Management, Monitoring and Evaluation
- Exempted by the Global Institute for Chartered Secretaries of South Africa

5. Mr. Thokozani Sabela – Board Member & NED

Serves as a Non-executive director accountable to the mother board of director.

Qualifications:

- Master of Business Administration (current)
- Postgraduate Certificate in Management
- Bachelor of Social Sciences

Dr. Vusumuzi Sibiya – Chief Executive Officer (CEO) & ED

Dr. Sibiya leads the operational management of SCTIE, overseeing strategy implementation, stakeholder engagement, and organisational sustainability.

Qualifications:

- Doctor of Philosophy in Business Administration (PhD)
  - Research Title: *An integrative leadership approaches towards an employee's engagement: Case of uMkhanyakude District Municipality*
- Master of Management in Finance and Investment: Development Economics
  - Research Title*: Cash flow Management and prediction of financial distress and bankruptcy of all firms listed in the Johannesburg Stock Exchange (JSE)*
- Master of Business Administration
  - Research Title: *The effect of leadership style on productivity at uMzimkhulu Illovo Sugar Limited*
- Master of Social Science in Development Studies *(In Progress)*
  - Research Title*: Role of the Eastern Seaboard development in stimulating inclusive economic growth in Ugu District, KwaZulu Natal*
- Postgraduate Diploma in Public Management (Honours Degree-Cum Laude) (NQF 8)
- Bachelor's Degree in Management Science (NQF 7)
- National Diploma in Business Management (NQF 6)
- Certificate in CPMD / Municipal Finance Management (NQF 6)

Ms. Diedre Rankin – Ex-Officio Member (Ugu District Municipality)

Represents the parent municipality, ensuring strategic alignment with Ugu District's Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP).

Mr. Sfiso Nxele – Ex-Officio Member (Umdoni Local Municipality)

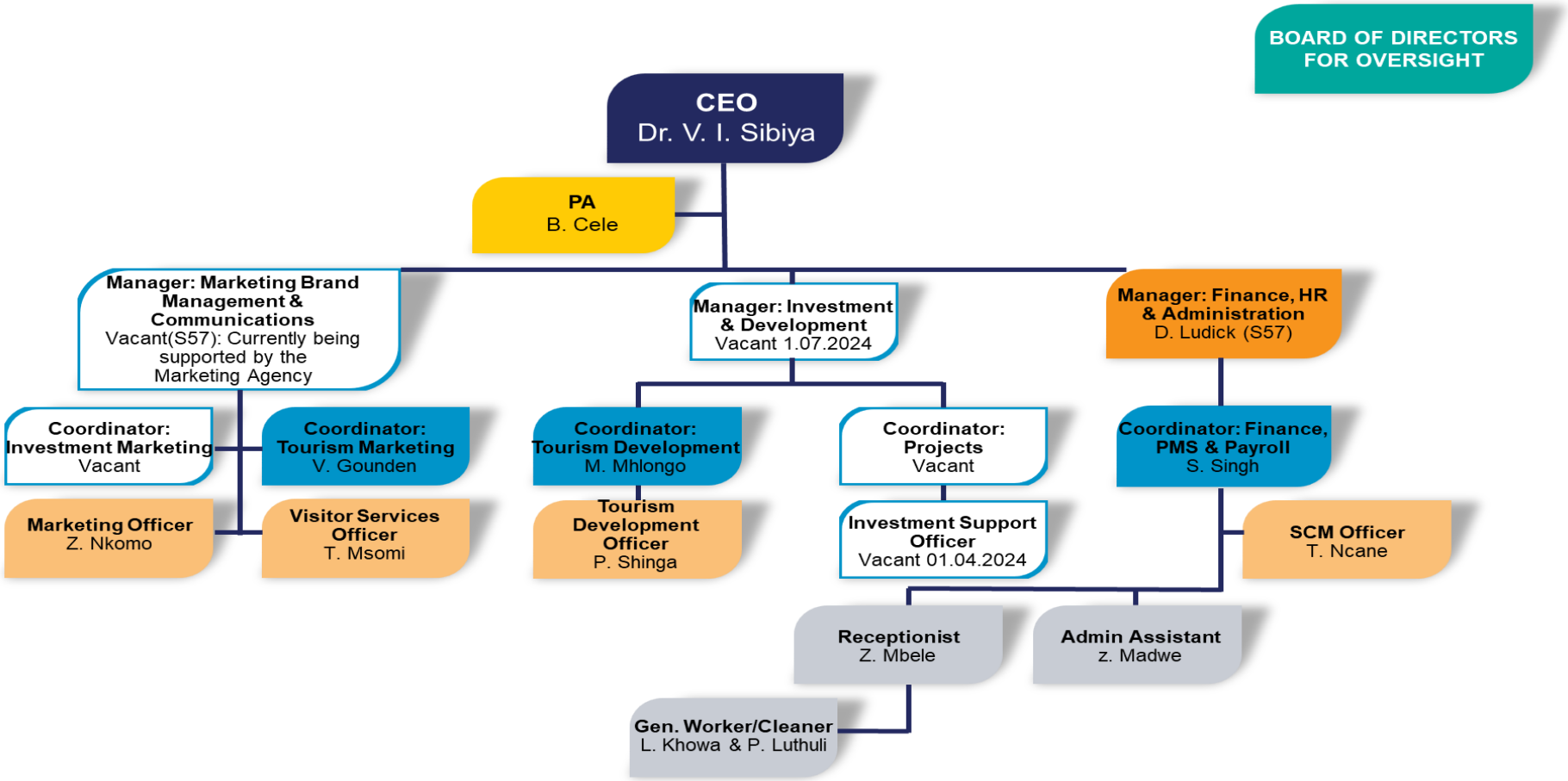
Acts as the liaison between SCTIE and Umdoni Local Municipality, supporting local tourism initiatives and investment opportunities.

Mr. Ngcebo Mthembu – Ex-Officio Member (Umzumbe Local Municipality)
Acts as the liaison between SCTIE and Umzumbe Local Municipality, supporting local tourism initiatives and investment opportunities. Brings knowledge of rural economic development and community-based tourism from Umzumbe.

Mr. Velemseni Nxumalo – Ex-Officio Member (Umuziwabantu Local Municipality)
Acts as the liaison between SCTIE and Umuziwabantu Local Municipality, supporting local tourism initiatives and investment opportunities. Supports small-town revitalisation and tourism product development initiatives in Umuziwabantu.

Mr. Dalisu Zulu – Ex-Officio Member (Ray Nkonyeni Local Municipality)
Serves as the liaison between the South Coast Tourism & Investment Enterprise (SCTIE) and Ray Nkonyeni Local Municipality, facilitating alignment on local tourism initiatives and promoting investment opportunities. Focus areas include development planning, urban tourism development, and the implementation of events-based marketing strategies to stimulate local economic growth and enhance the region's tourism appeal

1.3.2. Organisation Structure



CHAPTER 2: FOREWORD AND OVERVIEW

2.1. Board Chairperson's Foreword

The 2024/2025 financial year marked a significant chapter in the journey of the South Coast Tourism and Investment Enterprise (SCTIE). While we continued to operate in a constrained fiscal environment, we also experienced meaningful progress across several strategic fronts, affirming our organisation's growing resilience and adaptive capacity.

The year began with considerable financial strain, primarily due to the continued non-payment of the 2.4% grant allocation from our Parent Municipality, linked to their equitable share. This persistent funding shortfall has had real operational impacts and remains a serious concern. In addition, instructions by the Auditor-General to write off debts from the 2022/2023 financial year and impair those from 2023/2024 resulted in net VAT implications of R941,273.42. These developments highlighted the need for continued prudent financial management and robust oversight.

Despite these headwinds, the organisation achieved several key milestones that speak to the dedication of our leadership and staff. Notably, a competent Chief Executive Officer was successfully appointed during the reporting period. Under their leadership, SCTIE has begun executing its strategic mandate with precision and renewed vigour. A major highlight was the successful review and realignment of our corporate strategy with local economic development frameworks and municipal Integrated Development Plans (IDPs), ensuring that our priorities support broader regional development goals.

Corporate governance remained a top priority. All board members, including ex-officio members, underwent extensive training facilitated by the Department of Cooperative Governance and Traditional Affairs (COGTA) in October. This critical intervention has significantly improved the board's oversight capabilities and governance posture. However, the current size of the board remains a limiting factor in constituting functional sub-committees, and we hope to see progress on this matter in the coming year.

SCTIE was also honoured to receive the COGTA Municipal Excellence Award for Best Functioning District Development Agencies, a proud recognition of our operational improvements and impact within the Ugu District.

We also made encouraging progress in areas where we had previously underperformed. This includes hosting a series of successful stakeholder engagement sessions and formalising partnerships with the private sector through Memoranda of Understanding. Our collaboration with South African Tourism during the "Sho't Left" Easter Campaign further elevated our brand visibility, while our joint efforts with KZNTAFA and EDTEA resulted in a highly successful South Coast Summer Campaign Launch, which helped build visitor confidence and reinforced our readiness for peak tourism season.

On the investment promotion front, SCTIE worked closely with local municipalities to convene impactful platforms such as the Umdoni Investment Seminar and the Ray Nkonyeni Municipality

(RNM) Investment Conference. These events were essential in positioning our region as an attractive investment destination.

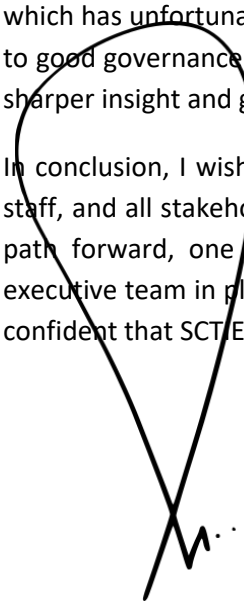
Internationally, SCTIE participated in prominent trade and promotional platforms including Africa's Travel Indaba (Durban ICC), World Travel Market (Cape Town ICC), and Meetings Africa (Sandton, Johannesburg). Through these engagements, we amplified the South Coast's profile as a destination of choice for tourism and investment.

In support of tourism development, SCTIE actively engaged in the Provincial Tourism and Audiovisual Committee, the District Tourism Forum, and Area Tourism Committee meetings, reflecting our continued commitment to sectoral collaboration and sustainable tourism growth.

As part of our MICE (Meetings, Incentives, Conferences, and Events) programme, we successfully revived the iconic Ugu Jazz Festival, restoring a key cultural and economic event to our regional calendar.

While we acknowledge the continued lack of progress on COGTA's intergovernmental intervention which has unfortunately yielded no tangible improvements, we remain steadfast in our commitment to good governance and regional development. The lessons learned this year have equipped us with sharper insight and greater resolve.

In conclusion, I wish to extend my deepest appreciation to the Board, our management team, our staff, and all stakeholders and partners who continue to support SCTIE. Together, we are charting a path forward, one grounded in accountability, innovation, and shared growth. With a capable executive team in place, a strengthened governance framework, and a clear strategic direction, I am confident that SCTIE is poised for even greater impact in the years ahead.



MR. SANDILE DLOMO
Chairman of the Board

2.2. Chief Executive Officer's Overview

It is with great responsibility and renewed optimism that I present this overview for the South Coast Tourism and Investment Enterprise (SCTIE) Annual Report for the 2024/2025 financial year.

The past year was defined by both operational challenges and strategic progress. Amid persistent financial constraints particularly the delayed and partial disbursement of grant funding from our Parent Municipality, Ugu District Municipality, we remained steadfast in delivering on our mandate to drive tourism and investment development in the KZN South Coast.

We are especially proud of our organisation's performance improvement from 78% to 87%, despite limited resources, unfilled critical posts, and an overstretched team. This speaks to the dedication, professionalism, and resilience of SCTIE staff and leadership.

A significant milestone during the period under review was our successful external audit by the Auditor-General for the 2023/2024 financial year. SCTIE obtained an unqualified audit opinion with matters, reflecting sound financial management and improved compliance. The audit findings have been received with full transparency, and the issues raised are being proactively addressed during the 2024/2025 financial year as part of our internal improvement plan.

In response to ongoing funding shortfalls, a new financial model was developed, consulted during the strategic planning session, and is now being implemented to enhance long-term sustainability. This model aims to diversify income streams, introduce cost containment measures, and reduce reliance on public sector transfers. Additionally, a new organisational structure was developed, presented, and formally adopted by the Board. This structure aligns institutional capacity with strategic objectives and positions SCTIE for greater operational efficiency.

Despite continued underfunding particularly the failure of Ugu District Municipality to meet its full 2.4% equitable share contribution, our shareholder municipalities demonstrated commendable commitment. Umdoni, Umzumbe, and Ray Nkonyeni Municipalities each honoured 100% of their 1.2% obligation, while Umuziwabantu Municipality contributed 59%. We thank them sincerely for their support, especially during a time of fiscal pressure across all spheres of government.

However, financial stress remains a pressing issue. Delayed grant transfers from our Parent Municipality resulted in non-compliance with the Municipal Finance Management Act (MFMA), specifically Section 99(2)(b) and Section 19(a), leading to fruitless and wasteful expenditure in the form of avoidable finance costs. To mitigate further impact, SCTIE entered into a six-month repayment agreement with the Auditor-General. VAT obligations due to the South African Reserve Bank by 30 June 2025 total R1,084,594.78, with an additional R108,459.00 in penalties. Adjustments by the Auditor-General related to the write-off of the 2022/2023 debt and impairment of 2023/2024 receivables also led to VAT implications totalling R941,273.42.

Nonetheless, SCTIE continued to deliver on its mandate. We maintained transparency and accountability to our clientele by keeping KZN South Coast travellers informed during the

Mbongintwini Bridge collapse, offering real-time travel updates and alternate routes to minimise disruptions and maintain visitor confidence.

From an investment and development perspective, we achieved notable progress. We launched the SCTIE Investment Directory and Brochure, introduced new investment facilitation frameworks in collaboration with the KZN One Stop Shop, and celebrated the opening of several key developments including the Port Shepstone Intermodal Facility, Checkers FreshX Store, Action Sports South Coast, and the R1.2 billion NPC expansion. The development of Phase 3 of the KwaXolo Caves, funded by EDTEA, enhanced our cultural tourism offering. We also entered into strategic Memoranda of Understanding with several private-sector real estate partners including Umdoni Point Coastal Forest, Renishaw Hills, Serenity Hills, and Ekubo Coastal Estate. In addition, we further entered into symbiotic relationship (MOU) with African Women in Business partnered with Beaver Creek on organic coffee farming.

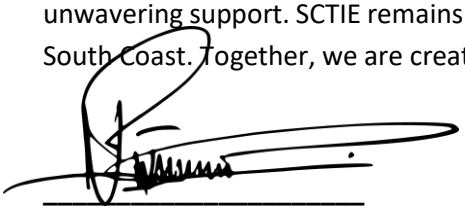
To ensure strategic alignment, I participated in the strategic planning sessions of Ugu District Municipality, Umdoni, Umzumbe, and Umuziwabantu, ensuring that SCTIE's strategic plan is informed by local priorities and Integrated Development Plans. SCTIE also participated in major investment platforms such as Africa's Travel Indaba, World Travel Market, Meetings Africa, and the KZN SALGA Investment Show in Durban and Umhlanga, strengthening our brand visibility and expanding investment leads.

We were also proud to revive the Ugu Jazz Festival as part of our MICE (Meetings, Incentives, Conferences, and Events) programme, helping boost regional economic activity and destination appeal. Our work continued to align with broader national frameworks such as the Eastern Seaboard Development, the District Development Model, and the Economic Sector and Infrastructure Development Cluster.

Despite our successes, institutional capacity remains a challenge. Not all critical positions within SCTIE have been filled, placing considerable pressure on the existing team. This is a high-priority issue which we intend to address under the newly adopted organisational structure.

Finally, it is with pride that I note SCTIE was honoured with the COGTA Municipal Excellence Award for Best Functioning District Development Agencies, an important recognition of our governance turnaround and operational impact.

In closing, I extend my deepest thanks to our Board of Directors for their vision and leadership, to our management and staff for their tireless dedication, and to our partners and stakeholders for their unwavering support. SCTIE remains committed to building a resilient, inclusive, and investment-ready South Coast. Together, we are creating a foundation for sustainable regional growth and prosperity.



DR. VUSUMUZI SIBIYA
Chief Executive Officer

CHAPTER 3: CORPORATE GOVERNANCE

3.1. Report of the Audit Committee.

The Audit Committee ("the Committee") presents its report for the year ended 30th of June 2025.

Audit committee responsibility

The Committee reports that it has complied with its responsibilities arising from section 166 of the MFMA. Furthermore, it has adopted formal terms of reference as its Audit Committee charter, has regulated its affairs in compliance with this charter, and discharged all its responsibilities as contained therein during the year.

Audit committee members and attendance

The Committee consisting of the following five (5) members listed hereunder has met at least four (4) times per annum as per its approved terms of reference.

Name of member	Number of meetings attended
Mr. A.D. Gonzalves (Chairman)	5/5
Ms. S Dlungwane	5/5
Mr. T. Zakuza	4/5
Mr. P. Preston	5/5
Ms. S Khanyile	5/5

All members are external and therefore independent with no conflicts of interests being reported.

Audit committee meetings

Five (5) meetings were held during the year as follows:

Meeting	Date of meeting	Type of meeting
1.	19 July 2024	Ordinary
2.	26 August 2024	Special
3.	25 October 2024	Ordinary
4.	12 March 2025	Ordinary
5.	27 June 2025	Ordinary

The Committee held meetings with the Accounting Officer, senior Management of the entity, Internal Audit and the Auditor-General of South Africa (AGSA) collectively and individually, on matters related to governance, internal control, and risk in the entity, throughout the reporting period. A member of the board of directors is a standard invitee to our meeting and has attended our meetings. Representatives from the AGSA have attended some of the meetings.

Effectiveness of internal controls

An assessment of the findings identified by Internal Audit as well as the audit and management reports presented to the Committee by the Auditor-General of South Africa (AGSA), reveals that the internal control environment, risk management, and governance processes are adequate and effective over financial and performance reporting. The committee notes that compliance was partially effective, with room for improvement. The committee recommends taking reasonable steps to ensure compliance with procurement processes and thus prevent irregular expenditure. The Committee is satisfied that Internal

Audit provided assurance in terms of governance, risk management, and control as per the approved risk-based audit plan. At the end of the financial year, the following internal audit engagements were reported as complete as per the approved risk-based audit plan:

- Annual Financial Statement Review
- Annual Performance Information Report Review
- Financial Discipline Review
- Follow Review: AGSA and Internal Audit Findings
- Revenue Management
- Supply Chain Management Review;
- Quarterly Performance Information Report Reviews,
- Unauthorised, Irregular and Fruitless and wasteful expenditure investigations.

Risk management and governance

The entity's financial sustainability is materially threatened due to the failure of the Ugu District Municipality (parent) and several local municipalities to make timely transfers as required by their service level agreements. This urgent cash flow crisis is impacting performance, limiting strategic achievement, and creating a continuous risk of fruitless and wasteful expenditure, thus compromising compliance with MFMA Section 65(2)(e).

In-Year Management and Monthly/Quarterly Reports

The entity has reported to the board of directors and the Council of Ugu District Municipality as required by the MFMA. The Committee found the in-year management reports, including both financial and non-financial data, to be satisfactory during the year under review.

Evaluation of the annual financial statements

The Committee has reviewed:

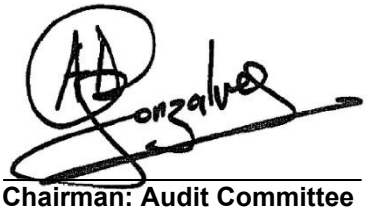
- The unaudited annual financial statements, with due consideration of the independent assurance provided by Internal Audit as well as the assurance provided by Management;
- Changes in accounting policies and practices;
- Compliance with legal and regulatory provisions;
- The basis for the going concern assumption, including any financial sustainability risks and issues;
- The unaudited annual performance information on predetermined objectives with due consideration of the independent assurance provided by the internal audit function as well as the assurance provided by Management;
- The AGSA audit and management reports, with due consideration of the responses provided by Management; and
- The audited financial statements as well as the information on predetermined objectives to be included in the annual report for any significant adjustments resulting from the audit and reported to the Accounting Officer.

Auditor-General of South Africa (AGSA) Report

The annual financial statements are prepared in accordance with the South African Standards of Generally Recognized Accounting Practice and in the manner required by the MFMA. The Committee concurs with and accepts the AGSA's audit report on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the AGSA.

Conclusion

The Committee expresses its gratitude to the Board of Directors, the Accounting Officer, the CFO, administrative staff, and the AGSA for their commitment, co-operation, and assistance. The Committee recommends that Management address the material findings identified by AGSA relating to compliance, by addressing the root cause of the control deficiencies.



Chairman: Audit Committee
05 December 2025

3.2. Risk Management Approach

SCTIE recommitted itself to a process of risk management that is aligned to the principles of good corporate governance, as supported by the Municipal Finance Management Act (MFMA), Act no. 56 of 2003, by approving the entity Enterprise Risk Management Policy and Fraud Prevention Strategy in May 2024. Risk management is recognised as an integral part of responsible management and the Entity adopted a comprehensive approach to the management of risk.

Effective risk management is imperative to the Entity's ability to fulfil its mandate, to meet the service delivery expectations of the public and the performance expectations within its mandate.

The realisation of our strategic plan depends on us being able to take calculated risks in a way that does not jeopardise the direct interests of our stakeholders. Sound management of risk has enabled us to anticipate and respond to changes in our service delivery environment, as well as make informed decisions under conditions of uncertainty.

We subscribe to the fundamental principles that all resources will be applied economically to ensure:

- The highest standards of service delivery;
- A management system containing the appropriate elements aimed at minimising risks and costs in the interest of all stakeholders;
- Education and training of all our staff to ensure continuous improvement in knowledge, skills and capabilities which facilitate consistent conformance to the stakeholders' expectations; and

Maintaining an environment which promotes the right attitude and sensitivity towards internal and external stakeholder satisfaction.

3.2.1. Risk Register

SEE ANNEXURE: E

3.3. Internal Audit and Control Systems

Internal Audit is undertaken through a shared service of the Ugu District Municipality.

The purpose of the Internal Audit Activity is to assist the Accounting Officer and Senior Management in achieving their objectives and to discharge their responsibilities by providing an independent, objective assurance and consulting services designed to add value and improve the Municipal Entity's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Section 165 (1) of the Municipal Finance Management Act, Act 56 of 2003, (MFMA) mandates each Municipal Entity to have an internal audit unit. Section 165(2) of the MFMA requires internal audit to:

(a) prepare a risk-based audit plan and an internal audit program for each financial year

(b) advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:

   i. internal audit;

   ii. internal controls;

   iii. accounting procedures and practices;

   iv. risk and risk management;

   v. performance management;

   vi. loss control; and

   vii. compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation; and

(c) Perform such other duties as may be assigned to it by the Accounting Officer.

The Internal Audit Charter, was approved by the Audit Committee in October 2024, along with the Annual Audit Plan.

The Annual Audit Plan consists of general, compliance and risk-based audits. The assignments undertaken in 2024- 2025:

Project / Focus Area	Objective and scope
General	
- **Annual Audit Plan**	To ensure compliance MFMA Section 165.
- **Review Internal Audit Charter**	To enhance the effectiveness of the internal audit providing independent, objective assurance and consulting services designed to add value and improve the Entity operations.
- **Review Audit Committee Charter**	To ensure compliance MFMA Section 166.
Compliance Audits	
- **Review of Annual Financial Statements**	Improve the quality and credibility of the AFS prior to submission to the Auditor General.
- **Review of Annual Performance Report**	Improve the quality and credibility of the APR prior to submission to the Auditor General.
- **Performance Management Reviews**	Review effectiveness, efficiency of the Performance Management System. - Review IDP alignment - PMS Framework - Annual Performance Plan / SDBIP - S57 Performance Contracts - Quarterly performance results - Review Portfolio of Evidence files
Risk Based Audits	
○ **Financial Discipline**	- Review internal controls over preparation and review of treasury reconciliations for the quarter ended. - Testing the adequacy and effectiveness of controls over significant risk, which will include information technology and general control testing.
○ **Supply Chain Management**	- Adequacy of SCM Policy in compliance with legislation. - Review of procurement processes in respect of compliance - Review adequacy and effectiveness of procurement systems to mitigate against inherent risks.
○ **Investigate UIFWE**	- Investigate all incidents of irregular, fruitless and wasteful expenditure referred for investigation as per circular 68 of MFMA and determine whether there are grounds of recovering expenditure incurred as a result of negligence.

○ **Revenue Management: Billing and Debt Collection**	- Evaluate the adequacy and effectiveness of internal controls relating to the reliability and integrity of the revenue management process.
Follow-Up Audits	
- **Follow Up and review of the Management Correction action plan to address AG(SA) finding**	- Ascertain the status of implementation of the management actions in respect of prior reported finding by the AG(SA) to improve audit outcomes. - Conducted verification on implemented action plans.
- **Follow Up of Risk Mitigation Plans**	- Ensure implementation of risk mitigation plans.

3.4. Compliance

In line with the Companies Act, the Municipal Structures Act, and the principles of good governance as outlined in King IV, the Board of Directors is entrusted with providing ethical leadership, strategic direction, and oversight to ensure effective and responsible management of the organization. The Board is accountable for compliance with all applicable legislation, financial sustainability, and alignment with public sector mandates and service delivery objectives. It ensures that governance processes promote transparency, accountability, and stakeholder inclusivity.

To support its functions, the Board has established key sub-committees as recommended by King IV, including the Audit and Risk Committee, Human Resources. In terms of a Social and Ethics Committee, due to the size of the Board, this responsibility is undertaken by the full Board. These committees enable focused oversight of critical areas such as financial reporting and risk management, executive remuneration and performance, and the organization's ethical and social responsibilities. Each committee operates under approved terms of reference, contributing to the overall effectiveness and integrity of the governance framework.

Board members receive a monthly stipend and are paid meeting fees for their attendance of meetings. In the instance that the meeting is three hours or more, a full meeting fee is payable

3.4.1. Board Attendance

i. Standard and Special Board meetings:

Standard Quarterly Board meetings are held to ensure proper oversight on Budget as well as implementation of Annual Performance Scorecard to ensure annual key performance indicators are met.

Special Board meetings are held specifically when required to meet compliance requirements, these being before the submission of the draft Annual Financial Statements and Annual Report to the Auditor-General SA in August, the approval of the final Annual Report and Annual Financial Statements by the end of December, the approval of the entity draft budget for consultation by the end of March, the approval of the Annual Budget and Annual Performance Plan by the end of May.

Board members	Board and Special Board meetings attended (9)
Mr. Sandile C Dlomo	9
Mrs. Nongcebo V. Masito	9
Dr. Khululiwe H. Godlwana	8
Mr. Lunga G. Yeni	9
Mr. Henry T.H Sabela	8

ii. Annual General Meeting:

One Annual General Meeting is held each year, with the Shareholder / Parent Municipality

Board members	AGM attendance (1)
Mr. Sandile C Dlomo	1
Mrs. Nongcebo V. Masito	1
Dr. Khululiwe H. Godlwana	1
Mr. Lunga G. Yeni	Apology received
Mr. Henry T.H Sabela	1

iii. Audit Committee meetings:

In terms of Board Committees, the Audit Committee is a shared service committee, appointed by the Ugu District Municipality. Dr Khululiwe Godlwana is appointed by the Board in terms of her governance expertise, to attend the Audit Committee meetings as an invited guest. In her absence, the Chair may attend alternatively nominate a representative of the Boar dot attend on her behalf.

The Audit Committee meet four times per year to ensure their oversight roles, and have one special meeting per year in their review of the draft Annual Report and Annual Financial Statements, prior to the submission to the Board of Directors for their approval.

Board members	Audit Committee meetings (5)
Mr. Sandile C Dlomo	1
Dr. Khululiwe H. Godlwana	3

iv. Strategic Planning meetings

The entity had a two-day session in April where various stakeholders were invited to attend to ensure that extensive consultation on the annual strategy review was done. Thereafter a special meeting was held with the Board of Directors.

Board members	Strategic Planning (3)
Mr. Sandile C Dlomo	3
Mrs. Nongcebo V. Masito	2
Dr. Khululiwe H. Godlwana	1
Mr. Lunga G. Yeni	1
Mr. Henry T.H Sabela	2

v. Performance Management and Human Resources

During the financial year, the Board appointed an HRM Committee for the formulation of the vacancy and interview process for the position of the Chief Executive Officer. The Chairman of the Board is also responsible for the quarterly performance review of the Chief Executive Officer. Not all directors participate in both functions.

Board members	PMS and HR
Mr. Sandile C Dlomo	9
Mrs. Nongcebo V. Masito	1
Dr. Khululiwe H. Godlwana	1
Mr. Lunga G. Yeni	3
Mr. Henry T.H Sabela	7

vi. Other meetings

In terms of their roles and functions, the Board of Directors are required to attend other meetings which would include special meetings with the parent Municipality, attendance of various Council meetings as well as representing the entity at stakeholder meetings.

Board members	Other
Mr. Sandile C Dlomo	30
Mrs. Nongcebo V. Masito	6
Dr. Khululiwe H. Godlwana	6
Mr. Lunga G. Yeni	9
Mr. Henry T.H Sabela	20

3.5. King Codes of Corporate Governance

The Board and management team are committed to the principles of openness, integrity and accountability advocated by the King Code. The SCTIE made progress during the reporting period towards entrenching and strengthening the implementation of the recommended practices in its governance structures, systems, processes and procedures. The internal audit team – as a shared service with Ugu District Municipality – provided regular feedback to the Audit and Risk Committee (to be strengthened), which is responsible for monitoring compliance with the King Code.

The board provides effective leadership based on a principled foundation and the entity subscribes to high ethical standards. Responsible leadership, characterised by the values of responsibility, accountability, fairness and transparency. The fundamental objective has always been to do business ethically while building a sustainable company that recognises the short and long-term impact of its activities on the economy, society and the environment. In its deliberations, decisions and actions, the board is sensitive to the legitimate interests and expectations of the entity's stakeholders.

3.5.1. Application of King IV: Corporate Governance Principles

SCTIE demonstrates a strong alignment with the principles of the King IV Report on Corporate Governance. The Board, led by an independent Chairperson, provides effective oversight, while management ensures execution, reflecting a clear separation of powers. Ethical leadership is reinforced through a Code of Conduct, and statutory compliance with the MFMA, Companies Act, and reporting obligations has been consistently achieved.

Performance and value creation are monitored through quarterly reviews of the Annual Performance Plan, with measurable impact seen in tourism growth, investment packaging, and socio-economic benefits. While compliance is evident, the organisation could strengthen value reporting by quantifying socio-economic returns more systematically.

Governance structures are supported by an independent Audit and Risk Committee, and stakeholder inclusivity is evident through regular engagement forums. However, gaps remain in ICT governance, remuneration benchmarking, and the institutionalisation of Board self-evaluations. These areas reflect partial application of King IV principles, requiring focused improvement.

Overall, SCTIE can be considered largely compliant with King IV, demonstrating strong governance in leadership, oversight, and accountability, while needing to address specific gaps to reach leading practice.

CHAPTER 4: ORGANISATIONAL PERFORMANCE

4.1. Annual Performance Plan/Scorecard (APP)

Due to the revision of the corporate strategy in May 2024, the 2024 Annual Performance Plan for comparative indicators has been included separately.

SEE ANNEXURE: A (i) – 2025 and ANNEXURE: A (ii) – 2024 comparative

4.2. Key Performance Areas (KPA)

4.2.1. Destination Marketing

The South Coast Tourism and Investment Enterprise (SCTIE) delivered a comprehensive programme of tourism marketing activities under the annual theme “Now’s the Time”, designed to position the KwaZulu-Natal South Coast as a premier leisure, adventure, and cultural destination. The campaign was rolled out through four seasonal sub-themes, each aligned to visitor demand cycles and national tourism events. Despite financial constraints, SCTIE’s in-house team successfully implemented multi-platform marketing, public relations, event support, digital integration, and research initiatives, generating significant media value and strengthening the region’s profile.

4.2.1.1. Seasonal Campaigns

Quarter One

The theme *"Your Spring Adventure Awaits"* was launched to coincide with World Tourism Month. The campaign promoted the South Coast as an attractive springtime destination, using digital and social media channels, press releases, and activations such as the World Tourism Day community beach clean-up.

Quarter Two

The theme *"Embrace Summer"*, focusing on festive season travel. Marketing activities emphasised the South Coast's extensive Blue Flag beaches, outdoor adventure opportunities, and family-friendly experiences. The campaign also integrated the **Buy Local initiative**, which continued to expand its membership and promote local economic support.

Quarter Three

The theme *"Breakaway"* highlighted Valentine's getaways, Easter holidays, and business tourism (MICE). The messaging positioned the South Coast as a destination for both leisure and conferencing, with strong PR support generating substantial earned media exposure.

Quarter Four

The theme *"Ocean Sunrises and Hinterland Adventures Await"*, showcasing the South Coast's winter and hinterland experiences. Marketing focused on the sardine run, diving, hiking, birding, and agri-tourism while maintaining the emphasis on the region's Blue Flag beaches.

The following marketing elements were harnessed to maximise marketing efforts:

1. Social Media
2. Advertising
3. Public Relations.
4. Fam Trips
5. Research
6. VIC Portal
7. App

We promoted our tourism opportunities on various KZN South Coast platforms. We measure the Average Value Equivalent of each quarterly campaign, to ensure we are getting value for money on the marketing spend.

The Annual Average Value Equivalent achieved through the Tourism Marketing Campaigns for the 2024-2025 year is:

Medium	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Print	5 452909	5 462 032.25	2136443	1 809 206	***14 860 590.2***
Broadcast	5868	215384.50	8946	1 05929	***336 127.50***
Online	2290082	6 242 042.97	2778033	3465182	***12 025 087.30***
Total	7 748859	1 191 9459.70	4 923422	5 380317	***29 972 057.70***

4.2.1.2. Media Value and Public Relations

Public relations and media engagement were critical to SCTIE's campaigns. Press releases aligned to quarterly themes achieved wide coverage in national and regional outlets, strengthening the South Coast's brand credibility. A total of 27 tourism-related press releases were issued, generating millions in earned media value across print, online, and broadcast platforms.

Quarter 1

Tourism Disseminated Press Releases	**Earned (PR) Media Exposure**
Beach safety tips to follow on your KZN South Coast breakaway	Rising Sun (Overport) - 15 Aug 2024
12 Hidden gems on the KZN South Coast	Purely Local - 21 Aug 2024 https://purelylocal.co.za/explore/12-hidden-gems-on-the-kzn-south-coast/
KZN South Coast extends its rural tourism with launch of the KwaNdwalane Adventure Experience	Rising Sun Weekly - 4 Sep 2024
Celebrate Heritage Month with 9 Must-Visit Cultural & Heritage Experiences on the KZN South Coast	Safari Africa - 18 Sep 2024 https://www.safari-africa1.co.za/celebrate-heritage-month-with-9-must-visit-cultural-heritage-exp...
Breakthrough win for 'masterful' Kelsey	South Coast Herald - 19 Sep 2024 https://www.citizen.co.za/south-coast-herald/sports-news/local-sports/2024/09/19/breakthrough-win...
Celebrate Heritage Month with 9 Must-Visit Cultural & Heritage Experiences on the KZN South Coast	Rove SA - 19 Sep 2024 - https://rovesa.co.za/activities-and-adventure/celebrate-heritage-month-with-9-must-visit-cultural...
Indigenous Games return to coast	South Coast Fever - 20 Sep

Quarter 2

PRESS RELEASES – TOURISM	**EARNED (PR) MEDIA EXPOSURE**
South Coast Tourism and Investment Enterprise Welcomes Dynamic New CEO, Dr Sibiya, to Lead Investment and Tourism Growth	South Coast Fever, My ZA, My PR, My Pressportal, My Durban, Marketing Spread, SA Today, Gauteng Online Magazine, Showbiz Scope, Visit KZN South Coast, Rove SA, South African Lifestyle Magazine, Rising Sun Newspapers – (18/10) Sunday Times (Final), Business Times, Sunday Times (Early Edition), Business Times, Sunday Times (Third

	Edition), Business Times, Sunday Times (Second Edition), Business Times – (20/10) Rising Sun (Mid-South Coast), Rising Sun (Chatsworth), Rising Sun (Merebank), South Coast Herald – (22/10) Rising Sun (North Coast) – (23/10) Rising Sun (Overport) – (24/10)
Bumper festive season forecast as KZN South Coast earns highest number of Blue Flag beaches in KZN!	5FM, Lotus FM, IOL, My PR, My Durban SA Today, Buy PE, Gauteng Online Lifestyle Magazine, Visit KZN South Coast, Rove SA, News24 – (30/10) The Mercury, IOL, The Citizen, South Coast Herald, Travel South Africa, Conferencing South Africa – (31/10) The Witness – (01/11) Independent on Saturday, IOL – (02/11) Vuma FM, Tourism Update, The South African, SA People News, Economy 24, Affluencer – (04/11) Rising Sun (Mid South Coast), Rising Sun (Chatsworth), Rising Sun (Merebank), Bizcommunity, Getaway – (05/11) Rising Sun (North Coast) – (06/11) Rising Sun (Overport) – (07/11) South Coast Fever, South Coast herald (Mid South Coast Edition), South Coast Herald, Durban Local – (08/11) South Coast Herald – (09/11) Getaway – (11/11) South Coast Info – (19/11) Rising Sun Weekly – (27/11) Times Network/ News24 – (30/11)

Top 10 Must-Visit Rural Attractions on KZN South Coast	My Pressportal – (08/11) SA Today – (09/11) My Durban – (10/11) Good Things Guy, Visit KZN South Coast, Businesses South Africa, Rising Sun Newspapers, Travel South Africa – (11/11) The Vibe ZA, Rove SA – (12/11) Eyethu Ugu – (15/11) Rising Sun (Chatsworth), Rising Sun (Merebank), My PR, South Coast Info – (19/11) Rising Sun (North Coast) – (20/11) Rising Sun (Overport) – (21/11)
The KZN South Coast is ready to welcome holidaymakers for the festive season	George Herald, Knysna Plett Herald, Mossel Bay Advertiser, Oudtshoom Courant, SA Today, Gauteng Online Magazine, Showbiz Scope, Tourism News Africa, Rove SA, South African Lifestyle Mag, South Cape Forum, Gaaff-Reinet Advertiser – (13/11) Travel South Africa, Visit KZN South Coast – (14/11) South Coast Fever – (15/11) Mother & Child – (18/11) Rising Sun (Chatsworth), Rising Sun (Merebank), South Coast Info – (19/11) Rising Sun (North Coast) – (20/11) Rising Sun (Overport), East Coasst Radio – (21/11) Good Things Guy – (28/11) IOL – (30/11)
Your essential KZN South Coast summer event guide!	I Love ZA – (26/11) My PR, My Pressportal, SA Today, Visit KZN South Coast, Rove SA, InBound, My Durban – (27/11)

	Marketing Spread, Free Mail, Tourism News Africa – (28/11) Gauteng Online Lifestyle Magazine, South African Lifestyle Magazine – (29/11) Mzansi Life & Style – (02/12) Rising Sun (Chatsworth), Rising Sun (Merebank) – (10/12)
Important beach safety tips to follow when visiting the KZN South Coast this summer	My PR, Marketing Spread, SA Today, Rove SA, My Pressportal – (27/11) Getaway, IOL, Free Mail, Businesses South Africa – (28/11) South Coast Fever – (29/11) Sunday Tribune, South Coast Herald – (01/12)
Time to take it easy on the KZN South Coast with these 'slow travel' trend activities	IOL, My Pressportal, Free Mail, South African Lifestyle Magazine, My PR, Marketing Spread, SA Today, Buy PE, Gauteng Online Lifestyle Magazine – (29/11) Visit KZN South Coast – (01/12) Joburg Style, Travel South Africa, Tourism News Africa – (02/12)
Now's the time to secure your 2025 events on the KZN South Coast—your ultimate MICE destination!	My PR, My Durban, SA Today, Tourism News Africa, My Pressportal – (03/12) Free-Mail – (04/12) Visit KZN South Coast – (05/12)
Embrace summer at some of the best camping and caravan parks on the KZN South Coast!	My PR, My Pressportal, Marketing Spread, SA Today, Free-Mail – (06/12) My Durban, Buy PE – (07/12) Gauteng Online Lifestyle Magazine, Visit KZN South Coast – (08/12) IOL, Tourism News Africa – (09/12)

Enjoy a different view at The Upside-Down House	My PR, My Pressportal, Marketing Spread – (09/12) Visit KZN South Coast, Rising Sun Newspapers – (10/12) Tourism News Africa – (11/12) Rove SA, InBound – (12/12)

Quarter 3

PRESS RELEASES – TOURISM	**EARNED (PR) MEDIA EXPOSURE**
Celebrate the month of love with these epic KZN South Coast outdoor adventures	My PR, My Pressportal, My Durban, Marketing Spread, SA Today, Rove SA – (11/02) Buy PE, Visit KZN South Coast – (12/02) Tourism News Africa – (13/02) Spice4Life, African Safaris – (14/02) Purley Local – (24/02)
7 reasons why the KZN South Coast is the perfect Easter getaway	My PR, My Pressportal, SA Today, Gauteng Online Lifestyle Magazine, Absolute Woman, Showbiz Scope, Visit KZN South Coast, Free-Mail, South African Lifestyle Mag – (19/02) Buy PE – (20/02) My Durban, Rove SA, In Bound – (21/02) Sawubona – (24/02) Rising Sun (Chatsworth), Rising Sun (Merebank) – (25/02) Rising Sun (North Coast), African Safaris, Tourism News Africa – (26/02) Rising Sun (Overport) – (27/02) Mother & Child – (01/03)

	Rising Sun Weekly – (05/03)
8 unique team-building getaways to try on the KZN South Coast	Spice4Life, My ZA, My PR, My Pressportal, Marketing Spread, SA Today, Buy PE, Visit KZN South Coast, Free-Mail – (24/02) My Durban, Travel South Africa, South Coast Info, Margate Information, Activities South Africa, Rove SA, In Bound – (25/02) Tourism News Africa – (06/03)
The countdown has begun! 5 reasons not to miss the Sardine Run on the KZN South Coast	Main News – (02/03) Business Tech, Visit KZN South Coast, Joburg Etc – (03/03) My ZA, My PR, My Pressportal, Marketing Spread, SA Today, Gauteng Online Lifestyle Magazine, Free-Mail, South African Lifestyle Mag, Rising Sun Newspapers, Absolute Travel – (04/03) Getaway, Tabloid Newspapers, My Durban – (05/03) Rove SA – (06/03) South Coast Herald (Mid South Coast Edition), African Safaris – (07/03) Rising Sun (Chatsworth), Rising Sun (Merebank) – (11/03) Rising Sun (North Coast) – (12/03)
Don't miss out on any of the KZN South Coast's Easter getaway specials and events!	Visit KZN South Coast – (10/03) My PR, My Pressportal, SA Today, Free-Mail (11/03) My Durban, Rove SA – (12/03)

Quarter 4

PRESS RELEASES – TOURISM	EARNED (PR) MEDIA EXPOSURE
The KZN South Coast Has Sardine Fever! 7 Great Ways to Witness the Greatest Shoal on Earth	IOL, The Star, Msn, MyPR, My Pressportal, Marketing Spread, South Africa Today, Visit KZN South Coast, Free-Mail, Witness– (09/04) IOL, My Durban, Rove SA, Rising Sun Newspapers – (10/04) Sunday Tribune, The Citizen (Network News) – (13/04) Rising Sun (Chatsworth) – (15/04) South Coast Herald – (21/04) South Coast Fever, South Coast Herald (Mid South Coast Edition) – (25/04) Rising Sun (Chatsworth), Rising Sun (Merebank) – (29/04) Rising Sun (North Coast) – (30/04) Rising Sun (Overport) – (01/05) Tourism News Africa – (05/05)
10 Reasons Why the KZN South Coast is Being Considered a Top Film Destination	Rising Sun (Chatsworth), Rising Sun (Merebank) – (13/05) Rising Sun (North Coast) – (14/05) Rising Sun (Overport) – (15/05) Rising Sun (North Coast), IOL, Free-Mail, Visit KZN South Coast, Msn, IOL Property, My PR, My Pressportal, My Durban – (16/04) Business Day (Final), Business Day (Late Final), Business Live, Marketing Spread – (17/04) Art Smart – (20/04) Tourism News Africa – (09/05) Rising Sun (Chatsworth) – (03/06)

Experience an Authentic Cultural Adventure on the KZN South Coast with 6 Great Drives Out Tours	My Pressportal, Joburg Style, South Africa Today, Visit KZN South Coast, Tourism News Africa – (06/05) Getaway, My PR, My Durban, Marketing Spread, DUrban TV, AFriVu – (07/05) Buy PR – (08/05) Rising Sun (Chatsworth), Rising Sun (Merebank) – (13/05) Rising Sun (North Coast) – (14/05) Rising Sun (Overport) – (15/05) Rising Sun (Chatsworth), Rising Sun (Merebank) – (03/06) Rising Sun (North Coast) – (04/05) Rising Sun (Overport) – (05/06) Tourism News Africa – (09/06)
Don't Miss These Epic Sardine Run Events Taking Place on the KZN South Coast!	Visit KZN South Coast – (03/06) My PR, My Pressportal, Marketing Spread, South Africa Today, African Safaris, Free-Mail – (04/06) Sawubona, My Durban, Buy PE, Absolute Travel – (05/06)
The Sardine Run Action Has Arrived on the KZN South Coast – and Now's the Time to Visit!	My PR, My Pressportal, I Love ZA, South Africa Today, Buy PE, Visit KZN South Coast, Free-Mail – (06/06) My Durban – (07/06) Paarl Post, Standard & Breederivier Gazette, My Cape Town, Port Elizabeth Express, Novus Press Bulletin, Swartland Gazette – (08/06)

4.2.1.3. Familiarisation (Fam) Trips

Fam trips remained a cost-effective marketing tool, allowing media representatives, influencers, and tour operators to experience the South Coast firsthand. SCTIE hosted or participated in 13 fam trips

during the year, securing significant in-kind contributions from partners. These trips resulted in extensive editorial coverage, broadcast features, and tour packaging opportunities.

Trip Name	Date	Area	Media/Stakeholders	Value/Exposure
101 Things To Do	27–28 Jun 2024	Port Edward	eNCA, Citizen, Sunday Times, ECR, Ilanga, SuperSport, SAT, etc.	R32,990 value; TV, radio & print exposure
SA Women's Open	06 Sep 2024	Southbroom	SuperSport	R50,000 TV exposure
SAT Tour Operator Fam	17–20 Sep 2024	Scottburgh–Port Edward	SAT tour operators	Packaging opportunities
KZN South Coast Marathon	29 Sep 2024	Ugu District	South Coast Herald	Local exposure
World Tourism Day Trip	27 Sep 2024	Hibberdene	SC Fever, 1KZNtv	TV & print exposure
Blue Marlin Seascape	03 Oct 2025	Scottburgh	Influencers	Online influencer coverage
Summer Season Launch	15–16 Nov 2024	Ramsgate	ENCA, Morning Live	National TV exposure
Kurudi Afrika	23–24 Sep 2024	Umzumbe	Influencers, Ilanga	Print & social media
Pre & Post Indaba Trip	10–12 May 2025	Scottburgh, Oribi Gorge	West Africa & India buyers	International packaging
SABC 3 Morning Live	20–22 Dec 2025	Ray Nkonyeni	SABC Morning Live	National TV exposure
Meetings Africa Buyers	27–28 Feb 2025	Umdoni	UK buyers/media	Buyer education
SAT Shot' Left	14–16 Mar 2025	Scottburgh	Bloggers/Influencers	Social media
KZNTAFA Post-Indaba	2025	Region-wide	Intl. buyers	Global exposure

4.2.1.4. Events and Trade Shows

Events play a central role in stimulating local economies, creating awareness, and attracting visitors. During the year, SCTIE supported 13 events, boosting visibility for the destination while strengthening partnerships with local businesses and communities.

SCTIE also ensured the South Coast's presence at major industry platforms, including Meetings Africa (Johannesburg), World Travel Market (Cape Town), and Africa's Travel Indaba (Durban). These engagements provided opportunities to profile the region as both a leisure and business tourism destination, establish trade links, and secure collaborative partnerships.

Event/Show	Date & Location	Objectives	Outcomes
Meetings Africa	Feb 2025 – Johannesburg	Position the KZN South Coast as an emerging MICE (Meetings, Incentives, Conferences, Exhibitions) destination; promote conference facilities and investment potential.	Over 20 scheduled B2B meetings; profiled the South Coast as a competitive small/medium conference hub; strong alignment with national business tourism strategy.
World Travel Market (WTM Africa)	Apr 2025 – Cape Town	Expand brand visibility in the international market; showcase niche tourism offerings (beaches, adventure, agri-tourism); build trade partnerships.	High-value engagements with local and international buyers; generated new leads for packaging and collaborative marketing; positioned South Coast as a year-round destination.
Africa's Travel Indaba	May 2025 – Durban	Strengthen the South Coast's role in Africa's largest tourism expo; highlight investment-linked tourism products; network with African and global buyers.	35+ pre-scheduled meetings; new cross-border tourism discussions with Eswatini Tourism Authority; hosted local product partners on the stand; secured significant exposure with 1,000+ exhibitors and buyers.

4.2.1.5. Digital Platforms

Digital marketing remained central to SCTIE's strategy. The Visit KZN South Coast website was upgraded and fully synchronised with the Explore KZN South Coast mobile app, ensuring up-to-date accommodation, event listings, and destination information. The app continues to provide real-time navigation, visitor information centres, and booking functions.

Social media channels recorded steady growth across Facebook, Instagram, Twitter/X, and LinkedIn, though restructuring in early 2025 temporarily affected posting frequency. Engagement rates rebounded in later quarters, with significant reach achieved during peak seasonal campaigns.

Platform	Followers	Posts	Impressions	Engagement	Notes
Facebook	15,011	98	234,970	31,878	+393 growth
Twitter/X	1,116	16	633	82	Modest reach
Instagram	2,902	311	21,521	338	+47 growth
LinkedIn	423	19	1,116	441	Highest engagement rate (39.5%)
App Downloads (iOS/Android)	953 total	–	–	–	Steady growth

4.2.1.6. Research and Market Insights

To guide future marketing strategies, SCTIE conducted a target market survey with 131 tourism businesses in the region. Findings confirmed that the South Coast primarily attracts middle-income family travellers, with strong domestic markets in KwaZulu-Natal and Gauteng, and international visitors from Germany and the UK. Beaches remain the leading drawcard, complemented by growing demand for eco-tourism, adventure, and cultural experiences.

Key insights highlighted the South Coast's reputation as affordable, though limited in luxury offerings, and revealed a rising trend in remote-work-friendly travel options. Social media, particularly Facebook, remains the most influential platform for travel decisions.

Research Findings: Visitor Profile

Category	Key Insights
Traveller Type	Families (self-catering preferred)
Age Groups	35 – 44 (highest), 45 – 54 (next)
Source Markets	Domestic: KZN & Gauteng; International: Germany, UK
Motivations	Beaches, family holidays, adventure, MICE
Average Spend	R3 000 – R5 000 per trip
Top Spend Areas	Accommodation, food & beverage, outdoor activities
Trends	Affordable/family-friendly image; limited luxury; eco-tourism and remote work demand increasing
Key Marketing Channels	Social media (esp. Facebook), word of mouth, online booking

4.2.1.7. Overall Impact

Despite financial and operational challenges, SCTIE's tourism marketing campaigns achieved notable success. The integrated approach of seasonal campaigns, PR and media engagement, digital assets, events, and market research resulted in an Annual Average Value Equivalent (AVE) of nearly R30 million in exposure for the region. This outcome demonstrates SCTIE's ability to maximise impact with limited resources while sustaining the South Coast's profile as one of KwaZulu-Natal's leading tourism destinations.

4.2.2 Investment Marketing

The Annual Average Value Equivalent achieved through the Investment Marketing Campaigns for the 2024-2025 year is:

Medium	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Print	1 207 440	1 353 272	651 512	806 313	4 018 537
Broadcast				40 996	40 996
Online	316 945	2 141 134	703 446	2 094 446	5 255 971
Total	1 524 385	3 494 406	1 354 958	2 941 755	9 315 504

4.2.2.1 Seasonal Investment Campaigns

4.2.2.1.1 Themed Campaigns:

Quarter 1

Theme - 'Uncover Potential'

Invest in the future on the KZN South Coast, with the huge potential for growth in sectors such as tourism, real estate, agribusiness, renewable energy, logistics and transport, manufacturing, maritime sector and mining. The affordable land, subtropical climate, and quality of life make the KZN South Coast one of South Africa's most attractive investment destinations.

Quarter 2, Quarter 3 and Quarter 4

Theme – "Now's the Time to Invest"

The investment marketing campaign was centred around this quarter's theme of **'Now's the time to invest in the KZN South Coast!'**. By highlighting the potential and success within our key investment sectors, we're encouraging investors to act fast to maximise the benefits found here. The campaign features the region's potential across agribusiness, the ocean economy, real estate, tourism, manufacturing and more.

4.2.2.1.2 Press Releases

Quarter 1

PRESS RELEASES – INVESTMENT	EARNED (PR) MEDIA EXPOSURE
Injabulo Lifestyle Estate Introduces Affordable Luxury with R750,000 Freehold Homes – 20 August 2024	Invest KZN South Coast | 19 Aug 2024 Everything Property | 21 Aug 2024 Marketing Spread - 9 Sep 2024
Celebrating the KZN South Coast Remarkable Women Entrepreneurs in Agribusiness – 13 September 2024	SA Profile Magazine - 18 Sep 2024 Media Xpose- 27 Sep 2024 Invest KZN South Coast - 27 Sep 2024
Marine Drive Rehabilitation Reaches 50% Milestone -19 September 2024	Invest KZN South Coast - 22 Sep 2024 The Citizen - 2 Oct 2024 South Coast Herald - 2 Oct 2024

Quarter 2

PRESS RELEASES – INVESTMENT	EARNED (PR) MEDIA EXPOSURE
The campaign to Buy Local on the KZN South Coast speeds up towards the festive season	Stokvel Talk, SA Today, Tourism News Africa, Invest KZN South Coast – (11/11) My Durban, Marketing Spread, Rove SA, Rising Sun Newspapers – (12/11) Buy PE – (13/11) African Business Quarterly – (14/11) Tourism Update – (15/11) Rising Sun (Chatsworth), Rising Sun (Merebank), Media Update, South Coast Herald – (19/11) Rising Sun (North Coast) – (20/11) Rising Sun (Overport) – (21/11)
KZN South Coast development pledges towards local investment	My Pressportal, SA Today – (19/11) My PR, Buy PE, African Business Quarterly, Free Mail, Invest KZN South Coast – (20/11) My Durban, Marketing Spread, Tourism News Africa – (21/11) Moneyweb – (25/11) Rising Sun (Chatsworth), Rising Sun Merebank – (26/11) Rising Sun (North Coast), Everything Property – (27/11) Rising Sun (Overport) – (28/11)
Blue Flag beaches a huge boost for the property market on KZN South Coast	IOL, IOL Property, My PR, My Pressportal, Marketing Spread – (25/11) Buy PR, Everything Property, Free-Mail, Rove SA – (26/11) Invest KZN South Coast – (27/11)

	Gauteng Online Magazine, South African Lifestyle Magazine – (29/11)
Female-founded beauty brands lead the way for investment growth on the KZN South Coast	In Bound – (26/11) My PR, My Pressportal, Marketing Spread, African Business Quarterly, Invest KZN South Coast – (27/11) Rising Sun (Chatsworth), Rising Sun (Overport) – (03/12) Rising Sun (North Coast) – (04/12) Rising Sun (Overport) – (05/12)
The KZN South Coast is a hub for top-quality macadamia nut export	Southern Africa's Freight News, My PR, Maroela Media, My Pressportal, Marketing Spread, SA Today, Gautneg Online Lifestyle Magazine, Showbiz Scope – (09/12) Buy PE, Visit KZN South Coast, Free-Mail, Pro Agri Media, Rising Sun Newspapers – (10/12) Tourism News Africa – (11/12)
Lights, action, invest! Ugu International Film Festival (UGUIFF) puts investment opportunities on the global stage	MyPressportal, My PR, Marketing Spread – (12/12)

Quarter 3

PRESS RELEASES – INVESTMENT	**EARNED (PR) MEDIA EXPOSURE**
KZN South Coast's fashion labels making an impact on the global stage	My PR, Pressportal, Joburg Style, I Love ZA, SA Today, Invest KZN South Coast – (25/02) My Durban – (26/02) Gauteng Online Lifestyle Magazine, Showbiz Scope, South African Lifestyle Mag – (27/02) Eyethu Ugu – (28/02) Rising Sun (Chatsworth), Merebank – (04/03)

	Rising Sun (North Coast) – (05/03) Rising Sun (Overport) – (06/03)
Growth of mushroom farm on the KZN South Coast shows now's the time to invest in agriculture	My ZA, My PR, My Pressportal, SA Today, Buy PE, Main News, Free-Mail, Invest KZN South Africa – (28/02) Moneyweb, Full View, Main News, Economy 24, Pro Agri Media, Tech Weekly – (02/03) Green Economy Media, My Durban – (03/03) Tourism News Africa – (05/03) The Citizen – (06/03)
R8-million expansion of KwaXolo Caves Adventures highlights tourism investment potential on KZN South Coast	My Pressportal, SA Today, My PR, Invest KZN South Coast, Rove SA, Joburg Style, African Business Quarterly, Marketing Spread – (13/03)
KZN South Coast Gears Up for the G20 A Business Tourism Perspective	South Coast Herald - 4 Mar 2025 https://www.citizen.co.za/south-coast-herald/south-coast-fever/2025/03/04/g20-summit-to-benefit- South Coast
Port Shepstone Intermodal Facility increases accessibility and retail opportunities for this business.	Port Shepstone's growth continues with Checkers FreshX development Everything Property - 11 Mar 2025 - Adminhttps://everythingproperty.co.za/dev-port-shepstones-growth-continues-with-checkers-freshx-development

Quarter 4

PRESS RELEASES – INVESTMENT	EARNED (PR) MEDIA EXPOSURE
SCTIE's Upskilling of Local SMEs Boosts Job Creation and the KZN South Coast's Tourism Offerings	My PR, South Africa Today, Free-Mail, Invest KZN South Coast – (30/04) Rising Sun (Chatsworth) – (06/05) Rising Sun (Chatsworth), Rising Sun (Merebank) – (13/05) Rising Sun (Overport) – (15/05)

	Rising Sun (North Coast) – (14/05) KZN Namuhla Community Newspaper (Online) – (22/05) KZN Namuhla Community Newspaper (Print) – (23/05) My Durban, Buy PE, Tourism News Africa – (02/05)
South Coast Tourism & Investment Enterprise shares 4 ways to grow tourism investment on KZN South Coast	Post, My PR, My Pressportal, My Durba, SA Today, Buy PE, Free-Mail, Invest KZN South Coast – (22/05) Marketing Spread, Gauteng Online Lifestyle Magazine, Showbiz Scope, Green Economy Media, Sandton Lifestyle Magazine, Post Express – (23/05)
National Government Backs Investment Resolutions Made to Boost Umdoni's Economic Potential	My PR, My Pressportal, My Durban, South Africa Today, Buy PE, Free-Mail, Invest KZN South Coast – (10/06) Eyethu Ugu – (13/06)

4.2.2.1.3 Investment Trade & Media Fam Trips

Trip Name	Date	Area	Media / Stakeholders
Renishaw Coastal Precinct Media Briefing & Ribbon Cutting	7 August	Umdoni	TIKZM+N / Crookes Brothers Limited / Cubisl Group / Hampsons / SABC News / Mail & Gardian / SC Heral / Rising Sun
2024 Lifestyle Property Developers : SA Womens Masters	6 September	Southbroom	Various TV
Renishaw Hills and Umdoni Point Coastal Forest Estate	18 February	Umdoni	Local media / Maverick International
Umdoni Investment Conference	4-5 June	Umdoni	1KZN TV / Mid South Coast Mail

4.2.2.1.4 Investment Trade Shows, Exhibitions and Conferences

Event / Show	Date	Objectives	Outcomes
Ugu International Film Festival & Business Market **(Margate)**	13-16 September	The Ugu International Film Festival (UGUIFF) which attracts local and international stakeholders from the film industry, with local talent given a platform to shine. Expanding the opportunities within this sector to other industries, the 2024 UGUIFF strategy included a 'Film and Business Market' which further boosted local economic growth.	Zindela Pictures Group, organisers behind UGUIFF, partnered with South Coast Tourism and Investment Enterprise (SCTIE), the South Coast Chamber of Commerce, and Ray Nkonyeni Municipality to leverage the region's economic potential through this platform. This year saw local businesses exhibiting their products and services directly to end-users and potential buyers within the film industry. The event also featured educational workshop sessions with stars like Pallance Dladla, Sthembiso Mtshali, Masechaba Ndlovu, Luthuli Dlamini, Siyabonga Shibe and many more.
Ray Nkonyeni Investment Conference (Southbroom)	23-24 October	To find a collaborative approach that drives investment in the region, and to facilitate partnerships to strengthen collaboration across industries and drive sustainable projects, as well as identify challenges and potential solutions to investment-related obstacles in the Ray Nkonyeni Municipality.	All parties concluded the event with clear-cut resolutions on how to create an investor-friendly environment, SCTIE among them

KZN Investment Conference **(Durban)**	11-12 November	The KwaZulu-Natal Provincial Government and Trade & Investment KwaZulu-Natal (TIKZN) hosted an investment conference, themed, "Unlocking KZN's Economic Potential: Driving Trade and Investment to Transform the Province's Future.	A major highlight of the conference were the investment pledges made by several companies, demonstrating investors' confidence in the province, 16 companies committed to investing a collective R75.8 billion during a two-day Investment Conference. Investment pledges included manufacturing, tourism, automotive, logistics and property development projects.
Meetings Africa **(Gauteng)**	24-26 February	SCTIE attended Meetings Africa 2025 themed 'Africa's Success Built on Quality Connections' at the Sandton Convention Centre. Meetings Africa is owned by South African Tourism, with the specific objective of creating a market access platform for African Business Events Products. The 19th edition was a productive, inspiring and rewarding platform which welcomed 410 exhibitors and over 300 buyers from 27 African countries.	SCTIE maximised their exposure by scheduling various meetings prior to the trade show via the Meetings Africa Business Matchmaking programme - a method to identify and connect companies and buyers with common business interests. This was a unique opportunity to meet incredible people, gain valuable insights into tourism industry, and discover opportunities for collaboration and investment.
SALGA Municipal Investment & Development Show	13-14 March 2025	We participated in the two-day Municipal Investment and Development Trade Show hosted by the South African Local Government Association (SALGA). The event showcases the investment opportunities across sectors like agriculture,	Through this engagement - Activating KZN continues to bridge the gap between local government and private investors, strengthening collaboration for economic

(Umhlanga)		finance, and tourism, while promoting capable local governance as a driver of economic growth.	resilience and growth. SALGA affirmed that KwaZulu-Natal is open for business, offering a thriving environment for investment and economic growth.
Umdoni Investment Conference **(Umdoni)**	4-5 June 2025	The Umdoni Investment Seminar, held from 4–5 June 2025, brought together government leaders, business stakeholders, development agencies, and community representatives to identify investment opportunities and build strategic partnerships in support of local economic development. The seminar was hosted by Umdoni Local Municipality in partnership with South Coast Tourism and Investment Enterprise(SCTIE). It was attended by key stakeholders from both the public and private sectors. Deputy Minister Zikalala delivered the keynote address on the final day, affirming the Department of Public Works and Infrastructure's commitment to supporting Umdoni's development priorities. The event featured panel discussions, project exhibitions, and engagements aimed at unlocking growth through infrastructure-led investment.	All parties concluded the event with clear-cut resolutions on how to create an investor-friendly environment, SCTIE among them

4.2.3. Tourism Development

Tourism Development has been particularly active in providing assistance and facilitation on training programs which are paid for by other governmental departments and private training organisations needing assistance to implement, training programs. With our participation and through the local municipalities, we assist in the sourcing of leaners to the programs, arranging of training venues and the sourcing of host employers for the 'on the job' training.

Further to this, officials are actively involved with the communities identifying new experiences which can be marketed, or opportunities which capitalised on and turned into businesses. These then for the basis of Tourism Nodes, which are key to extending the geographical footprint of tourists. With this, we support business to ensure that the services or facilities they offer ready for market.

Our focus this year has been on the following:

i) Tourism Product development,
ii) SMME Development,
iii) Youth Development programs and
iv) Training

4.2.3.1. Tourism Development

a) KwaXolo Caves Adventures

One of our key roles is developing and supporting our sustainable tourism initiatives while upskilling our local communities. Through this, we are growing our tourism economy and creating a more inclusive tourism economy that extends into the rural areas.

The construction of KwaXolo Caves Adventures phase 2, involves a multi-purpose building that will incorporate a restaurant, coffee shop, visitor ablutions, and storage areas. Additional amenities under development include a guardroom, communal braai area, picnic sites, children's play area, as well as water and sewer systems. SCTIE is part of the Precinct Project Management Team which holds the meetings quarterly.

Phase 2 involves the construction of further adventure elements, such as a 106 km zipline connecting two edges of the valley and a high-wire bridge. These activities, funded with R4 million from Idwala Holdings, will adhere to stringent adventure tourism standards, positioning KwaXolo as a pioneering adventure tourism destination within a rural setting.

The expansion created employment for local workers including women and youth, underlining the project's focus on community upliftment and skills development. Despite ongoing construction, the site continues to welcome tourists to explore the caves and walk across the suspension bridge.

SCTIE facilitated the manufacturing and installation of KwaXolo Caves signage. Eight brown tourist signs were installed in June 2025 on provincial roads leading to the facility from Southbroom and

Ezingolweni. Two signs were installed on the national road (R61) Southbroom in 2022 and six were installed on the district road in 2020.

The installation of signs on district, provincial and national roads concludes that SCTIE has completed the sign project for KwaXolo Caves, as per the agreement on the MOA between SCTIE and KwaXolo Caves Adventures. All the above-mentioned signs are installed legally as the approval letters were issued by the relevant authorities.

Community Outreach Programme:

SCTIE participated in the Ray Nkonyeni Municipality community outreach and youth awareness programme for KwaNzimakwe and KwaXolo communities. The event took place at Mphelelwa Community Hall on the 23 April 2025. This was aimed to actively involve the community in the process, promoting a sense of ownership, responsibility and to foster the preservation of cultural heritage.

South Coast
PARADISE OF THE ZULU KINGDOM

KwaXolo Caves Adventures

Current Project

- Home of historic caves and rock art paintings
- **Phase 1:** of the project was funded by COGTA approximately ten years ago. It included a reception building with a meeting hall, staff ablutions, gravel access roads and parking, paved pathways, water tanks and soakaway sewage system
- **Phase 2**: The zipline construction was funded by Idwala Carbonates, at a budget of approximately R4.5million .
- **Phase 3**: is still in progress, funded by EDTEA and implemented by KZN Tourism and Film Authority. It consists of a restaurant, coffee shop, ablutions and storage.
- **Signage:** Funded by SCTIE. Tourism brown signs have already been installed on the national road (R61) and local road (D1095). The Department of transport is in the process of installing the signs on provincial roads, P732 and P284.
- KwaXolo Caves Adventures is operational, pending the implementation of phase 3 which is the development of 10 luxury chalets, an amphitheater, and a 100-seater hall. The project has been reviewed and approved by the KwaXolo Trust.
- **Challenges:** The road connecting The KwaXolo Caves Adventures is too muddy during heavy rains and that makes the establishment inaccessible during that period.

Budget: R 8 600 000		
Business case / Strategic Level	✓	SCTIE Ray Nkonyeni
Economic Case – Value for money	✓	SCTIE Ray Nkonyeni
Commercial Case - Project packaging	✓	SCTIE
Execution, monitoring and evaluation	✓	SCTIE Ray Nkonyeni
Management Case	✓	SCTIE Ray Nkonyeni



b) Umzumbe River Trail

The Umzumbe River Trail was officially launched in 2022 at the Africa Travel Indaba, aiming to connect visitors with the natural beauty and cultural heritage of the KwaZulu-Natal South Coast. The trail connects the coast and hinterland as it starts at Phungashe Dam in Umzumbe), ending at Sea Park Beach in Ray Nkonyeni. The trail consists of six (6) days hiking over a distance of 71km through mostly pristine and unspoilt savanna covered hills with spectacular views and river crossings. The trail winds across a landscape that is home to six Zulu clans namely; Nhlangwini, Mabheleni, KwaCele, KwaNdelu, kwaQwabe and KwaMadlala. Authentic homestays and local tourist guides are ready to welcome visitors, offering experience of the traditional culture of each clan.

SCTIE is in the process of maintaining the trail as it is slightly affected by the recent KZN floods and veld fires. The trail remains opened to visitors as it has not lost its former glory.

Umzumbe River Trail
Current Project

- Umzumbe River Trail starts at Phungashe Dam (Umzumbe) and finishes at Sea Park Beach (Ray Nkonyeni).
- The full trail is 71km and can be hiked over six (6) days. It winds its way through the six (6) traditional authorities of, Nhlangwini, eMabheleni, KwaCele, KwaNdelu, KwaQwabe and KwaMadlala.
- **Phase 1** (completed in 2021: Budget R1 529 654) was funded by EDTEA, consisting of 74 directional stones with URT signage in strategic, 30 hiking signs on timber poles, and 3 viewing platforms of 10m² in size, along the route.

The trail is operational, pending the implementation of the following phases, with an overall budget of R 44 493 541:

- **Phase 2**: Land identification and overall design (Budget: R5 619 956)
- **Phase 3:** Construction of intermediate camps(Budget: R20 924 554)
- **Phase 4:** Construction of start and end camps (Budget R16 419 377)
- Challenges: Illegal mining, trail maintenance, vandalism and fires

Budget: Phase1 R 1 529 654.00		
Business case / Strategic Level	✓	SCTIE. Umzumbe Ray Nkonyeni
Economic Case – Value for money	✓	SCTIE Umzumbe
Commercial Case - Project packaging	✓	SCTIE
Execution, monitoring and evaluation	✓	SCTIE Umzumbe Ray Nkonyeni
Management Case	✓	SCTIE



c) Ntelezi Msani Heritage Centre

Ntelezi Msani Heritage Centre in Mthwalume - Umzumbe, is a notable arts and heritage facility which was established in 2007. The centre plays a vital role in preserving and sharing the long history and traditions of the Zulu nation. It allows visitors to experience this unique history through artwork, dance, seminars and musical performances. The centre hosts cultural workshops where guests can learn about Zulu beadwork, traditional medicine and local crafts, making it a fantastic educational experience.

SCTIE applied for six tourism brown signs for Ntelezi Msani Heritage Centre to be installed on the provincial roads from the N2, Mthwalume offramp. The application was sent to the Department of Transport in 2022. On 20 March 2025, SCTIE received an approval for only two signs that are closest to the facility. According to the department, they are only authorised to approve signs that are on the nearest routed roads, depending on the uniqueness of the tourism attraction.
The installation of Ntelezi Msani signage is part of SCTIE'S responsibilities as per the MOA signed between Ntelezi Msani Heritage Centre Foundation and SCTIE. SCTIE has already installed the signs on the local (Dingimbiza) and national (N2) roads.

Ntelezi Msani Heritage Centre
Current Project

- Ntelezi Msani Heritage Centre in Mthwalume, is a notable arts and heritage facility which was established in 2007. The centre plays a vital role in preserving and sharing the long history and traditions of the Zulu nation. It allows visitors to experience this unique history through artwork, dance, seminars and musical performances.
- Signage: Funded by SCTIE. Tourism brown signs have already been installed on the national road (N2) and local road (Dingimbiza). The Department of transport (DOT) has approved the signs to be installed on provincial roads. SCTIE trained 10 local guides for Ntelezi Msani Heritage Centre to ensure quality service for visitors.
- SCTIE placed a 3x10m container at Ntelezi Msani Heritage for a craft facility/ craft shop. SCTIE further donated craft displays to make the container welcoming for visitors.
- Ntelezi Msani Heritage Centre is operational, pending the implementation of the next phase which is the amphitheatre, museum and craft facility.
- **Challenges:** Funding for the next phase including the upgrading of the entrance from the main road. Road application to be approved by the DOT.

Budget R		
Business case / Strategic Level	✓	SCTIE. Umzumbe
Economic Case – Value for money	✓	SCTIE. Umzumbe
Commercial Case - Project packaging	✓	SCTIE
Execution, monitoring and evaluation	✓	SCTIE. Umzumbe
Management Case	✓	SCTIE. Umzumbe



d) KwaNdwalane Experience

In March 2025, SCTIE in partnership with SA Red Cross South Africa, conducted an onsite health and safety training for Kwa-Ndwalane experience SMMEs. The purpose of the training was to upskill the guides on safety guidelines when hosting visitors, given the nature of this adventure experience which is a hiking trail over the cliffs, forest and a waterfall.

KwaNdwalane Experience
Current Project

- KwaNdwalane is situated between Port Shepstone and Paddock, under iNkosi S. N. Ndwalane. The area is perfectly located as it is on the route to Oribi Gorge. The place boasts natural attractions such as mountains, cliffs, forest, rivers, an 80m waterfall, local eateries and homestays.
- The KwaNdwalane Adventure experience is divided into two routes, the Nyandezulu Experience, 9km from Shelly Beach and the new Madakane Route in Murchison, 14km from Port Shepstone. Both experiences share the 80m waterfall on Izotsha River.
- The Nyandezulu experience includes hiking to Ntantana Mountain, Mdlungwana Holy Mountain, and a waterfall, while the new Madakane route also has unique spots which make it a must visit.
- The Madakane Route starts from Phola Park, just 1.5km from Murchison Provincial Hospital. The route involves hiking through the forest with many indigenous trees including hundreds of protea plants. There are designated picnic and braai areas along the way in a full view of the waterfall and surrounding areas.

Budget R		
Business case / Strategic Level	✓	SCTIE. Ray Nkonyeni
Economic Case – Value for money	✓	SCTIE. Ray Nkonyeni
Commercial Case - Project packaging	✓	SCTIE
Execution, monitoring and evaluation	✓	SCTIE. Ray Nkonyeni
Management Case	✓	SCTIE. Ray Nkonyeni



e) Recreational Dams

SCTIE partnered with EDTEA in the identification of prominent KZN South Coast recreational dams. The programme involves evaluating recreational needs that would enhance or build tourism potential. Whilst keeping conservation issues in mind, the department, as part of its tourism development mandate seeks to ensure that infrastructure, visitor needs and environmental sustainability aspects are considered for future developmental endeavours in as far as product diversification in the province is concerned. The KZN South Coast identified dams will go through a funding selection process along with other dams from the province.

f) Identification of new places of interest

SCTIE continues to identify new places of interest within the KZN South Coast. The new Upside Down House in Melville and the Notebook Hotel in Umtentweni offer unique experiences to visitors.

SCTIE connected the two establishments with relevant departments who would assist with compliance matters. The Upside Down House is designed to mimic the traditional Upside-Down House concept, with the roof on the ground and the foundations in the air while the Notebook Hotel is a stylish modern hotel offering a coffee shop with an outdoor seating area, conference room and a swimming pool. The hotel boasts a variety of accommodation options such as disability friendly rooms, pet friendly rooms, self-catering and bed & breakfast rooms.

g) Best Tourism Villages by UN Tourism Competition

As per SCTIE's mandate to attract and increase the number of tourists to the destination, extend tourist geographical spread across the district and to facilitate the availability of world class tourist services, SCTIE took the initiative of entering the Best Tourism Village (BTV) competition by UN Tourism, focusing on Port Edward area. The programme recognizes rural destinations that excel in preserving cultural and natural heritage, promoting sustainable tourism practices and fostering community well-being. By participating in this initiative, SCTIE showcased its unique offerings on a global platform, fostering trade, tourism, and cultural exchange while contributing to the broader national and African development goals.

4.2.3.2. SMME Development

i. Rural Tourism Capacity Building Programme

SCTIE in collaboration with the National Department of Tourism (NDT) and EDTEA conducted a Rural Tourism Capacity Building workshop for 60 tourism SMMEs at Margate Hotel on 05 November 2024. All four local municipalities were represented and some transported their SMMEs. That was the beginning of an implementation of a three-year programme with the aim to stimulate economic growth opportunities in rural area nodes that are having the potential of tourism growth and to promote awareness on environmental practices for sustainability.

The department developed the Rural Tourism Strategy with the aim of providing better coordination and packaging of tourism products. Various stakeholders such as COGTA, provincial departments,

agencies, local and district municipalities, financial institutions and institutions of higher learning, are involved in the planning and implementation of the programme.

ii. Access to Market Capacity Building Workshops

SCTIE in partnership with South African Tourism (SAT), conducted a virtual "marketing your business" training for KZN South Coast Tourism SMMEs. The session was done in preparation for the speed marketing which took place later in the year.
Forty SMMEs were invited and SCTIE had the boardroom available for those who were unable to participate from their businesses due to internet challenges. The programme skilled SMMEs with marketing techniques and the facilitator demonstrated examples on how to market a tourism business.

SCTIE participated in another capacity building workshop for co-operatives on the 28 May 2025. The session, held at Port Shepstone Civic Centre, was aimed at skilling Ugu District cooperatives on how to market and sell their products. The participants included women, youth and people with disabilities.

iii. Financial Management and Business Ownership Compliance Workshop

On 13 March 2025, SCTIE in partnership with Small Enterprise Development and Finance Agency (SEDFA) organized a financial management and business ownership compliance workshop for 20 SMMEs, held both virtually and physically at SEDFA offices in Port Shepstone. The training was aimed at providing money management skills to business owners to improve their business administration and generation of revenue.

iv. Enterprise Supply Development Webinar

SCTIE together with local SMMEs participated in the virtual Enterprise Supply Development Webinar on the 05th December 2024, which was organised by South African Local Government Association (SALGA) in partnership with NDT. The webinar was aimed at addressing challenges faced by small businesses which included governance compliance issues, funding, access to market and growth. Various practitioners presented interventions that needed to be implemented to assist and develop businesses.

v. Tourism Business compliance workshop

SCTIE in partnership with EDTEA conducted a Tourism Business Compliance Workshop on the 20 November 2024. The session for 40 SMMEs took place at Port Shepstone Methodist Church hall. The necessity of the workshop came after it was noticed that most tourism businesses are operating without being compliant. The workshop was an information sharing platform for businesses so they could see how far they were on the compliance ladder in order to make the necessary corrections. The following partner departments were invited for presentations:

- Department of Employment and Labour
- KZN Liquor Authority - liquor licensing

- Tourism Grading Council of SA
- Business Registration
- Town Planning – presented town planning and zoning
- Environmental Health

vi. Universal Access Workshop

SCTIE participated in the virtual SMME Universal Access Workshop, organised by EDTEA on the 05 December 2024. The purpose of the workshop was to address the importance of accessibility on tourism businesses.

Tourism operators were encouraged to consider different personal conditions of their guests when designing facilities. This included facilities such as entrance doors, bathrooms and other facilities that might limit access for guests.

vii. Tourism Business Inspection

SCTIE in partnership with EDTEA, conducted a blitz operation on tourism businesses around Port Shepstone on the 22 November 2024. The operation was aimed at informing, ensuring, enforcing legal operations and inspection of adherence to compliance guidelines by tourism businesses. Five tourism establishments were visited and none of them were registered with SCTIE and EDTEA. Ugu Disaster Management, RNM Law Enforcement, Ugu Environmental Health Services and Department of Employment and Labour were among the stakeholders that participated and each department checked own requirements for compliance.

viii. Support to Crafters

SCTIE continuously develops platforms and business connections for SMMEs such as those between crafters and shop owners. SCTIE undertakes the liaison/facilitation role between crafters and the shop owners/management. SCTIE signed vendor agreements with 18 shops at the end of the financial year. SCTIE in partnership with San Lameer Country Club created a platform for three local crafters to showcase and sell their products at the SA Women's Golf Competition which ran from 4 to 6 September 2024. Some crafters solely depend on such platforms as their source of income.

ix. Occupational health and safety norms for safe tourism operations

SCTIE in collaboration with NDT and EDTEA through the Tourism Sector Recovery Plan (TSRP) initiatives, coordinated a free SMME training on Norms and Standards for Safe Tourism Operations. The two-day session took place at Margate Hotel on the 06 and 07 November 2024 and it was on a first come first serve principle as the space was limited to 40 SMMEs.

The programme was aimed to facilitate consensus on minimum universal practices which the sector overall will abide by. It was also a platform to charge tourism business operators with the responsibility to ensure compliance with health measures and interventions in their operations. Participants received their certificates on the 30 March 2025.

x. Tourism Grading Programme

During the month of February 2025, Tourism Grading Council of South Africa (TGCSA) activated a free grading opportunity for eligible tourism businesses to apply.
With South Africa, preparing to host the G20 Summit in November 2025, TGCSA identified a need to uplift the standards of accommodation establishments. This initiative seeks to encourage businesses to apply for the star grading to be among the listed quality assured establishments in the country. SCTIE disseminated the information to local tourism businesses.

xi. SMMEs Funding Opportunity

SCTIE encouraged local SMMEs to apply for the Women Advancement Fund during the month of January 2025. The funding was introduced by the KZN Office of the Premier for eligible women owned businesses and it was aimed at boosting the emerging and existing businesses in order to continue operating and improve employment opportunities.

xii. Africa's Travel Indaba Exhibition

The Small Enterprise Development and Finance Agency (SEDFA) created an opportunity for women owned tourism businesses to apply for exhibiting at Africa's Travel Indaba, 12-15 May 2025, with 12 May being the Business Opportunity Network Day (BONDay). SCTIE encouraged all eligible women owned businesses to apply. Sunny Rock Self-catering from the KZN South Coast was among the successful KwaZulu-Natal applicants.
Two KZN South Coast establishments namely, Dino Park and Monate Outdoors received the same support the previous year, 2024.
Another opportunity for SMMEs was the Market Access Support Programme from the National Department of Tourism (NDT). Unfortunately none of the KZN South Coast establishments succeeded due to not meeting the minimum requirements. SCTIE met with NDT and showed interest for future similar programmes. NDT availed themselves to partner with SCTIE in the SMME training to prepare them for future funding opportunities and sustainability.

xiii. Inkundla Theatre Festival

SCTIE participated in the 14th Edition Inkundla Theatre Festival preparatory meeting which took place at SCTIE boardroom on 12 May 2025. The event normally attracts a number of attendees mainly youth as it showcases a variety of artistic expressions including dance, comedy, South African storytelling and theoretical innovations. The main event took place at Uvongo Town Hall on 30 May 2025. SCTIE further created a platform for six crafters to exhibit and sell their products at the event.

xiv. Tourist Guides Association

SCTIE assisted the KZN South Coast Tourist Guides Association in the submission of annual reports to the Department of Social Development. All registered Non-Profit Organisations (NPO) are required to submit their annual reports as part of keeping their NPOs functional.

4.2.3.3. Youth Support

i. National Skills Fund (NSF): Work Integrated Learning Project

Tourism World Academy was appointed by the Department of Higher Education and Training to implement the Work Integrated Learning (WIL) Project on behalf of the National Skills Fund (NSF). The project enables young people to complete their qualifications and to gain practical work experience that would improve their employability. This WIL project is not limited to tourism but it includes other qualifications such as business management, human resources development and others.

SCTIE in partnership with Tourism World Academy and local municipalities, coordinated the recruitment of graduates and facilitated the sourcing of host employers between June and August 2024. The Graduates from Umdoni, Umzumbe and Ray Nkonyeni, attended their induction on the 02 August 2024 at Umzumbe MPCC, Ward 17, while Umuziwabantu had theirs on 05 August 2024 at Umuziwabantu Municipality.

Ugu district has 56 graduates that are placed at different host employers for a period of 12 to 24 months, starting from September 2024, as follows:

Graduates	**No. of Graduates**	**Monthly Stipend per Learner**	**Programme duration**
University Graduates	35	R6000.00	24 Months
University of Technology Graduates	05	R5 500.00	12 Months
TVET College Graduates	16	R5 500.00	18 Months

ii. Tourism Monitors Programme

The National Department of Tourism appointed Tourism World Academy to implement the Tourism Monitors Programme, through the Expanded Public Works Programme (EPWP) from March 2024 to March 2025. Tourism World Academy ran the programme in the Ugu District in partnership with SCTIE. The objectives of the programme included enhancing tourism safety awareness, upskilling of unemployed youth and reducing tourist vulnerabilities.

The monitors were placed at different tourism attractions and sites where they were performing duties such as giving out information to visitors and reporting any unlawful activity to law enforcement. Each monitor received R4 600.00 stipend per month.

Out of 200 Tourism Monitors in KZN, 27 were in the Ray Nkonyeni municipal area. Two monitors dropped out after finding permanent employment elsewhere.

The key performance areas included but not limited to:

- patrolling within the identified attractions and sites;
- guarding of tourist buses and vehicles;

- raise tourism awareness and provide information to tourists;
- alert the South African Police Services (SAPS) of suspicious crime incidents (ears-and eyes of SAPS);
- report any crime incidents to SAPS or other relevant enforcement agencies;
- attend to crimes likely to affect tourists (i.e.) car hijacking, motor vehicles theft, robbery and burglary;
- assist in tourist victim support (tourist in distress); and
- Provide basic tourism information about local attractions.

iii. CATHSSETA Discretionary Grants

Tourism World Academy was appointed by CATHSSETA to implement tourism and hospitality related trainings. SCTIE partnered to ensure the smooth running of the three programmes which took place in the Ugu District. The programmes were, Assistant Chef Programme, Professional Cookery Programme and Tour Guiding, details as follows:

- **Assistant Chef Programme:** Induction for 20 learners took place at Umuziwabantu Municipality on the 21 June 2024. Learners attended a one-month theory training and participated in two months practical training at different establishments until the end of September 2024. Umuziwabantu did not have enough host employers since the area has few tourism establishments, therefore SCTIE had to look for host employers in Ray Nkonyeni area as well. Each learner received R2 200.00 stipend per month.

- **Professional cookery Programme:** The programme was assigned to Umdoni youth that were already employed in the hospitality industry. Most participants were self-employed with own catering businesses, working from home. Induction took place on the 19 August 2024 at Happy Wanderers Holiday Resort. Learners received theory training at Umzinto Dining Hall once a week until the end of the programme. There were no stipends paid, however the training was at no charge to learners.

- **Tour Guiding Programme:** SCTIE allocated the tour guiding programme to Umzumbe area, as the local municipality was working on identifying new attractions and places of interest such as Mawuleni Nature Reserve, Msikazi Mountain and others. Induction for tourist guide learners took place on the 05 August 2024 at Umzumbe Council Chambers. The programme started with 30 unemployed learners, 04 pulled out after finding greener pastures elsewhere. The remaining 26 learners attended a three months theory training at Umzumbe MPCC, Ward 17 and did their practical's at different sites for a period of 9 months until the end of June 2025.

iv. Esayidi TVET College Breakfast Indaba

SCTIE participated in the 2024 Breakfast Indaba which was hosted by Esayidi TVET College – Gamalakhe Campus on the 19 September 2024. The purpose of the event was to foster collaboration and partnership opportunities between the college and local businesses and to pave a way for students when they reach a stage to look for host employers who could partake in youth projects such

as internship programmes. SCTIE assisted the college by recommending and introducing some of the potential tourism businesses for the programme.

v. Tourism and Hospitality Students Enhancement Workshop

SCTIE in partnership with EDTEA hosted a TVET College Tourism & Hospitality Students Enhancement Workshop at Esayidi TVET College - Gamalakhe Campus on the 22 October 2024. The programme prepared tourism and hospitality students for successful industry careers through building technical and soft skills, enhancing students' employability with up to date trends within the tourism industry and equipping them with resources available for entrepreneurs. The session was attended by some of the key tourism and SMME stakeholders such as NDT, CATHSSETA, SEDFA, NYDA and Department of Employment and Labour.

vi. Umuziwabantu Youth Engagement Session

SCTIE participated in the Youth Engagement Session which was hosted by Umuziwabantu Local Municipality at Harding Sport Field on the 29 June 2024. The event was attended by the Honourable Mayor Cllr L.S. Zungu who gave a platform to SCTIE and other stakeholders to address youth on programmes such as starting businesses, internship programmes, mentorship programmes, job opportunities and any other assistance available in different sectors.

vii. Lifeguard Training Programme

The lifeguard training programme was funded by NDT and implemented by SAIMI in partnership with SCTIE and EDTEA. The programme ran from the 3rd October to the 25th October 2024 at the Margate Olympic Swimming Pool and Margate Hotel.

The recruitment was a joint effort from SCTIE, SAIMI, Lifesaving KwaZulu-Natal, Umdoni Municipality, Umzumbe Municipality and Ray Nkonyeni local municipality. The recruitment days on the 3rd and 04th October saw over 50 potential learners who participated in the pre-assessment test.

Twenty previously disadvantaged candidates were selected for the training, all below 35 years of age. Among those, fifteen were selected for the lifeguard training and 5 qualified for a first aid certificate due to their inability to attain the required swimming fitness and skills.

Workplace experience was hosted at the Umtamvuna and Scottburgh Lifesaving Clubs.

viii. Food and Beverage Quality Assurers Programme

Youth that participated in the 2023/2024 Food and Beverage Quality Assurers Programme, obtained their accredited certificates at their graduation ceremony which was held in Durban on the 25 February 2025. The programme started with 25 learners and 18 of them completed the training. Fourteen (14) of the learners received employment mostly from the businesses who were giving them work experience during the training (host employers).

ix. Assistant Chef Skills Programme – Ray Nkonyeni

The three months Assistant Chef programme in Ray Nkonyeni which was funded by CATHSSETA ended in December 2024. The project was implemented by Lungile Mchunu Consultancy (LMC) in partnership with SCTIE and EDTEA. Twenty learners were enrolled on a two months theory training at Tolomane

Mnyayiza Youth Development Centre in Boboyi, Ray Nkonyeni then SCTIE assisted with sourcing of host employers for a one-month workplace training. The programme started with 20 learners and there were only two drop outs. The 18 successful learners will receive NQF Level 2 certificates in due course. At the end of the programme, one of the learners received a one-year renewable contract at the Grove Restaurant in Margate.

x. In-service Training for DUT Tourism Students

On 30 April 2025, SCTIE received a request from the Durban University of Technology (DUT) to partner with the university in the in-service training programme for nine Ugu District eco-tourism final year students. SCTIE made arrangements with hospitality establishments to host and mentor the students for a period of six months between June and December 2025 as per the programme's requirements. The students were funded by the National Student Financial Aid Scheme (NSFAS) which provided them with a monthly stipend to cover basic needs during the programme.

The in-service training is an essential component of the students' academic curriculum, designed to bridge the gap between theoretical knowledge and real-world application. The programme aligned with national strategies to promote work-integrated learning opportunities for young South Africans. The students gained invaluable insights into community-based tourism practices, heritage conservation, visitor management and sustainable tourism development. Host employers were encouraged to employ some of the trainees after completing their work experience.

Summarised youth programmes with stipends:

Programme	No. of Youth participating	Duration	Local Municipality	Monthly Stipend per learner	Total Monthly Stipends	Total Stipends - end of the programme
Assistant Chef Umuziwabantu Programme implemented by Tourism World Academy	20	3 months (July 2024 – September 2024)	Umuziwabantu	R 2 200,00	R 44 000,00	R 132 000,00
Assistant Chef Ray Nkonyeni Programme Implemented by Lungile Consultancy	20	3 months (September 2024 – 06 December 2024)	Ray Nkonyeni	R 2 200,00	R 44 000,00	R 132 000,00
National Certificate -Prof. Cookery	15 employed youth	12 months (September 2024 – September 2025. Five (5) days theory training per month)	Umdoni	N/A	N/A	N/A
FETC in Tourism Guiding	30	12 months (3 months theory training and 9 months' work placement).	Umzumbe	R 3 500,00	R 105 000,00	R 1 260 000,00
Tourism Monitors	26	12 months (March 2024 – March 2025)	Ray Nkonyeni	R 4 600,00	R 119 600,00	R 1 435 200,00

Tourism Graduates Development Programme	5	24 months (September 2023 – September 2025)	All LMs	R 7 500,00	R 37 500,00	R 900 000,00
National Skills Fund – Implemented by Tourism World Academy	35x University Graduates	24 months (September 2024 – September 2026	All LMs	R 6 000,00	R 210 000,00	R 5 040 000,00
	5x Univ. of Technology Graduates	12 months (September 2024 – September 2025)		R 5 500,00	R 27 500,00	R 330 000,00
	16x TVET College Graduates	18 months (September 2024 – May 2026)		R 5 500,00	R 88 000,00	R 1 584 000,00
Esayidi TVET college – Inservice Training funded by the National Skills Fund	10	18 months November 2023 to 30 April 2025	Ray Nkonyeni	R 5 000,00	R 50 000,00	R 900 000,00
Total	**182** **Graduates**				**R 725 600,00**	**R 11 713 200,00**

4.2.4. Stakeholder Engagement & Partnerships

Consultative Meeting and District Tourism Forum: EDTEA embarked on the consultative visits to KZN local and district municipalities, to better understand the tourism overview in each district. The meeting in the Ugu District took place on the 16 October 2024 at Port Shepstone Civic Centre. It was resolved in the meeting that SCTIE in partnership with Ugu District Municipality should form a District Tourism Forum that would include both private and public sectors to ensure better collaboration and improved understanding of work relations amongst all tourism role players.

Area Tourism Committee: SCTIE is in the process of conducting the Area Tourism Committee Annual General Meetings at different parts of the South Coast from Scottburgh to Port Edward and inland. The purpose of the meetings is to renew Area Tourism Committees in preparation for the formation of the District Tourism Forum.

1. SCTIE conducted its first 2024/2025 Area Tourism Committee AGM in Umdoni on 20 March 2025. The session was attended by 20 local tourism businesses and that was a progress towards forming the District Tourism Forum which will be participated by different stakeholders including private and public sectors.
2. Following the Umdoni Area Tourism Annual General Meeting (AGM), SCTIE conducted an Area Tourism Committee Meeting on 02 June 2025, where the Chairperson and the Deputy Chair were elected by the Umdoni committee members. Advocate Brijraj from Umdoni Business Chamber was re-elected as the Chairperson and Mr Paul De Beer from Seaside Escape Self-catering was re-elected as the Deputy Chairperson.

Ugu District Priority Committee on rural safety and tourism: SCTIE participated in the Ugu District Priority Committee on rural safety and tourism which is held quarterly at Port Shepstone SAPS. The committee focuses on addressing crime in both rural and urban areas, promoting tourism through initiatives such as awareness campaigns and improving safety at tourist sites to create a safe environment for both rural communities and visitors.

Local Government Peer Learning Session: SCTIE participated in the Local Government Peer Learning Session which was held in St Lucia in November 2024. The format of the workshop was a face-to-face interaction with practitioners and political head practitioners from various municipalities with objectives to:

1. Create a platform where tourism local economic development share experiences, best practises, case studies, tourism development models or approaches
2. Create a platform for local government consultation on prevailing tourism policies and strategies
3. Strengthen and enhance technical capacity (skills, expertise and knowledge) of local government / LED practitioners.
4. Identify and propose areas of government interventions, norms and standards
5. Ensure alignment of municipal tourism plans with provincial and national plans
6. Provision of technical support to municipalities and agencies

Proudly SA & SEDFA Business Forum: SCTIE participated in the Proudly SA & SEDFA Business Forum which was held at Wild Coast Sun in December 2024, with a theme "Unpacking the localisation of the SMMEs"

Umuziwabantu Local Municipality Spatial Development Framework: SCTIE participated in the Development of Umuziwabantu Local Municipality Spatial Development Framework (SDF) as part of the process to developing the SDF and ensuring that there is a report with valuable input from all persons/ institutions operating within the local space.

Consumer Education, Awareness and Community Engagement Workshop: SCTIE participated in the Consumer Education, Awareness and Community Engagement Workshop which was held at Esibanini Community Hall -Umzumbe. The workshop was organised by EDTEA Port Shepstone Office and it was aimed at educating the community and local businesses about their protection rights as customers against retail shops and other outlets. In preparation for the peak season, SCTIE used the opportunity to educate the community about adhering to the rules set at beaches and other public areas. The communities were encouraged to keep the public areas clean at all times, no littering.

Stakeholder Engagement and Information Sharing Session: SCTIE participated in the Stakeholder Engagement and Information Sharing Session which took place at Ezinqoleni Taxi Rank and Hibberdene Taxi in October 2024. The event was organised by the Department of Government Communication and Information System, targeting local communities to inform them about government services. SCTIE uses such opportunities to drive the "sunny and safe" campaign to ensure the safety of visitors during season and offseason.

Courtesy visits to tourism establishments: SCTIE management paid a courtesy visit to Margate Hotel in November 2024 after it was reported that the historic hotel burnt down on 18 November 2024. The hotel was re-opened following the renovations and upgrades, including a transformed dining room and upgraded guest rooms to enhance guest experience.

Provincial quarterly Tourism Master Plan Implementation and Monitoring Committee Meeting: On 27 and 28 March 2025, SCTIE in partnership with EDTEA, hosted the provincial quarterly Tourism Master Plan Implementation and Monitoring Committee Meeting Umdoni. The first day of the meeting started with site visits to nearby Umdoni and Umzumbe tourism attractions and projects. The second day was a formal meeting at Sugar Beach Holiday Resort, with relevant stakeholders discussing tourism plans and providing progress reports of the existing and planned future projects. The Sugar Beach Management offered the venue free of charge as a support to tourism. The following committee meeting took place at KwaZulu-Natal Sharks Board on the 16 May 2025

Media and Developmental Communication Networking Session: SCTIE participated in the Media and Developmental Communication Networking Session which was conducted by the Government Communication and Information System (GCIS) in partnership with Gagasi FM. The event took place

on the 11 April 2025 at Margate Hotel. The purpose of the session was to strengthen the relations between the media and government.

Cleanup Campaign – Oslo Beach: SCTIE in partnership with Creston College, local tourism businesses, Ray Nkonyeni Local Municipality (RNM) Waste Management, law enforcement and community members conducted an area cleanup campaign on the 19 September 2024. The area is a busy tourist route as it connects Port Shepstone and Margate areas.

SCTIE engaged in many other stakeholder engagements including Umdoni LED Forum and Ugu LED Forum.

4.2.4.1 Memorandum of Understanding (MOU's) for 2024/2025 FY

No	*Entity name*	*Economic Sector*	*Capital Value(Rand Value)*
1.	Renishaw Coastal Precinct	Real estate and mixed-use development	475 million
2.	Serenity Hills Eco Estate	Property Development	110 million
3.	Umdoni Point Coastal Forest Estate	Property Development and Mixed -Use Development	3.6 billion
4.	Ekubo Coastal Estate	Property Development	tbc
5.	African- WIB (Women in Business)	Agriculture and Agro-Processing	tbc

CHAPTER 5: SERVICE DELIVERY PERFORMANCE

5.1. Service Level Agreement (SLA) Projects

Municipal Area	Project Name	Business Case	Feasibility	Ready To Go
Umuziwabantu	Worm Farming	X	X	X
	Wonderland Experience	X	X	X
	Real Estate Development	X	X	X
	Industrial Park Development	X	X	X
	Rural Horse Racing	X	X	X
	Renewable Energy (Solar)	X	X	X
Umdoni	MUT Campus– Catalytic Project	X	X	X
	Park Rynie Industrial Area	X	X	X
	Umzinto Industrial Area	X	X	X
	Pennington Industrial Area	X	X	X
	Scottburgh Beach Development	X	X	X
	Sezela Industrial Area	X	X	X
	Ifafa Property (Industrial Park Farm)	X	X	X
Umzumbe	St. Faiths Precinct Plan	X	X	X
	Umzumbe Marine Tilapia Industry Incubator	X	X	X
	Mehlomnyama Mixed Use	X	X	X
	Radio Station & Recording Studio	X	X	X
Ray Nkonyeni	Hibberdene Mixed Use	X	X	X
	John Mason Park	X	X	X
	Port Shepstone Small Craft Harbour (T1)	X	X	X
	Renewable Energy	X	X	X
	Techno Hub	X	X	X
	Margate Airport	X	X	X
	Hibberdene Small Craft Harbour (T2)	X	X	X
	Port Edward Small Craft Harbour (T2)	X	X	X
	Agro-Processing Plant	X	X	X
	Resuscitation of Railway	X	X	X

5.1.1 Resource mobilisation for Project Packaging

During the year under review, we submitted funding applications to Infrastructure South Africa for the packaging of catalytic projects. These projects are aligned with the Regional Spatial Development Framework and the Eastern Seaboard Development initiative. They have been programmatically grouped based on their homogeneity, and their forecasted capital values were aggregated accordingly.

Project Preparation Bid Window Confirmations:

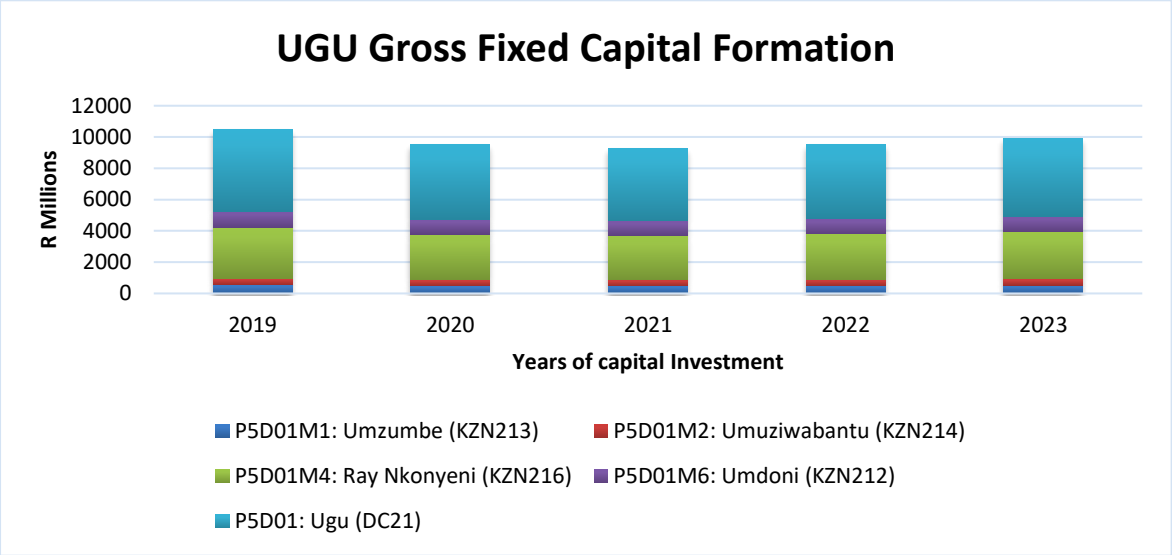
Programme Name	Projects Names	Municipal jurisdiction	Programme& project Rand value
UguAgri-Hub Programme	Resuscitation of Ugu Fresh Produce Establishment of Marine Tilapia Industry Incubatory (Acqua Culture), Umzumbe Fish Market, Fresh produce collection depot	Ugu& Umzumbe	R2.3Billion
Industrial Development Programme	Industrial Parks, Automotive/ Fitment Centres, Agri-processing Plants, Light Industry, Manufacturing of Pulp & Paper, Skin & Hide Production, Building Material Production, Wood Working Production, Waste Tyre Recycling, Furniture Making plant, Distilling Plant and Battery Centre	RNM, Umdoni, Umuziwabantu and Umzumbe	R3.8 billion
Post School Education & Training Programme	Construction of Higher Learning Institution, Development of Skill Centres and Student Accommodation (Funded through PPP)	Umdoni, Umzumbe and RNM	R12.8billion
Green Energy Programme (District-wide Renewable	District wide Wind energy sources solutions; District wide Solar energy sources solutions; and District wide Hydro-power sources solutions	RNM, Umdoni, Umuziwabantu and Umzumbe	R2 billion
Coastal Development Programme	Turton Beach Development ; Scottburgh Beach development, Tidal Pools; Promenades, Beach Access Roads; and Marine Route (Hydrofoil technology)	Umdoni, Umzumbe and RNM	R2.3 billion

Source: SCTIE Corporate Strategy,2025

5.1.2 SCTIE Investment Framework and Investment Directory

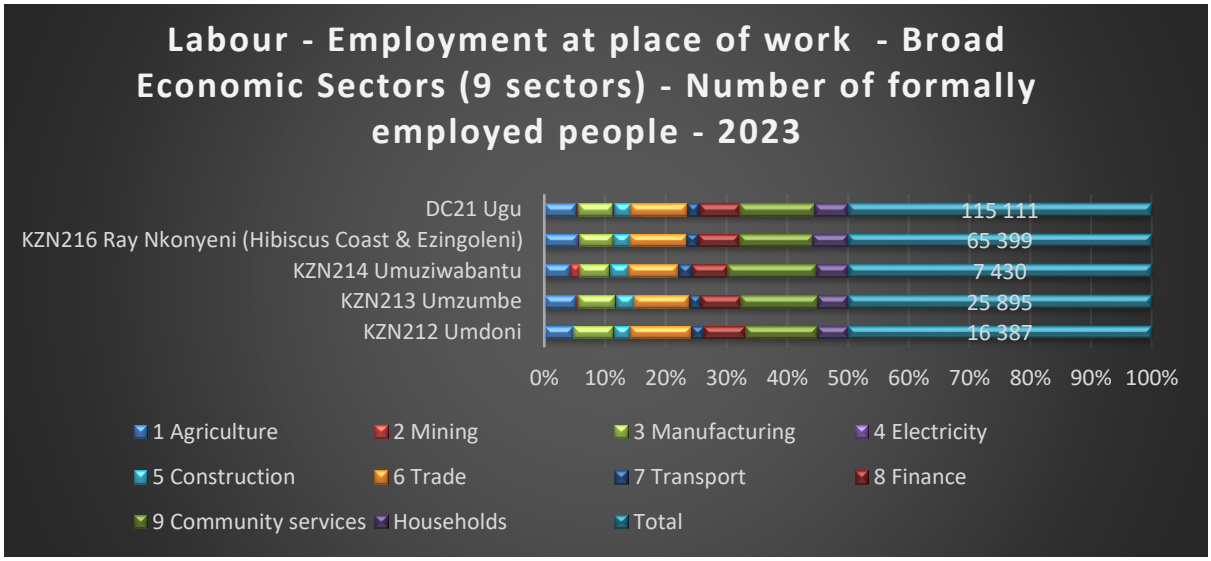
Ugu District Municipality, located in the KwaZulu-Natal province of South Africa, has a diverse economy driven by key sectors. As the economic arm of the Ugu District family of municipalities, SCTIE is responsible for positioning the KZN South Coast as the investment destination of choice. In addition, SCTIE's mandate is to market, promote, attract, and facilitate investments. The district-wide investment framework and investment directory were conceptualised and developed within this context. See annexure F(i) & (ii).

5.2. Contribution to local economic development



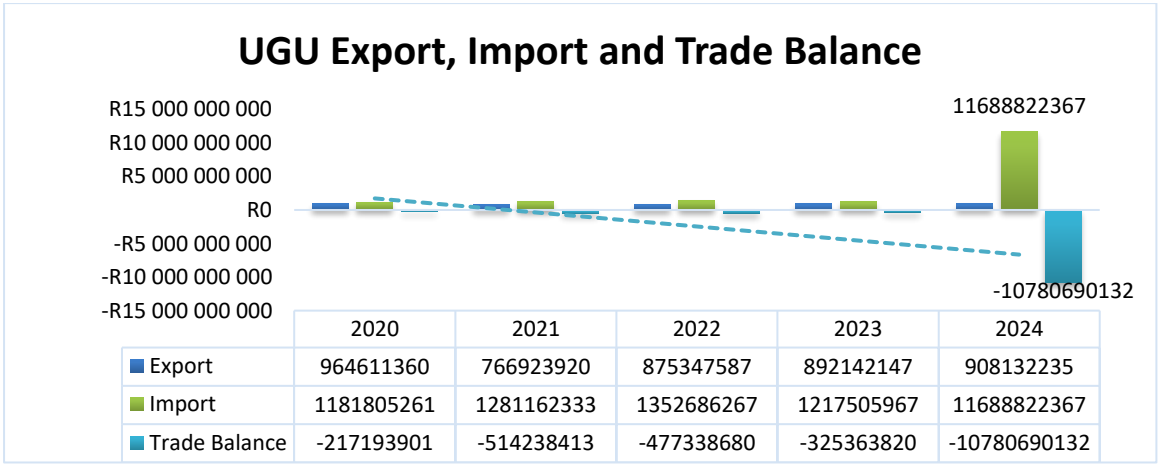
Source: S&P Global Market Intelligence,2024

The Gross Fixed Capital Formation (GFCF) across the Ugu District Municipality (DC21) and its local municipalities—Umzumbe, Umuziwabantu, Ray Nkonyeni, and Umdoni—shows a general decline from 2019 to 2021, followed by a moderate recovery in 2022 and 2023. Ray Nkonyeni consistently had the highest GFCF, contributing the majority share to the district total, though it also experienced a decline in 2020 and 2021 before recovering. Umzumbe and Umuziwabantu recorded the lowest GFCF values throughout, but both showed slight upward trends in 2022 and 2023 after earlier declines. Umdoni's GFCF also dipped between 2019 and 2021 but improved modestly thereafter. Overall, the district's total GFCF fell from R5.25 billion in 2019 to R4.63 billion in 2021, then rebounded to R4.94 billion by 2023, indicating a gradual recovery from earlier economic contractions, likely influenced by national and global disruptions such as the COVID-19 pandemic.



Source: Quantec, 2024

In 2023, formal sector employment in Ugu District Municipality (DC21) reached 115,111 individuals, with Ray Nkonyeni municipality accounting for the bulk—over 56%—highlighting its role as the district's economic hub. The most significant employment sectors across the district were community services (28,399), trade (21,463), and finance (15,364), indicating a service-driven economy. Agriculture (12,036) and manufacturing (12,945) also featured prominently, especially in Ray Nkonyeni and Umzumbe, reflecting some level of primary and secondary sector activity. Mining and electricity remained the smallest sectors, employing less than 1,000 and 600 people respectively across the entire district. Umuziwabantu had the lowest overall employment (7,430), pointing to limited economic activity or smaller population size. This data underscores the concentration of formal employment opportunities in Ray Nkonyeni and suggests a potential need for targeted investment and development in the less economically active municipalities like Umuziwabantu and Umdoni to foster balanced regional growth.



	2020	2021	2022	2023	2024
Export	964611360	766923920	875347587	892142147	908132235
Import	1181805261	1281162333	1352686267	1217505967	11688822367
Trade Balance	-217193901	-514238413	-477338680	-325363820	-10780690132

Source: S&P Global Market Intelligence,2024

The Ugu District's trade performance from 2020 to 2024 reveals a persistent trade deficit, with imports consistently exceeding exports. Although exports fluctuated modestly, rising slightly from R766.9 million in 2021 to R908.1 million in 2024, imports surged significantly—especially in 2024, when they skyrocketed to R11.69 billion, nearly ten times higher than the previous year. This led to a dramatic widening of the trade deficit from R325.4 million in 2023 to an alarming R10.78 billion in 2024. Such a spike suggests a substantial increase in dependency on foreign goods or possibly the inclusion of major capital imports for infrastructure or industrial development. If not matched by a rise in export capacity or domestic production, this growing imbalance could indicate increasing vulnerability in the district's external economic position and highlight the need for strategic trade and industrial policy adjustments.

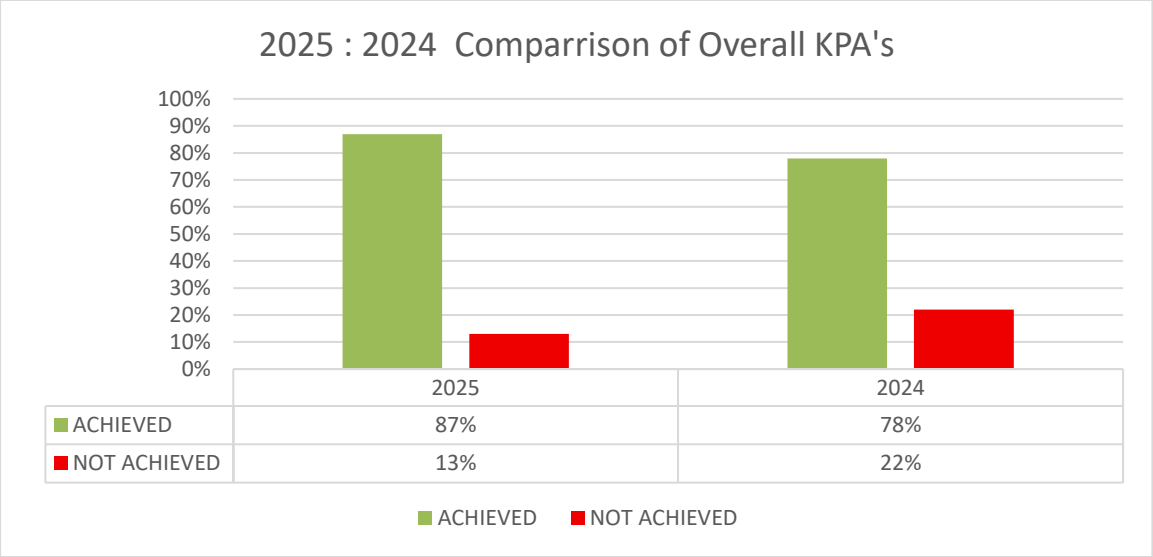
5.3. Annual Performance Scorecard

The Board of Directors approved the Annual Performance Scorecard (APP) for the 2025 financial year on the 28 July 2024. In following the revised Strategy, the 2025 APP was adjusted into four Key Performance Areas:

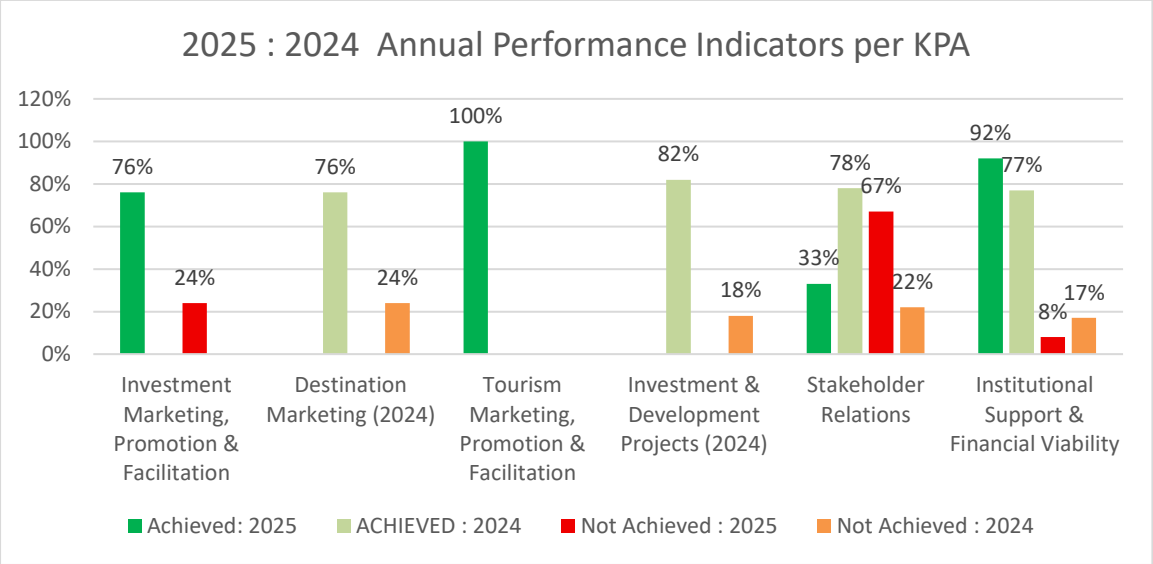
- KPA 1: Investment Attraction: To market, promote and facilitate investment.
- KPA 2: Tourism Attraction: To market, promote and facilitate tourism.
- KPA 3: Stakeholder Relations
- KPA 4: Institutional support and financial viability

At Mid-Year and as part of the Mid-Year Performance Report, the APP was carefully reviewed with some minor changes approved by the Board on the 16 January 2025.

Overall, the entity achieved 67 of the 77 targets set for the year, being an achievement of 87%, and the 10 Not Achieved targets, being 13%. In comparison to the 2024 year of 117 targets set, achieving 78% and 22% not achieved.



The following graph depicts the targets, broken down into the Key Performance Areas.



Please refer to the Annual Performance Scorecard for the detailed information on the Achieved and Not Achieved targets, which is included at the end of this report.

CHAPTER 6: HUMAN RESOURCE MANAGEMENT

6.1. Workforce profile

The approved organogram has a total of 18 posts. Of these, three are senior manager positions, and appointments are made in terms of Section 55, 56 and 57 of the Municipal Structures Act. The balance being standard permanent contract posts. Currently, there are 4 vacancies, being

i) Coordinator – Investment Marketing

No funding to support an appointment.

ii) Coordinator – Projects

Post on hold.

iii) Investment Support Officer

No funding to support an appointment.

iv) Manager: Investment Projects & Development.

No funding to support an appointment.

Position/Office	Type	Black		White		Indian		Comments
		Male	Female	Male	Female	Male	Female	
Chief Executive Officer	Contract	**X**	-	-	-	-	-	1 October 2024
Manager: Marketing, Brand Management & Communication	Contract	-	-	-	-	-	-	Frozen
Manager: Investment & Development	Contract	-	-	-	-	-	-	Vacant
Manager: Finance, HR & Administration	Contract	-	-	-	**X**	-	-	1 July 2024
Total		**1**	**0**	**0**	**1**	**0**	**0**	
Personal Assistant to the CEO	Permanent	-	**X**	-	-	-	-	
Co-Ordinator: Investment Marketing	Permanent	-	-	-	-	-	-	Vacant
Co-Ordinator: Tourism Marketing	Permanent	-	-	-	-	-	**X**	
Co-Ordinator: Tourism Development	Permanent	**X**	-	-	-	-	-	
Co-Ordinator: Projects	Permanent	-	-	-	-	-	-	Vacant
Co-Ordinator: Finance, HR & Administration	Permanent	-	-	-	-	-	**X**	
Marketing Officer	Permanent	-	**X**	-	-	-	-	

Position/Office	Type	Black		White		Indian		Comments
		Male	Female	Male	Female	Male	Female	
Visitor Services Officer	Permanent	-	**X**	-	-	-	-	
Tourism Development Officer	Permanent	**X**	-	-	-	-	-	
Investment Support Officer	Permanent	-	-	-	-	-	-	Vacant
SCM Officer	Permanent	-	**X**	-	-	-	-	
Admin Assistant	Permanent	-	**X**	-	-	-	-	
Receptionist	Permanent	-	**X**	-	-	-	-	
General Worker/Cleaner	Permanent	-	**X**	-	-	-	-	
General Worker/Cleaner	Permanent	-	**X**	-	-	-	-	
Total		**2**	**8**	**0**	**0**	**0**	**2**	
Intern	Intern contract	-	-	-	-	-	-	
Total		**0**	**0**	**0**	**0**	**0**	**0**	
Overall Total		**3**	**8**	**0**	**1**	**0**	**2**	

6.2. Vacancies and Recruitment Challenges

This year saw the appointment of two section 57 managers, one being the Manager: Finance, CS & Administration from the 1 July 2024, the other being the Chief Executive Officer from the 1 October 2024. Both are contracted appointments for a period of five years, each with a signed Annual Performance Contract for the financial year. Whilst SCTIE has continued to face cash flow challenges, the entity has not made any further appointments.

6.3. Training and skills development

While SCTIE has continued to face cash flow challenges, no training has been undertaken which would have financially impacted the entity. Provincial Treasury held in house training for supply chain management and tenders, which all Co-ordinators attended, along with the finance team.

6.4. Adopted Policies

POLICY	STATUS
Supply Chain Management Policy	Approved
Creditors Policy	Approved
Asset Management Policy	Approved
Budget Policy	Approved
Bank, Cash & Investment management Policy	Approved
Fraud Prevention Strategy & Enterprise Risk Management	Approved
Declaration of Interest Policy	Approved
Petty Cash Policy	Approved
Virement Policy	Approved
Delegations Policy	Approved
Procurement & Payment Policy	Approved
Credit Control, Debt Collection & Impairment Policy	Approved
Cost Containment Policy	Approved

CHAPTER 7: FINANCIAL PERFORMANCE

7.1. CFO's operational financial review

7.2. Funding Model and Revenue Sources

At the merge of Ugu South Coast Tourism and Ugu South Coast Development Agency, a Funding Model was formulated on the basis that the benefits of the functions which the entity performs, are ultimately reaped by government at various levels, being at a Local Municipal level, in the form of Rates, Taxes and Business Licenses, at a District Level in the form of water and sanitation services supply, and Nationally in the form of Taxes and Levies which accrue to government.

The Funding Model percentages payable from each municipality are as follows:

i) Ugu DM – 3.7% of Equitable Share gazetted through DORA each year
In May 2024 SCTIE were advised by Ugu DM, that they would not be able to afford the 3.7% as per the funding model, and revised the figure to 2.4%, being R16 013 064.00
At Mid-year, this amount was again revised due to non-affordability to R8 400 000.00, being 1.26%

ii) All Local Municipalities – 1.2% of Equitable Share through DORA each year

Municipality	DORA 2025	%	Annual Grant 2025
Umdoni Local Municipality	182 950 000	1.20%	2 195 400.00
Umzumbe Local Municipality	171 112 000	1.20%	2 053 344.00
Umuziwabantu Local Municipality	123 326 000	1.20%	1 479 912.00
Ray Nkonyeni Municipality	302 729 000	1.20%	3 632 748.00
Ugu District Municipality	667 211 000	**1.26%**	8 400 000.00
			17 761 404.00

It is on these figures along with a small percentage of revenue which we generate through membership fees, rental income from the Ifafa farm tenant and interest, that the Annual Performance Plan and Budget are developed.

SCTIE has once again, had an extremely difficult financial year, this even though the original budget was approved by the Board of Directors and the Council of the Parent Municipality in May 2024, along with the adjusted budget approved in January 2025. With this said, all local municipalities, other than Umuziwabantu settled their 2025 grants in full. The shortfall of the Umuziwabantu grant will be received on the 29th July 2025.

The following represents the total municipal debt as at 30 June 2025:

Municipality	Prior year grants	Current Year Grants +120 days	Current Year Grants – current	Balance
Umuziwabantu		701 899		701 899
Ray Nkonyeni	2 000 000			2 000 000
Ugu District	23 010 031		9 660 000	32 607 032
Total	**R 25 010 032**	**R 701 899**	**R 9 660 000**	**R 35 371 930**

On the 15 July 2024, SCTIE formally issued an appeal to COGTA for Inter-Governmental Relations Intervention, on the outstanding Ray Nkonyeni and Ugu District Municipality debt. Whist COGTA acknowledge the submission it was only on the 10th March 2025 that our first meeting was held with the appointed facilitator to discuss the matter. It was COGTA's intention to meet and finalise a way forward on the issues within 7 days. After not having received any feedback from COGTA, SCTIE were advised that the appointed facilitator had been seconded to another department and that a new facilitator would need to be appointed. To date, there has been no further communication.

With the entity continuing to be in financial distress, only the very basic expenditure has been incurred which you will see evident from the Annual Financial Statements as included.

7.3. Statement of Financial Performance 2024/2025 Financial Year (AFS)

SEE DRAFT AFS: ANNEXURE C

CHAPTER 8: AUDITOR GENERAL FINDINGS

8.1. Year -1: Auditor General Report 2023-2024 FY (Previous FY)

The following represents Audit Report Findings from the 2023 – 2024 financial year, which have been managed throughout the year:

NO.	AUDIT FINDING	CLASSIFICATION				AG RATING	MANAGEMENT ACTION	STATUS RESOLVED UNRESOLVED PARTIALLY RESOLVED
		FINANCIAL	PERFORMANCE	COMPLIANCE	INTERNAL CONTROL			
1	Money owed by the municipal entity was not always paid within {30 days / agreed period} as required by section 99(2)(b) of the MFMA	✓		✓	✓		This finding emanates due to the fact that grant funding is not released timeously and per the SLA's which are in place with the municipalities.	Partially resolved
2	Reasonable steps not taken to prevent irregular expenditure amounting to R62 231 as disclosed in note 34, of the AFS. The majority of this irregular expenditure caused by section 19(a) of the MFMA	✓		✓	✓		This finding was resolved during the audit - and Management are working closely with SCM to ensure 3 quotations are received.	Resolved
3	Reasonable steps were not taken to prevent fruitless & wasteful expenditure amounting to R86 714 as disclosed in note 33 of the AFS, as required by section 93(d) of the MFMA. Caused by late payments to SARS incurring penalties & interest	✓		✓	✓		Management to ensure that SARS payments are made timeously - when funding is available to make payments. This was brought about due to the late payment of vat on grants which had not been received.	Unresolved

4	Financial statements submitted were not fully prepared in all material aspects in accordance with section 122(1) of the MFMA. Material misstatements of receivables from non-exchange and VAT identified by the auditors were subsequently corrected.	✓		✓	✓		The corrections were effected to the non-exchange transactions and the VAT	Resolved

The following represents Management Report Findings from the 2023 – 2024 financial year, which have been managed throughout the year:

NO.	AUDIT FINDING	CLASSIFICATION				AG RATING	MANAGEMENT ACTION	STATUS RESOLVED UNRESOLVED PARTIALLY RESOLVED
		FINANCIAL	PERFORMANCE	COMPLIANCE	INTERNAL CONTROL			
1	Overstatement of Non-Exchange transactions	✓		✓	✓		This finding emanates from the impairment of the 2023 Ugu grant - and the write off of the 2024 Ugu Grant. AG ruled that the entity was to write off the 2023 grant and impair the 2024 grant.	Resolved
2	Lack of Debt Impairment policy	✓		✓	✓		Management will ensure a Debt Impairment Policy is formulated and approved by the Board.	Resolved
3	High dependency on the receipt of funding from the Ugu District Municipality	✓			✓		Management and the Board in in the process of formulating a Self-Sustainability Plan to reduce the dependency on the Ugu Grant	Unresolved
4	Payments not made within 30 days of receiving invoice as required by S99(2)(e) of MFMA	✓		✓	✓		This finding emanates due to the fact that grant funding is not released timeously and per the SLA's which are in place with the municipalities.	Unresolved

5	Reasonable steps were not taken to prevent fruitless & wasteful expenditure amounting to R86 714 as disclosed in note 33 of the AFS, as required by section 93(d) of the MFMA. Caused by late payments to SARS incurring penalties & interest	✓		✓	✓		Management to ensure that SARS payments are made timeously - when funding is available to make payments. This was brought about due to the late payment of vat on grants which had not been received.	Unresolved
6	Performance targets not achieved		✓	✓			Management reported these targets as not achieved - brought about due to the non payment of the Ugu grant - funds were not available for the projects	Resolved

8.2. Year 0: Auditor General Report 2024-2025 FY (Current FY)

NO.	AUDIT FINDING	CLASSIFICATION				AG RATING	MANAGEMENT ACTION	STATUS RESOLVED UNRESOLVED PARTIALLY RESOLVED
		FINANCIAL	PERFORMANCE	COMPLIANCE	INTERNAL CONTROL			
1	Money owed by the municipal entity was not always paid within {30 days / agreed period} as required by section 99(2)(b) of the MFMA	✓		✓	✓		This finding emanates due to the fact that grant funding is not released timeously and per the SLA's which are in place with the municipalities.	Unresolved
2	Reasonable steps not taken to prevent irregular expenditure amounting to R14 544 as disclosed in note 33, of the AFS, in contravention to section 95(d) of MFMA.	✓		✓	✓		This finding was resolved during the audit - and Management are working closely with SCM to the monthly contract extensions.	Resolved

3	Reasonable steps were not taken to prevent fruitless & wasteful expenditure amounting to R32 655 as disclosed in note 32 of the AFS, as required by section 93(d) of the MFMA. Caused by late payments to SARS incurring penalties & interest	✓		✓	✓		Management to ensure that SARS payments are made timeously - when funding is available to make payments. This was brought about due to the late payment of PAYE, due to grants not having been received and no cash flow.	Unresolved

CHAPTER 9: ANNEXURES

ANNEXURE A (i)(ii) : Annual Performance Plan/Scorecard

ANNEXURE B (i) : Report of the auditor-general to KwaZulu-Natal Provincial Legislature and the council on South Coast Tourism and Investment Enterprise (SOC) Ltd

ANNEXURE B (ii) : Annual Financial Statements

ANNEXURE C: Municipal Entity/Service Provider Performance Assessment

ANNEXURE D: Municipal Entity Risk Register

Annexure E: Municipal Service Level Agreements (SLA's)

ANNEXURE F(i)(ii): SCTIE Investment Framework and Investment Directory

STRATEGIC OBJECTIVE: Goal 1: Investment Attraction: To market, promote, attract and facilitate investment																				
Ugu IDP REF	**NAT. KPA**	**DISTRICT STRATEGIC OBJECTIVE**	**PROGRAM REF**	**PROGRAM**	**PROGRAM STRATEGIC OBJECTIVE**	**PROJECT REF**	**PROJECT**	**SUB-PROJECT REF.**	**SUB-PROJECT**	**PROJECT OBJECTIVE**	**ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT**	**UNIT OF MEASURE**	**ADJUSTED ANNUAL TARGET**	**ADJUSTED BUDGET**	**ANNUAL ACHIEVEMENT**	**Achieved / Not Achieved**	**Challenges**	**Corrective Measures**	**Revised Date**	**PORTFOLIO OF EVIDENCE**
UGU DM - LED 6	**LED**	**To grow the district economy by an average of 2% annually over a five year period, as reflected in GDP-R target of R40 769 billion and a positive trade balance by 2030.**	**Goal 1**	**Investment**	**To grow and transform the economy of the district through investment and tourism attraction resulting in GFCF share of GDPR achieving at least 2% increase by 2030 and increased tourists.**	**1.1.1**	**Investment Governance, packaging , enabling & facilitation**	1.1.1.1	District Investment Framework: Strategy, Plan, Institutional Arrangements & SOPS	To develop and get approved a district investment framework: strategy, plan, institutional arrangements and SOPS to guide how investments are dealt with in an inclusive, strategic and structured manner ensuring accountability and clear role and responsibility definition by end March 2025	Approved by Board and Council Resolutions of Support by date	Date of Approval	31 March 2025.	Operational	24 April 2025.	ACHIEVED	With new CEO appointed in October, the consultation process and input took longer than anticipated.	None, as the Board approved the Investment Framework on the 24 April 2025.	NA	Board Resolution of Adoption by date
								1.1.1.2		To drive the implementation of the district investment framework implementation to achieve planned outputs and outcomes of the framework as from 1 February 2025 onwards.	R-Value of Investment considered & R-Value of Investment **secured** for 2024-2025 year	R-Value Considered R-Value Secured	R50 million	Operational	0	NOT ACHIEVED	Whilst the MOUs' have been signed with the Developers and estimates of the investmemts received, this information was not fully included in the quarter 4 report to the Board.	This will be reported in the next quarter report to the Board	31 October 2025.	Report submitted to the Board with attached evidence (Meeting Resolutions, Investor Commitment to invest)
								1.1.1.3	Investment economic information	To consolidate existing business expansion and retention, and new business investment information bi-annually to feed into the state of the district economy report by due dates.	Bi-Annual Investment Information: investment queries, investment challenges, business retention, attraction, submitted to be included in State of the District Economy Report	Number of Investment Status Reports	2	Operational	1	NOT ACHIEVED	Whilst the information has been collected, the final coallation for submission to the Board is required. This is due to the lack of capacity in the Investment & Development department.	This will be reported in the next quarter report to the Board	31 October 2025.	Report submitted to the Board and onward submission to state of the district report.
								1.1.1.4	One Stop Shop/Investor Support Service	To provide a single point of call for potential Investors and existing businesses wishing to invest further, to be "enabled" with ease to invest in the district	Number of reports on queries lodged (in-person & electronically) and related information (sector, outcome of assistance etc)	Number of Reports	4	R48 112	4	ACHIEVED				Quarterly report to the Board of Directors.
						1.2.1		1.2.1.1	District Wide Catalytic Project Investment Packaging & Investment Facilitation	To package for investment Ugu Council Resolved district wide prioritised catalytic projects: - District-Wide Renewable Energy - District-Wide Broadband/Connectivity	Project Plans to package projects ready for investment facilitation - Developed, Approved	Approved 2 project plans by 30 January 2025	Approved 2 project plans	R450 000	Consolidated Annual Target split at Mid-Year				
										- District-Wide Renewable Energy		Approved Project Plan	1		1	ACHIEVED				Board resolution for the approved project plan
										- District-Wide Broad Band		Approved Project Plan	1		0	NOT ACHIEVED	No information pack has been provided to execute further.	None - pending information pack from Ugu DM	15 June 2026.	Board resolution for the approved project plan
								1.2.1.2		To facilitate investment for Ugu Council Resolved district-wide prioritised catalytic projects.	R-Value of Investment **secured** in the catalytic projects.	R-Value	R50 million	R66 667	0	NOT ACHIEVED	Funding applications submitted to Infrastructue SA in December 2024, for Green / Renewable Energy. Pending their confirmation. Funding applied for: R2 000 000 000.00	None - Pending feedback from ISA	15 June 2026.	Investor Statements of Commitment/Intent
						1.2.2	**Investment Packaging & Facilitation**	1.2.2.1	Eastern Seaboard investment packaging	To package bankable investment products arising from Eastern Seaboard Programme Implementation	Number of Approved investment products packaged	Number	2	Operational	5	ACHIEVED				Packaged products presented to board
								1.2.2.2	Eastern Seaboard investment facilitation	To facilitate investment in the abovementioned products arising from the Eastern Seaboard Programme Implementation	R-value of investment facilitated	R-value of Investment	R20 million	Operational	R 88 000 000	ACHIEVED				Investor statement of intention Rand value
						1.2.3		1.2.3.1	Pre-2024 Strategy Projects	To develop & implement an approved project plan (to co-ordinate and lead in getting investment) for the following: - Ifafa Project - Umzumbe River Trails	Approved Project Plans with Implementation timelines.	Number	2	R131 580	0	NOT ACHIEVED	With new CEO appointed in October, and having no financial stability, SCTIE have not had the capacity to finalise Project Plans on these 2 projects.	None, pending the appointment of new Project Manager.	31 December 2025.	Board of Directors approved Project Plans.
								1.2.3.2		To review each project plan in line with the signed Service Level Agreements in place with Local Municipalities. eg: - KwaXolo Caves - John Mason Park Development - Murchison Mixed Use development - KwaNzimakwe Macadamia Nut Precint Development - Hibberdene Mixed Use Development - Southbroom Beachfront Restuarant Precinct - St Micheals Entertainment Facility - Shelly Beach Ski-boat Re-development	Report on each project with resolutions taken by the previous Board (prior 01.10.2023), with a revised implementation plan where required.	Number	3	R118 000	3	ACHIEVED				Board of Directors approved Project Plans.

Ugu IDP REF	NAT. KPA	DISTRICT STRATEGIC OBJECTIVE	PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT	SUB-PROJECT REF.	SUB-PROJECT	PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	ADJUSTED ANNUAL TARGET	ADJUSTED BUDGET	ANNUAL ACHIEVEMENT	Achieved / Not Achieved	Challenges	Corrective Measures	Revised Date	PORTFOLIO OF EVIDENCE
						1.3.1	**Investment Marketing, Attraction and Promotion**	1.3.1.1	Investment Campaigns	To expose and manage the brand of the South Coast to potential Investors through print and online media throughout the year - through PR : - Port Shepstone Business Hub - Agriculture Value Add - Property Development - Manufacturing - Mining & Beneficiation - Maritime / Marine /Oceans Economy - Logistics (Airport / Storage) - Renewable Energy /Green Economy - Hinterland sites (KwaXolo Caves / URT) - Other opportunities arising including from eastern seaboard	Rand value of Brand Exposure in relation to the Marketing Budget	Rands	R7 200 000	R485 627	R9 315 504	ACHIEVED				Quarterly Brand Tracking Report reflective of the Advertising Value Equivalent (AVE) and the Advertising undertaken
								1.3.1.2		To position the South Coast in the Investment sectors by communicating the diverse offerings, through Investor Campaigns	Quarterly report identify the Investor Friendly Awareness Activities undertaken by the Entity - Local advertising - Activations	Number	4	R157 280	4	ACHIEVED				Quarterly report to the Board of Directors.
								1.3.1.3		To position the South Coast as a Destination of Choice within the KZN province with investment offerings	Quarterly newsletters and / or Mass Mailing communication distributed to all Stakeholders, focussing on Investment	Number	4	R8 000	4	ACHIEVED				Statistical report confirming the distribution of the Newsletters
						1.3.2		1.3.2.1	Online Platforms	To effectively provide Information to potential investors the www.investkznsouthcoast.co.za Investment Website	Investment website updated quarterly, with statistical analysis and trends	Quarterly reporting referencing Website updates	4	R478 877	4	ACHIEVED				Quarterly Investment Services website update report submitted by the Manager
						1.3.3		1.3.3.1	Investment Marketing & Promotional Collateral	To develop and circulate a South Coast based Investment Brochure	Date of the South Coast Investment Brochures developed and circulated.	Date	**31 March 2025.**	R482 000	12 March 2025.	ACHIEVED				Brochure produced by date.
								1.3.3.2		To showcase diverse destination investment offerings on Collateral and promotional material production: - Promotional items - Videos - Images Library	Promotional Material and Collateral Produced for Investment attraction	% of budget	50%	R195 000	60%	ACHIEVED				Expenditure Report & Evidence of Materials
						1.3.4		1.3.4.1	Sector specific trade shows, exhibitions and Conferences and Activations	To host a South Coast Investment Conference to market the investment opportunities e.g.: Catalytic Projects and Growth Sectors	Investor Conference	Date	30-Jun-25	R600 000	14 June 2025.	ACHIEVED				Report on the attendance and outcomes of and Conference held
								1.3.4.2		To participate in exhibitions, shows, conferences and other relevant activation platforms to market the investment opportunities e.g.: Africa Energy Indaba, (Feb 24) - Manufacturing Indaba, - TIKZN Trade Delegations - BEPESA GBS Conference - TIKZN Export Week, (Nov 24) - WTM Africa (April 24) - Buy Local Summit/ Expo - BRICS Conference - Africa Travel Indaba (May25)	Representation achieved in Sector Specific platforms	Number	4	R322 020	6	ACHIEVED				Reports to the Board of Directors on the attendance and outcomes of the platform attended.
								1.3.4.3		To support Meetings, Incentives, Conferences and Events during the year	Quarterly report on the MICE supported.	Number	**2**	R190 000	2	ACHIEVED				Quarterly report submitted to the CEO on MICE supported and Bids generated when applicable
						1.3.5		1.3.5.1	Investment Trade & Media Fam Trips	To host sector specific Trade, potential Investors and Media on investment site visits	Familiarisation Trips hosted during the year	Number of trips hosted	4	R93 293	5	ACHIEVED				Fam Trip report as well as supporting evidence

SCTIE Annual Performance Scorecard - 2025

STRATEGIC OBJECTIVE: Goal 2: Tourism Attraction: To market, promote, attract and facilitate tourism																	
Ugu IDP	**Nat. KPA**	**DISTRICT STRATEGIC OBJECTIVE**	**PROGRAM REF**	**PROGRAM**	**PROGRAM STRATEGIC OBJECTIVE**	**PROJECT REF**	**PROJECT**	**SUB-PROJECT REF**	**SUB-PROJECT**	**SUB-PROJECT OBJECTIVE**	**ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT**	**UNIT OF MEASURE**	**ADJUSTED ANNUAL TARGET**	**ADJUSTED BUDGET**	**ANNUAL ACHIEVEMENT**	**Achieved / Not Achieved**	**Challenges**
UGU DM - LED 6	**LED**	**To grow the economy by an average of 2% annually, as reflected in GDP-R targets of 2027: R36 926 billion and a positive trade balance. And 2030: R40 769 billion and a positive trade balance**	**Goal 2**	**Tourism Attraction: To market, attract, promote, the South Coast to increase the number of Visitors, extend the geographical spread, improve quality of service and tourism information services to being a destination of choice in KZN for Tourists.**	**To implement destination management services that will put measures to attract more visitors to the South Coast, positioning it as a destination of choice and addressing the competitiveness of the destination.**	**2.1**	**Tourism Facilitation**	2.1.1.1	Related Economic Intelligence - Tourism Research	Obtaining KZN South Coast Data with regards to Seasonal footprint	Research findings	Report by Date	30 June 2025.	R66 667	30 January 2025.	ACHIEVED	
								2.1.1.2	Target Market Identification	To identify the KZN South Coast Target Market	Completed Research Report by date	Report by Date	30 June 2025.	R66 667	17 June 2025.	ACHIEVED	
						2.2	**Tourism Product Development**	2.2.1.1	Nodal development and support to extend the geographical spread for the following: - Umdoni - Umuziwabantu - Ray Nkonyeni - Umzumbe	Active implementation of the development programs which support Nodal development	Implementation of the Nodal Development Program	Percentage of program developed implemented	60% Achievement (accumulative)	R263 343	63%	ACHIEVED	
								2.2.2.1	SMME Support	To provide support to SMME's to enable them to actively participate in the industry, preparing them to service the Domestic and International markets	Capacitate and facilitate opportunities for SMME's to be assisted through: - Being trained, - Graded (TGCSA) - Exposure to markets	Quarterly reports	4	R160 000	4	ACHIEVED	
								2.2.3.1	Youth Exposure to working environment	To provide support to government departments in programs pertaining to the implementation of Youth Development	Report on the support provided to Youth	Number	4	Operational	4	ACHIEVED	
						2.3	**Tourism Marketing, Attraction & Promotion**	2.3.1.1	Brand exposure : Through Tourism Marketing Campaigns	To expose and manage the Brand of the South Coast through : travel and tourism platforms highlighting the diversity of the destination through Tourism Marketing Campaigns & PR: - Quarterly Seasonal Campaigns	Rand value of Brand Exposure in relation to the Tourism Marketing Budget	Rands	R23 000 000	R950 784	29 972 058	ACHIEVED	
								2.3.1.2		To position the South Coast as the Destination of Choice in the tourism sector by communicating its diverse offerings e.g.: - Beach Destination - Golf - Marine activities (Diving / Fishing) - Adventure (Hiking / 4x4 / MTB) - Nature and Outdoor - Culture and Heritage - Raceway - MICE - Agri-Rural	Exposure through : - Published articles/inserts in the local newspapers and national publications or platforms. - Radio & TV	Quarterly Marketing Campaign report	4	R449 741	4	ACHIEVED	
								2.3.1.3		To position the South Coast as a leader within the province with tourism offerings	Quarterly newsletters or Mass Mailing communication distributed to all Stakeholders, focussing on Tourism	Number of Newsletters distributed	4	R14 164	4	ACHIEVED	
								2.3.2.1	Brand Activations	To stage seasonal beach and hinterland activations and campaigns to promote South Coast offerings and experiences during the year	Beach and Hinterland activations staged during the year	Number of Activations	3	R60 000	3	ACHIEVED	
								2.3.3.1	E-Marketing	To efficiently manage the Entity owned digitals channels (website, social media and mobile app) and ensure information is updated	Quarterly Content (New and Maintenance) updated, including statistics and trends analysis	Quarterly report referencing updates	4	R239 438	4	ACHIEVED	
								2.3.4.1	Packaging	To participate/facilitate in marketing training workshops, to stimulate the development of tour packages to the South Coast.	Marketing workshops participated in during the year	Number of Workshops	1	R65 000	1	ACHIEVED	
								2.3.4.2		To create and showcase diverse tour packages during the year	South Coast Tour Packages created to improve geographic spread for tourists	Number of tour packages created	4	Operational	4	ACHIEVED	

STRATEGIC OBJECTIVE: Goal 2: Tourism Attraction: To market, promote, attract and facilitate tourism																		
Ugu IDP	**Nat. KPA**	**DISTRICT STRATEGIC OBJECTIVE**	**PROGRAM REF**	**PROGRAM**	**PROGRAM STRATEGIC OBJECTIVE**	**PROJECT REF**	**PROJECT**	**SUB-PROJECT REF**	**SUB-PROJECT**	**SUB-PROJECT OBJECTIVE**	**ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT**	**UNIT OF MEASURE**	**ADJUSTED ANNUAL TARGET**	**ADJUSTED BUDGET**	**ANNUAL ACHIEVEMENT**	**Achieved / Not Achieved**	**Challenges**
								~~2.3.4.1~~ **2.3.5.1**	Tourism Promotional Material/Collateral	To showcase diverse destination tourism offerings on Collateral and promotional material	Promotional Material and Collateral Produced	% of budget	50% (cumulative)	R50 000	92%	ACHIEVED	
								~~2.3.4.2~~ **2.3.5.2**		To provide updated and relevant information related to tourism, print and digital	SC Experience, Accommodation , Routes, Niche products produced.	By Date	15 June 2025.	R244 909	1 May 2025.	ACHIEVED	
								~~2.3.5.1~~ **2.3.6.1**	Tourism Trade Shows and Exhibitions	To participate in Exhibitions & Shows : e.g.: - SATSA Conf(Aug24) - SACCI tbc) - Meetings Africa, (Feb 25) - TME, (Feb 25) - WTM Africa (April 25) - Africa Tourism Indaba, (May 25) - SATSA Speed marketing (Aug24) - Rand Show (April 25)	Domestic exhibitions and trade shows as per annual plan/calendar participated	Number of exhibitions/trade shows as per plan.	3	R621 523	4	ACHIEVED	
								~~2.3.5.2~~ **2.3.6.2**	Tourism Trade & Media Fam Trips	To host Tourism Trade and Media to experience the destination	Familiarisation Trips hosted during the year	Number of trips hosted	10	R73 861	13	ACHIEVED	

SCTIE Annual Performance Scorecard - 2025

STRATEGIC OBJECTIVE: Goal 3: Stakeholder Relations

Ugu IDP Ref	National KPA	PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT	PROJECT OBJECTIVE	SUB-PROJECT	SUB-PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	ADJUSTED ANNUAL TARGET	ADJUSTED BUDGET	ANNUAL ACHIEVEMENT	Achieved / Not Achieved	Challenges	Corrective Measures	Revised Date
LED 3.1, 3.2, 3.3	**Good Governance & Public Participation**	**Goal 3**	**Stakeholder Management: To contribute in making the South Coast a warm and welcoming destination, by investing in improvement of good quality service, across the board**	**To put in place adequate systems and processes, to ensure stakeholder engagement and the enhancement of people in the South Coast, to be able to manage the economy and render quality services and ensure excellent stakeholder engagement**	**3.1**	**Stakeholder mana**	To strengthen stakeholder realtionships	Stakeholder Relations Management	Stakeholder Management Strategy and Plan	Approved Stakeholder Management Strategy	Date	25 June 2025.	Operational	-	NOT ACHIEVED	Capacity challenge. With the appointment oif the new CEO in October this has not yet been attended to. It has not however affected our Stakeholder Relationships.	A Stakeholder Management & Plan to be developed.	20 December 2025.
					3.2	**Membership**	To encourage South Coast tourism businesses to be Compliant in terms of the EDTEA legislative requirements	Grow Membership Base	To encourage compliance with legislation, and grow membership base	To increase the paid Membership base	Number	100	Operational	96	NOT ACHIEVED	Capacity challenge and the failure of private sector to see the value in the activities undertaken by the entity, linking SCTIE to municipal service delivery challenges.	Pending the implementation of the new organogram, which will include the focus on driving membership	15 June 2026.
					3.3	**Business Relations**	To strengthen relations with organised business to ensure effective implementation of programs	Stakeholder relations	To ensure that Municipal Stakeholders, Organised Business and Communities are are aware and contribute to the programs of the Entity: e.g.: - Municipalities, - PTIC - PTF - DDA - CEO Forum - Area Committees - Tradional Councils - Business Chambers - Associations	Quarterly report on engagements undertaken with Organised Business	Number	4	169 267	4	ACHIEVED			

STRATEGIC OBJECTIVE: Goal 4: Institutional Support & Financial Viability

PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT	PROJECT OBJECTIVE	SUB-PROJECT REF.	SUB-PROJECT	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	ADJUSTED ANNUAL TARGET	ANNUAL Budget Adjusted	ANNUAL ACHIEVEMENT	Achieved / Not Achieved	Challenges	Corrective Measures	Revised Date
Goal 4	**Instutional Support and Financial Viability: To ensure SCTIE has the capacity and financial viability to deliver on its mandate, through systems and processes**	To put in place adequate systems and processes , to ensure that the entity has the capacity and financial viability, to deliver on its mandate.	**5.1**	**Performance Management**	To develop and adopt credible strategic and operational plans timeously aligned to government's planning cycle and prescripts.	**5.1.1**	**Strategic Plan review**	Reviewed Strategic Plan approved by Board by date	Date of Strategic Plan Approval	30 April 2025.	Operational	22 May 2025.	ACHIIEVED			
						5.1.2	**Annual Performance Plan**	Annual Performance Plan approved by Board by date	Date of Operational Plan Approval	31 May 2025.	Operational	22 May 2025.	ACHIEVED			
						5.1.4		Annual Report for SCTIE adopted by Board 31 December	Date of Annual Report Adoption	31 December 2024.	Operational	12 December 2024.	ACHIEVED			
						5.1.5		Mid-Year Performance Report adopted and submitted to the Ugu District Municipality by 20 January	Date of Mid-Year Report Adoption	20 January 2025.	Operational	16 January 2025.	ACHIEVED			
						5.1.6		Quarterly Performance Review reports submitted to Ugu District by the 5th of the New Quarter	Number of reports	4	Operational	4	ACHIEVED			
			5.2	**Governance**	To ensure good governance through statutory compliance and policy framework	**5.2.1**	**Risk Management and Fraud Prevention**	Completed Risk Register and Fraud Prevention Plan by 31 October	Date	31 October 2024.	Operational	25 October 2024.	ACHIEVED			
						5.2.2	**Annual Audit Plan**	Annual Audit Plan approved by 31 October	Date	31 October 2024.	Operational	25 October 2024.	ACHIEVED			
						5.2.3	**Audit Committee**	Number of Quarterly Audit Committee sittings.	Number per quarter	4	R145 491	5	ACHIEVED			
						5.2.7	**Auditor-General Management Report**	Auditor-General Management Report and Audit Finding: SCTIE	AG Report Opinion	Unqualified Audit	R840 950	Unqualified Audit Opinion	ACHIEVED			
						5.2.8	**Statutory Compliance**	100% Statutory compliance for Board	Percentage Compliance of Board meeting	100%	Operational	100%	ACHIEVED			
						5.2.9			Report confirming statutory compliance with CIPC	100%	Operational	100%	ACHIEVED			
						5.2.11			AGM with the Parent by date	30 June 2025.	Operational	24 June 2025.	ACHIEVED			
						5.2.12			Reviewed and updated Operational Policies Approved by date	31 May 2025.	Operational	22 May 2025.	ACHIEVED			
			5.3	**Finance**	To ensure good budgeting, financial management according to legislation	**5.3.1**	**Budget Planning**	Budget Related Policies approved by date	By date	31 May 2025.	Operational	22 May 2025.	ACHIEVED			
						5.3.2		S88: Mid Year Budget & Performance assessment report approved by date	By date	20 January 2025.	Operational	16 January 2025.	ACHIEVED			
						5.3.4		First draft budget submitted to Ugu District Municipality 150 days before the start of the financial year	By Date	31 January 2025.	Operational	22 January 2025.	ACHIEVED			
						5.3.5		Revised draft budget submitted to Ugu, 100 days before the start of the financial year	By date	23 Match 2025.	Operational	20 March 2025.	ACHIEVED			
						5.3.6		Annual Budget approved by the Board 30 days before the start of the financial year	By Date	31 May 2025.	Operational	22 May 2025.	ACHIEVED			
						5.3.7	**Working towards 50% Grant Funding - 50% Own funding**	Funding Model Review - - Own revenue generation - Sourcing of Project Funds	By Date	30 October 2024.	Operational	22 May 2025.	ACHIEVED			
						5.3.7	**Financial In-Year Reporting**	12 Monthly Reports compiled and submitted by deadline.	Number of Reports by deadline.	12	Operational	12	ACHIEVED			

STRATEGIC OBJECTIVE: Goal 4: Institutional Support & Financial Viability

PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT	PROJECT OBJECTIVE	SUB-PROJECT REF.	SUB-PROJECT	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	ADJUSTED ANNUAL TARGET	ANNUAL Budget Adjusted	ANNUAL ACHIEVEMENT	Achieved / Not Achieved	Challenges	Corrective Measures	Revised Date
						5.3.8	**Annual Financial Statements**	Draft AFS submitted to AG by date	Draft AFS submitted to AG by Date	31 August 2024.	Operational	31 August 2024.	ACHIEVED			
						5.3.10		Adopted Annual Financial Statements by the Boards by date	Adopted AFS by date	31 December 2024.	Operational	12 December 2024.	ACHIEVED			
						5.3.11	**Operational Expenditure**	Operational expenditure spend to plan	Percentage spend	80%	R1 969 333.78	80%	ACHIEVED			
						5.3.12		Staff salaries paid monthly by date	12 x Salary Payments by date	25th of the month	R6 947 293.64	12x Monthly Payments by 25th	ACHIEVED			
						5.3.13		Board salaries paid monthly by date	12 x Salary Payments by date	25th of the month	R818 858	12x Monthly Payments by 25th	ACHIEVED			
						5.3.14	**Capital Expenditure**	% capital expenditure to plan.	% capital expenditure to plan.	50%	R114 702	9%	NOT ACHIEVED	Non-availability of funds due to the non-payment of the Ugu DM grant.	None. With the non-availability of funds, SCTIE was not able to replace operational assets as planned.	31 August 2025.
						5.3.15	**Fruitless & Wasteful Expenditure**	Less than 1% Fruitless and Wasteful expenditure	Budget % spend fruitless and wasteful expenditure	Less than 1%	Operational	0.16%	ACHIEVED			
						5.3.16	**Unauthorised Expenditure**	Less than 1% unauthorised expenditure	Budget % spend unauthorthorised expenditure	Less than 1%	Operational	0%	ACHIEVED			
						5.3.17	**Grant Funding**	% of Municipal Grant revenue collected as per the funding model	% of Municipal Grant funding collected	100%	R17 761 404	49%	NOT ACHIEVED	NOT ACHIEVED	Non-adherance of signed Service Level Agrrements	SCTIE have engaged with COGTA through the IGR structures to intervene on the matter of unpaid grants, specifically relating to Ugu District Municipality and Ray Nkonyeni (2023)
						5.3.18	**Received Revenue to Plan**	90% revenue received as per Annual Revenue Budget	% revenue received to plan.	90%	R429 793	100%	ACHIEVED			
						5.3.19	**Revenue Generation**	To raise own revenue or support funding through various avenues to reach a 50/50 split in relation to grant funding from participating municipalities, over a five (5) year period	Revenue generated or support received	R3 552 280.80	Operational	4 114 312	ACHIEVED			
						5.3.20	**Annual Procurement Plan**	Development of an Annual Procurement Plan, with quarterly reports on expenditure	Quarterly Procurement report	4	Operational	4	ACHIEVED			
						5.3.23	**Asset Register**	100% compliant Asset Register implementation	% Compliance	100%	Operational	100%	ACHIEVED			
			5.4	**Corporate Service & HR**	To ensure HR matters are compliant and enable core functions to be performed.	**5.4.1**	**Staffing**	100% posts in structure filled.	% filled posts in structure	100%	Operational	78%	NOT ACHIEVED	The new ew organorgram has been approved and pending the receipt and stabalising of funding vacancies can be advertisied.	None. Pending the availability of funds for appointments to be made.	15 June 2026.
						5.4.3	**Staff Development**	Plan Development by date	Date	30 December 2024.	R32 750	13 December 2024.	ACHIEVED			
						5.4.4	**Staff Performance**	100% relevant staff with signed annual performance plans by date of 31 July	% staff with signed annual plans by 31 July	100%	Operational	100%	ACHIEVED			

STRATEGIC OBJECTIVE: Goal 4: Institutional Support & Financial Viability																
PROGRAM REF	**PROGRAM**	**PROGRAM STRATEGIC OBJECTIVE**	**PROJECT REF**	**PROJECT**	**PROJECT OBJECTIVE**	**SUB-PROJECT REF.**	**SUB-PROJECT**	**ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT**	**UNIT OF MEASURE**	**ADJUSTED ANNUAL TARGET**	**ANNUAL Budget Adjusted**	**ANNUAL ACHIEVEMENT**	**Achieved / Not Achieved**	**Challenges**	**Corrective Measures**	**Revised Date**
						5.4.5		Implementation Individual Performance Management Systems (IPMS)	% Implementation of IPMS	100%	Operational	100%	ACHIEVED			

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STRATEGIC OBJECTIVE: DESTINATION MANAGEMENT : KEY PERFORMANCE AREA 1: MARKETING & COMMUNICATIONS																				
IDP REF	DISTRICT STRATEGIC OBJECTIVE	PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT	SUB-PROJECT REF.	SUB-PROJECT	DEPARTMENT OWNER	SUB-PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
UGU-DM : LED 6	To grow the economy by an average of 2% annually, as reflected in GDP-R targets of 2027: R36 926 billion and a positive trade balance. And 2030: R40 769 billion and a positive trade balance	DM1	Marketing & Communication	To position the KZN South Coast as an accessible, year-round, tourist and investment friendly destination, with diverse offerings through various approaches, methods and tools	1.1	Brand Positioning	1.1.1.1	Brand exposure	Tourism Marketing Manager	To harness Maximum exposure through : travel and tourism platforms highlighting the diversity of the destination	Rand value of Brand Exposure in relation to the Marketing Budget	Rands	R20 000 000	R38 227 166	R26 000 000	R1 787 984	32 424 491	ACHIEVED				Quarterly Brand Tracking Report reflective of the Advertising Value Equivalent (AVE)
							1.1.1.2		Investment Marketing Manager	To harness Maximum exposure through : trade and investment platforms highlighting the diverse investment opportunities of the destination	Rand value of Brand Exposure in relation to the Marketing Budget	Rands	R5 000 000	R11 202 753	R8 400 000		11 698 632	ACHIEVED				Quarterly Brand Tracking Report reflective of the Advertising Value Equivalent (AVE)
							1.1.1.3		All Managers	To harness Maximum exposure through :MICE support highlighting the diversity of the destination for Tourism and Investment	Exposure instances profiling the KZN South Coast utilising MICE.	Number	1	1	1	R120 000	1	ACHIEVED				Quarterly Brand Tracking report with evidence of MICE support.
							1.1.2.1	Themed Seasonal Campaigns & Consumer Targeted Promotions	Tourism Marketing Manager	To facilitate themed seasonal campaigns and Consumer targeted promotions during the year, to address seasonality.	Themed seasonal campaigns and consumer promotions held	Number	4	4	4	R3 201 819	4	ACHIEVED				Themed Seasonal Campaign Report
							1.1.2.2	Mall Activations	Tourism Marketing Manager & Investment Marketing Manager	To position the KZN South Coast as a Tourist and Investor friendly destination	Mall activation instances	Number	N/A	N/A	2		2	ACHIEVED				REPORT ON THE MALL ACTIVATION UNDERTAKEN
							1.1.3	Port Shepstone Business Hub	Investment Marketing Manager	To position Port Shepstone as a business hub through exposure instances.	Exposure instance profiling Port Shepstone as a business hub.	Number	4	4	4		4	ACHIEVED				Quarterly Brand Tracking report with evidence of exposure for Port Shepstone as a business hub
							1.1.4.1	Niche Markets Promotion focusing on Tourism	Tourism Marketing Manager	To position KZN South Coast as a destination to host Meetings, Incentives, Conferences and Events(MICE)	Exposure instance profiling KZN South Coast as a destination for MICE	Number	2	2	2		2	ACHIEVED				Quarterly Brand Tracking report with evidence of MICE promotion
							1.1.4.2			To promote the South Coast to as the Golf Coast through print and online media exposure during the year	Golf Tourism promotions	Number	4	4	4		4	ACHIEVED				Quarterly Brand Tracking report with evidence of Golf promotion
							1.1.4.3			To promote the South Coast for Agri/Rural & Mission tourism through print and online media exposure during the year	Agri/Rural & Mission Tourism promotions	Number	1	1	4		4	ACHIEVED				Quarterly Brand Tracking report with evidence of Agri/Rural & Mission tourism promotion
							1.1.4.4			To promote the South Coast as a destination with diverse adventure experience offerings : E.G.: Diving, Raceway, MTB, 4x4	Exposure instance profiling the destination advenure	Number	4	4	4		4	ACHIEVED				Quarterly Brand Tracking report with evidence of Diverse adventure promotion
							1.1.4.5			To generate MICE leads, and submit bids, to host meetings, incentives conferences and events in the south coast during the year. (Meetings, incentives, conferences, exhibitions)	MICE leads generated	Number	2	2	2	R111 360	1	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	None. Should the financial situation improve, we may be able to achieved this in the next financial year.	NA	Evidence of Mice leads generated.
							1.1.5.1	Niche Markets Promotion focusing on Investment Opportunities	Investment Marketing Manager	To promote the South Coast as a destination with diverse investment opportunities focusing on Agriculture	Exposure instance profiling the destination for investment on Agriculture	Number	1	4	2		2	ACHIEVED				Quarterly brand tracking report with evidence of exposure instance on Agriculture
							1.1.5.2			To promote the South Coast as a destination with diverse investment opportunities focusing on Property Development. E.g.:-Eco-estates and business hubs that are under development	Exposure instance profiling the destination for investment in Property Development	Number	1	3	4		4	ACHIEVED				Quarterly brand tracking report with evidence of exposure instance on Property development
							1.1.5.3			To promote the South Coast as a destination with diverse investment opportunities focusing Manufacturing	Exposure instance profiling the destination for investment in Manufacturing	Number	1	3	4		4	ACHIEVED				Quarterly brand tracking report with evidence of exposure instance on Manufacturing
							1.1.5.4			To promote the South Coast as a destination with diverse investment opportunities focusing Maritime	Exposure instance profiling the destination for investment in Maritime	Number	1	3	2	R765 600	2	ACHIEVED				Quarterly brand tracking report with evidence of exposure instance on Maritime
							1.1.5.5			To promote the South Coast as a destination with diverse investment opportunities focusing on the Tourism Sector E.g.: KwaXolo Caves / URT	Exposure instance profiling the destination for investment in the Tourism Sector	Number	2	3	3		3	ACHIEVED				Quarterly brand tracking report with evidence of exposure instance on Tourism Investment Opportunities
							1.1.5.6			To promote the South Coast as a destination with diverse investment opportunities focusing on logistics. E.g. : Airport / Warehousing	Exposure instance profiling the destination for investment in the South Coast logistics	Number	N/A	N/A	2		2	ACHIEVED				Quarterly brand tracking report with evidence of exposure instance on Logistics
							1.1.5.7			To promote the South Coast as a destination with diverse investment opportunities focussing on Renewable Energy	Exposure instance profiling the destination for investment in the Renewable Energy Sector	Number	N/A	N/A	4		4	ACHIEVED				Quarterly brand tracking report with evidence of exposure instance on Renewable Energy

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STRATEGIC OBJECTIVE: DESTINATION MANAGEMENT : KEY PERFORMANCE AREA 1: MARKETING & COMMUNICATIONS																					
IDP REF	DISTRICT STRATEGIC OBJECTIVE	PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT	SUB-PROJECT REF.	SUB-PROJECT	DEPARTMENT OWNER	SUB-PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
							1.1.6.1	Packaging	Tourism Marketing Manager	To create and showcase diverse tour packages during the year	South Coast Tour Packages created to improve geographic spread for tourists	Number of tour packages created	4	4	4	Operational	4	ACHIEVED				Tour packages developed
							1.1.6.2		Tourism Marketing Manager	To participate/facilitate in marketing training workshops, to stimulate the development of tour packages to the South Coast.	Marketing workshops participated in during the year	Number of Workshops	2	2	1	R148 315	2	ACHIEVED				Report on the Workshop held submitted by the Manager
							1.1.7.1	Tourism Trade Shows and Exhibitions	Tourism Marketing Manager	To participate in Exhibitions & Shows : E.g.: SATSA, SACCI, Meetings Africa, TME, WTM Africa and Indaba, SATSA SPEED MARKETING during the year	Domestic exhibitions and trade shows as per annual plan/calendar participated	Number of exhibitions/trade shows as per plan.	6	5	6	R1 231 414	1	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	None - as the year is complete - we will not be able to catch up this target	NA	Report on the Domestic Show / Exhibition participation submitted by the Manager
							1.1.7.2	Product Marketing sessions	Tourism Marketing Manager	To host and or participate in Buyer / Product marketing sessions. E.g.: SATSA Speed Marketing during the year	Product/ Buyer marketing sessions participated in during the year	Number	N/A	N/A	1		1	ACHIEVED				REPORT IN THE PRODUCT / BUYER MARKETING SESSION
							1.1.8.1	Consumer Shows	Tourism Marketing Manager	To participate in Domestic Consumer Shows during the year. E.G.: RAND SHOW & ROYAL SHOW	Domestic consumer shows participated in the year	Number	1	1	2		-	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	None - as the year is complete - we will not be able to catch up this target	NA	Report on the Consumer Show attended submitted by the Manager
							1.1.9.1	Sector specific trade shows, exhibitions and conferences	Investment Marketing Manager	To participate in exhibitions, shows, conferences and other relevant activation platforms to market the investment opportunities E.G. Africa Energy Indaba, Manufacturing Indaba, TIKZN TRADE DELEGATIONS, BEPESA GBS CONFERENCE, TIKZN EXPO WEEK, WTM AFRICA, BUY LOCAL SUMMIT / EXPO and BRICS CONFERENCE	Representation achieved at Sector Specific platforms	Number	2	7	7	R1 095 000	1	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	None - as the year is complete - we will not be able to catch up this target	NA	Report on the attendance and outcomes of the platform attended, submitted by the Manager
					1.2	Public Relations	1.2.1	Brand Activations	Tourism Marketing Manager	To stage seasonal beach and hinterland activations and campaigns to promote South Coast offerings and experiences during the year	Beach and Hinterland activations staged during the year	Number of Activations	4	4	3	R351 168	2	NOT ACHIEVED	These project require funding, however Sponsors can also be secured for beach activations. With the damages to the Margate Beach, and the flooding of the St. Michaels river, sonsers were not willing to particiapate in activations	None - as the year is complete - we will not be able to catch up this target	NA	Beach & Hinterland event activation report submitted by the Manager
							1.2.2		Investment Marketing Manager	To stage investment activations at key Local sites	Investment activations staged during the year	Number of Activations	2	2	2	R138 000	1	NOT ACHIEVED			NA	Report on the investment activations staged submitted by the Manager
							1.2.3.1	Thought-Leader	Tourism Marketing Manager	To position the Entity as a thought leader in the tourism sector and the investment offerings in the region through participating in various platforms that communicate its objectives and build its identity during the year	Published articles/inserts in the local newspapers and national publications or platforms.	Number of Inserts Published.	24	24	24	Operational	30	ACHIEVED				Quarterly brand tracking report with evidence of published articles and inserts
							1.2.3.2		Investment Marketing Manager		Published articles/inserts in the local newspapers and national publications or platforms.	Number of Inserts Published.	8	10	12	Operational	17	ACHIEVED				Quarterly brand tracking report with evidence of published articles and inserts
							1.2.3.3		All Managers		Quarterly newsletters or Mass Mailing communication distributed to all Stakeholders, focussing on Tourism	Number of Newsletters distributed	4	4	4	R38 250.00	3	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	None - as the year is complete - we will not be able to catch up this target	NA	Statistical report confirming the distribution of the Newsletters
							1.2.4		All Managers		Quarterly newsletters or Mass Mailing communication distributed to all Stakeholders, focussing on Investment	Number of Newsletters distributed	2	2	4		3	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	None - as the year is complete - we will not be able to catch up this target	NA	Statistical report confirming the distribution of the Newsletters
							1.2.5		Tourism Marketing Manager & Investment Marketing Manager	To create Tourist and Investor Friendly Awareness Campaign focussing on the Residents of the South Coast	Quarterly report identify the Tourist and Investor Friendly Awareness Activities undertaken by the Entity	Number of reports	4	4	4	R1 432 026	4	ACHIEVED				Quarterly report on the Tourist and Investor Friendly awareness campaign submitted by the Manager
							1.2.6		Tourism Marketing Manager &	To effectively update businesses on Covid 19 developments in Tourism	Push notifications communicated to businesses	Number of Push Notifications facilitated	6	6	ANNUAL TARGET REMOVED							
							1.2.7		Tourism Marketing Manager	To effectively update businesses on SCTIE programs undertaken focusing on Tourism	Push notifications communicated to businesses	Number of Push Notifications facilitated	N/A	N/A	28	Operational	36	ACHIEVED				Screenshot and or photo of the Push Notification circulated.
							1.2.8		Investment Marketing Manager	To effectively update businesses on SCTIE programs undertaken focusing on Investment	Push notifications communicated to businesses	Number of Push Notifications facilitated	N/A	N/A	20	Operational	22	ACHIEVED				Screenshot and or photo of the Push Notification circulated.
					1.3	Trade & Media Fam Trips	1.3.1	Tourism Trade & Media Fam Trips	Tourism Marketing Manager	To host Tourism Trade and Media to experience the destination	Familiarisation Trips hosted during the year	Number of trips hosted	16	18	7	R485 146	14	ACHIEVED				Fam Trip report as well as supporting evidence
							1.3.2	Investment Trade & Media Fam Trips	Investment Marketing Manager	To host sector specific Trade, potential Investors and Media on investment site visits	Familiarisation Trips hosted during the year	Number of trips hosted	2	4	4	R360 000	5	ACHIEVED				Fam Trip report as well as supporting evidence
					1.4	Information Services and support	1.4.1	Visitor Information Services	Tourism Marketing Manager	To ensure efficient and effective visitor information services	Effectively managed and updated information	Quarterly VIS Report	4	4	4	Operational	4	ACHIEVED				Quarterly VIS Report submitted by the Manager
							1.4.2	Investment Services	Project Manager	To be a One-Stop-Shop service to investors, providing investment, facilitation and aftercare, which is geared at fast-tracking projects and reducing government red-tape.	Effectively managed and updated information	Quarterly Investment Services Report	4	4	4		4	ACHIEVED				Quarterly Investment Services Report submitted by the Manager
					1.5	E-Marketing	1.5.1.1	Online Platforms	Tourism Marketing Manager	To efficiently manage the Entity owned digitals channels (website, social media and mobile app) and ensure information is updated	Quarterly Content (New and Maintenance) updated	Quarterly report referencing updates	4	4	4	R1 708 811	4	ACHIEVED				Quarterly Digital Reports submitted by the Manager
							1.5.1.2		Tourism Marketing Manager	To effectively share VIC services through the www.visitkznsouthcoast.co.za Destination Website	Quarterly VIC portal update on website	Quarterly reporting referencing Website updates	4	4	4		4	ACHIEVED				-VIC Portal Report
							1.5.1.3		Investment Marketing Manager	To effectively provide Information to potential investors the www.investkznsouthcoast.co.za Investment Website	Investment website updated quarterly	Quarterly reporting referencing Website updates	4	4	4		4	ACHIEVED				Quarterly Investment Services website update report submitted by the Manager
							1.5.1.4		Tourism Marketing Manager	To effectively enhance COVID 19 Portal with messaging informing and encouraging Covid 19 compliance	Covid 19 portal on website updated	Updated Covid 19 Portal reports	2	2			Annual Target removed				
							1.5.2	Online Trends and Analysis	Tourism Marketing Manager	To manage digital information platforms	Quarterly Monitoring and Trend analysis reports completed.	Number of Reports	4	4	4		4	ACHIEVED				Quarterly Digital Reports submitted by the Manager
							1.5.3	Online Trends and Analysis	Investment Marketing Manager	Online trends and analysis - Understanding Visitor and Investor interests and trends	Quarterly Monitoring and Trend analysis reports completed.	Number of Reports	4	4	4		4	ACHIEVED				Quarterly Digital Reports submitted by the Manager

SCTIE :

Annual Performance Scorecard 2024

STRATEGIC OBJECTIVE: DESTINATION MANAGEMENT : KEY PERFORMANCE AREA 1: MARKETING & COMMUNICATIONS																					
IDP REF	DISTRICT STRATEGIC OBJECTIVE	PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT	SUB-PROJECT REF.	SUB-PROJECT	DEPARTMENT OWNER	SUB-PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
					1.6	Marketing Material	1.6.1	Tourism Promotional Material/Collateral	Tourism Marketing Manager	To showcase diverse destination tourism offerings on Collateral and promotional material	Promotional Material and Collateral Produced	% of budget	50%	8%	50%	R480 000	4%	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	None, pending the receipt of funding	NA	Expenditure Report & Evidence of Materials
							1.6.2	Investment Promotional Material/Collateral	Investment Marketing Manager	To showcase diverse destination investment offerings on Collateral and promotional material	Promotional Material and Collateral Produced	% of budget	50%		50%	R480 000		NOT ACHIEVED				Expenditure Report & Evidence of Materials
							1.6.3.1	Production of South Coast information material	Tourism Marketing Manager	To provide updated and relevant information related to tourism, print and digital	SC Experience, Accommodation , Routes, Niche products-produced.	By Date	15 June 2023.	15 Dec 2023.	15-Jun	R402 864	10 May 2024.	ACHIEVED				Evidence of SC Information produced and available by date
							1.6.3.2		Tourism Marketing Manager		Updated Event Calendar on destination Website.	Number of updates	4	4	4	Operational	4	ACHIEVED				Screenshot evidence of updated Events Calendar on website by the end of each quarter
							1.6.3.3		Tourism Marketing Manager		High Quality Marketing Images Sourced focusing on Tourism	By Date	15 December 2022 and 15 June 2023	15 December 2022 and 15 June 2023	15-Jun	R63 960	15 June 2024.	ACHIEVED				Image library updated by date
							1.6.3.4		Tourism Marketing Manager		High Quality annual video focusing on Tourism	By Date	30 June 2023.	-	15-Jun	R34 500	15 June 2024.	ACHIEVED				Video Library updated by date
							1.6.4.1		Project Manager & Investment Marketing Manager	To provide updated and relevant information related to investment potential print and digital	Investment Portfolio	By Date	15 June 2023.	23 February 2023.	NA	NA						
							1.6.4.1		Project Manager & Investment Marketing Manager		Investment Brochure	By Date	N/A	N/A	15-Jun	R120 000	9 May 2024.	ACHIEVED				Investment brochure produced by date
							1.6.4.2		Project Manager & Investment Marketing Manager		Investment Prospectus	By Date	1	1	30-Sep		-	NOT ACHIEVED	At Mid-Year, we requested that the project be removed due to the already severe cash flow challenges. The Board resolved not to remove it as they hoped this would improve. It unfortunaltely did not.	None. Should the financial situation improve, we may be able to achieved this in the next financial year.	NA	Completed and Approved Investment Prospectus
							1.6.4.3		Investment Marketing Manager		High Quality Marketing Images Sourced for Investment opportunities	By Date	15 December 2022 and 15 June 2023	15 December 2022 and 15 June 2023	15-Jun	R85 463	15 June 2024.	ACHIEVED				Image library updated by date
							1.6.4.4		Investment Marketing Manager		High Quality annual video focusing on investment	By Date	30 June 2023.	-	15-Jun	R34 500	30 January 2024.	ACHIEVED				Video Library updated by date
					1.7	Brand Tracking	1.7.1	Image & Reputation Monitoring	Tourism Marketing Manager	Efficient and Effective image and reputation monitoring by a media monitoring service provider with the quarterly output of brand tracking reports	Quarterly Brand Tracking Report	Number of Reports	4	4	4	R158 482	4	ACHIEVED				Quarterly Brand Tracking Reports submitted by the end of each quarter based on Newsclip and Sprout
							1.7.2	SCTIE Brand Audit	Tourism Marketing Manager & Investment Manager	To assess the status of the new SCTIE brand ensuring that all platforms and mediums are updated	Brand Audit report by date	Number	N/A	N/A	15 December 2023.		-	NOT ACHIEVED	At Mid-Year, we requested that the project be removed due to the already severe cash flow challenges. The Board resolved not to remove it as they hoped this would improve. It unfortunaltely did not.	None. Should the financial situation improve, we may be able to achieved this in the next financial year.	NA	Brand Audit report by date
							1.7.3	SCTIE Corporate Identity (CI) guide	All Managers	To update the CI guide after the first year of trading	Corporate Identity guide produced by date	Number	N/A	N/A	15 December 2023.		-	NOT ACHIEVED	At Mid-Year, we requested that the project be removed due to the already severe cash flow challenges. The Board resolved not to remove it as they hoped this would improve. It unfortunaltely did not.	None. Should the financial situation improve, we may be able to achieved this in the next financial year.	NA	Corporate Identity guide produced by date

STRATEGIC OBJECTIVE: DESTINATION MANAGEMENT : KEY PERFORMANCE AREA 2: DEVELOPMENT																						
IDP REF	DISTRICT STRATEGIC OBJECTIVE	PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT REF	PROJECT	SUB-PROJECT REF. (2023)	SUB-PROJECT REF.	SUB-PROJECT	DEPARTMENT OWNER	SUB-PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
UGU-DM : LED 6	To grow the economy by an average of 2% annually, as reflected in GDP-R targets of 2027: R36 926 billion and a positive trade balance. And 2030: R40 769 billion and a positive trade balance	DM 2	Tourism Development	Develop an inclusive and diverse tourist destination while addressing it's competitivenss	2.1	2.1	Nodal Development	2.1.1	2.1.1	**Nodal development and support for Umdoni**	**Tourism Development Manager**	Active implementation of the development programs for Umdoni projects identified	Progress from baseline of program developed to a minimum percentage implemented	Percentage of program developed implemented	50%	50%	50%	R180 132	50%	ACHIEVED				Quarterly Nodal Programme report on Umdoni projects
								2.1.2	2.1.2	**Nodal development and support for Umuziwabantu**	Tourism Development Manager	Active implementation of the development programs for Umuziwabantu projects identified	Progress from baseline of program developed to a minimum percentage implemented	Percentage of program developed implemented	50%	56%	50%	R169 348	50%	ACHIEVED				Quarterly Nodal Programme report on Umuziwabantu projects
								2.1.3	2.1.3.1	**Nodal development and support in Ray Nkonyeni**	Tourism Development Manager	Active implementation of the development programs for KwaXolo Caves	Progress from baseline of program developed to a minimum percentage implemented	Percentage of program developed implemented	60%	67%	60%	R43 045	67%	ACHIEVED				Quarterly Nodal Programme report on KwaXolo Cave Project
								2.1.4	2.1.3.2			Active implementation of the development programmes KwaNzimakwe MultiTrails	Progress from baseline of program developed to a minimum percentage implemented	Percentage of program developed implemented	60%	71%	60%	R160 000	63%	ACHIEVED				Quarterly Nodal Programme report on KwaNzimakwe project
								2.1.5	2.1.3.3			Active implementation of the development programmes Nyandezulu Waterfall	Progress from baseline of program developed to a minimum percentage implemented	Percentage of program developed implemented	50%	63%	50%	R75 000	50%	ACHIEVED				Quarterly Nodal Programme report on Nyandezulu Waterfall project
								2.1.6	2.1.3.4			Active implementation of the development programme for Gamalakhe Township	Progress from baseline of program developed to a minimum percentage implemented	Percentage of program developed implemented	50%	57%	50%	R107 616	57%	ACHIEVED				Quarterly Nodal Programme report on Gamalakhe project
								2.1.7	2.1.4.1	**Nodal development and support for Umzumbe**	Tourism Development Manager	Active implementation of the development programmes developed for the Umzumbe River Trails	Progress from baseline of program developed to a minimum percentage implemented	Percentage of program developed implemented	60%	60%	60%	R62 100	60%	ACHIEVED				Quarterly Nodal Programme report on Umzumbe River Trails project
								2.1.8	2.1.4.2			Active implementation of the development programmes Ntelezi Msani Culture & Heritage Centre	Progress from baseline of program developed to a minimum percentage implemented	Percentage of program developed implemented	60%	67%	60%	R110 000	56%	NOT ACHIEVED	With the unapid grant - primarility that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	With the improvement of financial, the community awareness program will be undertaken.	30 Spetmeber 2024.	Quarterly Nodal Programme report Ntelezi Msani Culture & Heritage centre
								2.1.9	2.1.5	**Route Development**	Tourism Development Manager	To update the product information and product variety on the Great Drive Out Routes	To review and identify tourism products on the Great Drives Out Routes	Number of Great Drives Out Routes Reviewed	6	6	6	Operational	7	ACHIEVED				Report of the GDO Route which has been reviewed
			Catalytic Projects	To facilitate and support the development of new existing catalytic projects in order to encourage Investment and Job Creation	2.2	2.2	Nodal Development	2.2.1	2.2.1.1	**Nodal development and support for Catalytic projects (SATEC)**	Investment & Development Manager	Identification of Investment Nodes in different municipalities	One node identified for investment per local municipality	Number	4	4	Annual Target removed as completed 2023							
									2.2.1.3	**Nodal development and support for Catalytic projects (NSF)**	Investment & Development Manager	Oversee the implementation of the NSF capacity building programs	Reports on the progress of the NSF capacity building programs	Number	N/A	N/A	4	Operational	4	ACHIEVED				Quarterly Report on the Implementation of the NSF Capacity building programs
								2.2.2	2.2.2	**Nodal development and support for Catalytic projects in Ray Nkonyeni**	Investment & Development Manager	To facilitate engagements with relevant stakeholders e.g.: Ratepayers / RNM and others to resolve red tape challenges which have blocked the progress of the development	Reports of the engagements with relevant stakeholders to unblock challenges	Quarterly Progress report	4	4	4	Operational	4	ACHIEVED				Quarterly progress report on the engagements undertaken
								2.2.3	2.2.3.1		Investment & Development Manager	To facilitate the signing of the lease for the Hibberdene Mixed Use project, by 31 December 2023.	Reports on the progress on the conclusion of the lease for the project by 31 December 2023.	Quarterly Progress report	4	4	2	Operational	2	ACHIEVED				Quarterly progress report on the engagements undertaken
									2.2.3.2		Investment & Development Manager	To facilitate the finalisation of Phase 2 of the KwaXolo project	Close-out report of the Phase 2 Development of KwaXolo Caves by date	Close out report by date	N/A	N/A	20 September 2023.	Operational	19 March 2024.	ACHIEVED				Closeout report on Phase 2 of the KwaXolo project by date
									2.2.3.3		Investment & Development Manager	To monitor the renovation at the KwaXolo Caves project by participating in the Provincial Task Team meetings	Reports on the progress of the renovations being undertaken at the KwaXolo Caves Project	Number	N/A	N/A	2	Operational	2	ACHIEVED				Reports submitted on the renovations undertaken at KwaXolo Caves by the Manager.
								2.2.4	2.2.4.1	**Nodal development and support for Catalytic projects in Umzumbe**	Investment & Development Manager	To monitor the activities and engagements on phase 2, of Umzumbe River Trails project	To review and identity opportunities for the Umzumbe River Trails project	Quarterly report	4	4	4	Operational	4	ACHIEVED				Quarterly report by the Manager on the project
									2.2.4.3		Investment & Development Manager	To facilitate the development of a bankable proposal for Phase 2 of Umzumbe River Trail	To package and present the URT Lodge investment opportunity to potential investors	Number of potential investors approached	2	2	4	R352 000	3	NOT ACHIEVED	There was no capacity in the entity for this engagement to take place.	None - Pending funding and appointment of Manager.	NA	Report on the presentation done with the potential investor.
									2.2.4.4			To facilitate engagements with key stakeholders with vested interest at the identified Lodge site. (E.g.: Umgeni / Msinsi Holdings, Amakhosi, LM)	Number of engagements facilitated with key stakeholders	Quarterly report	N/A	N/A	4		4	ACHIEVED				Quarterly report on the engagements facilitated with the key stakeholders
								2.2.5	2.2.5.1	**Nodal development and support for Catalytic projects in Umdoni**	Investment & Development Manager	To ensure the submission of the Environmental Impact Assessment (EIA) application for the Ifafa Industrial Park project	Finalised Environmental Impact Assessment (EIA), by date	15 June 2024.	30 June 2023.	-	-	R450 000	ANNUAL TARGET REMOVED AT MID YEAR					
									2.2.5.2		Investment & Development Manager	To facilitate and monitor the zoning (Act 70 of 70) of the Ifafa Property	Quarterly reports on the Re-Zoning application	Quarterly Progress report	N/A	N/A	4		4	ACHIEVED				Quarterly report by the Manager on the project

STRATEGIC OBJECTIVE: DESTINATION MANAGEMENT : KEY PERFORMANCE AREA 2: DEVELOPMENT																							
IDP REF	DISTRICT STRATEGIC OBJECTIVE	PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT REF	PROJECT	SUB-PROJECT REF. (2023)	SUB-PROJECT REF.	SUB-PROJECT	DEPARTMENT OWNER	SUB-PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
								2.2.6	2.2.6.1	Support for RASET projects	Investment & Development Manager	To assess the production capacity and access to markets of the 3 farms participating in the RASET program and their requirements	Completed assessment report	Number	1	0	Program concluded 30.06.2023						
								2.2.7	2.2.6.2		Investment & Development Manager	To facilitate the market access of the farmers participating on the RASET Program	Number of deliveries to markets	Number	6	6	Program concluded 30.06.2023						
			SECTOR DEVELOPMENT	To enable and facilitate investment in identified sectors	-	2.3	Growth sector support		2.3.1.1	Investment Attraction	Investment & Development Manager	Direct engagements with potential investors and key stakeholders about the identified growth sectors.	Number of district engagements with business bodies to encourage investment into the District. E.G.: Cape Town Chamber of Commerce / Rotary	Number	N/A	N/A	2	Operational	2	ACHIEVED				Report on the engagements undertaken by the Manager
									2.3.2.1		Investment & Development Manager	To facilitate the development of a bankable proposal for Investment opportunities identified through the Eastern Seaboard	Quarterly report on the progress of the zoning of the land that has been identified for the Renewable Energy projects, with at least ONE site approved	Number	N/A	N/A	4	Operational	3	NOT ACHIEVED	Capacity and financial challenges.	Pending the receipt of grant funding and the appointment of a Manager for Investment Porjects	NA	Quarterly report on the progress for Renewable Energy projects
									2.3.2.2		Investment & Development Manager		Quarterly report on the progress of the projects identified, with at least ONE investor secured for each: - Manufacturing - Property Development - Marine - Agriculture - Tourism	Number	N/A	N/A	4	Operational	3	NOT ACHIEVED	Capacity and financial challenges.	Pending the receipt of grant funding and the appointment of a Manager for Investment Porjects	NA	Quarterly report on the progress on projects for the sectors identified
									2.3.3		Investment & Development Manager	To showcase the diverse investment opportunities available on the KZN South Coast	Investment Conference	Date	N/A	N/A	15 June 2024.	R650 000.00	-	NOT ACHIEVED	At Mid-Year, we requested that the project be removed due to the already severe cash flow challenges. The Board resolved not to remove it as they hoped this would improve. It unfortunaltely did not.	None. Should the financial situation improve, we may be able to achieved this in the next financial year.	NA	Closeout report on the Investment Conference hosted by SCTIE by date
			SMME Development & Support	Facilitate the integration of emerging entrepreneurs into tourism industry and encourage transformation through various support initiatives planned as sub-projects	2.3	2.4	Access to Information	2.3.2	2.4.1.2	Business Information & Intervention Support	Tourism Development Manager	To assist SMMEs and Businesses requiring support	Continuous engagement with SMME's and Business on available funding and training programs for support	Number of quarterly reports on the businesses assisted	2	4	4	R152 193	4	ACHIEVED				Quarterly Implementation reports submitted to the CEO
								2.3.3	2.4.2.1	One-Stop Shop	Investment & Development Manager	To establish a One-Stop-Shop, for investors to provide investment opportunities, fast tracking investment and the reduction of governmental red tape	One-Stop-Shop established	Date	30 Dec 2022.	27 October 2022.	15 December 2023.	R265 775	30 January 2024.	ACHIEVED				Report submitted to the Board on the One-Stop-Shop established.
									2.4.2.2		Investment & Development Manager	Management of the One-Stop Shop and ensure that potential investors receive support to finalise the investment into the District	Engagements with potential investors, to provide support on matters related to requirements or challenges related to investment, with the aim to secure at least R50 million investment for the year.	Number of quarterly reports on the businesses assisted	N/A	N/A	4		4	ACHIEVED				Quarterly reports submitted
								2.3.4	2.4.3.1	Business Process Outsourcing Assistance	Investment & Development Manager	To assist SMMEs and Businesses requiring support	To assist businesses and working closely with the Business Process Enabling SA	Number	1	1	4	Operational	4	ACHIEVED				Quarterly reports submitted
									2.4.4.1	Buy Local Initiative	Investment & Development Manager	To encourage businesses to participate in the Buy Local campaign.	Number of Local Businesses who have joined the Buy Local initiative	Number	N/A	N/A	24	R250 000.00	21	NOT ACHIEVED	With no funding to do Roadshows, awareness was created through marketing activities. It is clear that Road Shows are required to gain the attention of these businesses	Continuous engagement to municipalities for the payment of grants.	30 September 2024.	Number of Local Businesses registered to participate in the Buy Local initiative forms submitted.
							Access to Markets	2.3.4	2.4.5.1	SMME Support	Tourism Development Manager	To update Tour Guide Association Members on trends in the industry and to prepare them to service the Domestic and International Markets	Capacitate Tour Guides and Tour Operators through the Association	Quarterly reports	4	4	4	R230 000	4	ACHIEVED				Quarterly report on the support provided to the Association Members
								2.3.5	2.4.5.2		Tourism Development Manager	To support crafters with platforms to display and sell their products.	Number of platforms for local crafters to exhibit and sell their products	Number	10	12	10	R440 200	10	ACHIEVED				Report and evidence on the number of platforms provided
								2.3.6	2.4.5.3		Tourism Development Manager	To assist the Agricultural products to widen and diversify their business scope to include Tourism	Integrate agricultural products into Tourism	Number	2	3	2	R11 000	2	ACHIEVED				Report on the Integration of Agricultural Product integrated into the Tourism sector submitted
							Business Support	2.3.7	2.4.6.1	Quality Assurance & Accreditation	Tourism Development Manager	To encourage the improvement of service quality to Tourism establishments	Number of Awareness engagements with Tourism establishments	Number	2	2	2	R100 000	2	ACHIEVED				Report on the Awareness session undertaken submitted
			Youth Development, Support & Interventions	Partner with tertiary institutions, government and or private sector to create exposure for youth into the working environment	2.4	2.5	Job Opportunities for Unemployed	2.4.1	2.5.1	Youth Exposure to Work Environment	All Managers	To provide support to government departments on programs pertaining to the implementation of Youth Development	Report on the support provided to Youth	Number	2	2	2	R532 275.00	3	ACHIEVED				Reports submitted by the Managers of the project
			Destination Appeal	To motivate for effective development and maintenance of all relevant infrastructure and facilities by relevant municipalities and government departments (e.g.: Beaches, Roads, Airport etc)	2.5	2.6	Destination Infrastructure	2.5.1	2.6.1.1	Destination Appeal	Tourisn Development Manager	To motivate for the availability and maintenance of infrastructure	Quarterly Progress Report tabled at Board.	Number	4	4	4	Operational	4	ACHIEVED				Quarterly reports submitted
				To motivate for installation and maintenance of all relevant signage by relevant municipalities and government departments			Signage	2.5.2	2.6.2.1		Tourism Development Manager	To drive the importance of signage installation and maintenance on routes and beaches	Quarterly Progress Report tabled at Board.	Number	4	4	4	Operational	4	ACHIEVED				Quarterly reports submitted

STRATEGIC OBJECTIVE: DESTINATION MANGEMENT : KEY PERFORMANCE AREA 3: RESEARCH

IDP REF	USCT PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	USCT PROJECT REF	PROJECT	SUB-PROJECT REF.	SUB-PROJECT	DEPARTMENT OWNER	SUB-PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE/PERFORMANCE MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
Ugu DM -LED 6	**3**	**Market Research**	Collect and utilise credible data for strategic usage towards the achievement of business objectives	**3.1**	**Data collection and analysis**	3.1.1.1	Related Economic Intelligence - Research	Tourism Marketing Manager	Obtaining KZN South Coast Data with regards to Seasonal footprint	Research findings	Number of reports	4	4	**4**	R108 400	4	ACHIEVED				Quarterly Seasonal Research Report
						3.1.2.1		Investment & Development Manager	Obtaining KZN South Coast Data with regards to the Economy of the District	Research findings	Number of reports	N/A	N/A	**2**		1	NOT ACHIEVED	The economic report has been requested, and will be included once received	Follow up on theoutstanding report	31 August 2024.	Economy of the Distrcit report
						3.1.3.1	The Entity Product Database	Tourism Marketing Manager	To maintain a Tourism Product Database for the UGU District (Members & Non-Members)	Tourism Product Database Maintained	Database Maintained by date	15 June 2023.	25 May 2023.	**15 June 2024.**		15 June 2024.	ACHIEVED				Delivery and Date of Delivery.
						3.1.4.1		Investment & Development Manager	Create a databse of potential Investors	Number of potential Investors on the Database	100 Potential investors on the Database	N/A	N/A	**100**		120	ACHIEVED				Database of potential investors created
						3.1.5.1	Target Market Identification	Tourism Marketing Manager	To identify the KZN South Coast Target Market	Research report on the KZN South Coast Target Market	Completed Research Report by date	15 June 2023.	13 March 2023.	**20 March 2024.**		20 March 2024.	ACHIEVED				Delivery and Date of Delivery.

UGU South Coast TOURIS	STRATEGIC OBJECTIVE: DESTINATION MANGEMENT : KEY PERFORMANCE AREA 4: STAKEHOLDER RELATIONS																				
IDP REF	PROGRAM REF	PROGRAM	PROGRAM STRATEGIC OBJECTIVE	PROJECT REF	PROJECT	PROJECT OBJECTIVE	SUB-PROJECT REF.	SUB-PROJECT	Owner	SUB-PROJECT OBJECTIVE	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE/PERFORMANCE MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
Ugu DM : LED 6	4	Stakeholder Relations	Develop and maintain relations with key stakeholders in the public and private sector to ensure effective implementation of programs	4.1	Membership	To encourage Tourism businesses to be Compliant in terms of the EDTEA legislative requirements	4.1.1	Grow Membership Base	Tourism Marketing Manager	To encourage compliance with legislation, and grow membership base	To increase the paid Membership base	Number	200	115	80	Operational	83	ACHIEVED				Report on the number of fully paid up Members submitted
				4.2	Business Relations	To strengthen relations with Area Committees, Amakhosi, Ratepayers Association and Business Associations/Chambers to ensure effective implementation of programs	4.2.1	Area Committee meetings	Tourism Development Manager	To ensure that the Area Committees are aware and contribute to the programs of the Entity	Quarterly report on Area Committee and Amakhosi engagements undertaken	Number	4	4	4	Operational	4	ACHIEVED				Report on the progress on the improved relations and awareness on the tourism product with the community
							4.2.2	Ratepayer Association Participation	Project Manager	To ensure that the Ratepayers Associations are aware and contribute to the programs of the Entity where applicable	Quarterly report on Ratepayer Association engagements undertaken	Number	4	4	4	Operational	4	ACHIEVED				Report on the quarterly engagements with the Ratepayer Association submitted
							4.2.3	Business Associations / Chamber meetings	Investment Marketing Manager	To ensure that Business Associations / Chambers are aware and contribute to the programs of the Entity	Report on Business Associations and Chambers engagements undertaken	Number	2	2	2	Operational	2	ACHIEVED				Report on the Business Association / Chamber engagement undertaken and submitted
							4.2.4	Meetings with Area Committee Chairpersons	All Managers	To host at least one meeting per quarter with area committee chairpersons.	One meeting per quarter.	Meeting per quarter	4	3	4	Operational	3	NOT ACHIEVED	The Meeting in Quarter 1 did not take place.	Poor time / diary management	None.	Minutes of meeting and Attendance Register
				4.3	Relationship building	To strengthen relations and create awareness about the work of the Entity	4.3.1	Road Shows	All Managers	Host destination / local stakeholder networking, information, development and information platforms. (Area Road Shows)	To host a minimum of Road Shows	Number	2	2	2	R39 740	0	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE was not able to achieve this target, as it requires funding to implement.	None - as the year is complete - we will not be able to catch up this target	NA	Report on the Stakeholder Road Show undertaken submitted
						To strengthen relations and create awareness about the work of the Entity	4.3.2	Road Shows	Investment & Development Manager	Host disctrict wide road shows creating awareness on the "Buy Local" campaigne	To host a minimum of Road Shows	Number	2	2	2		2	ACHIEVED				Report on the Buy Local campaign Road Show undertaken submitted
				4.4	Government relations	To participate in stakeholder information and development platforms.	4.4.1	Government departments	All Managers	To participate in provincial and national stakeholder development and information platforms.	To participate in minimum of platforms.	Number	4	4	4	Operational	8	ACHIEVED				Attendance Registers / Participation summary (Agenda & Presentation when applicable)
				4.5	Shareholder Relations	To enable shareholder good governance through effective and efficient decision-making, oversight and reporting.	4.5.1	Attendance of Municipal and IGR Platforms.	All Managers	To attend Municipal and IGR Platforms/Meetings.	Council Meetings & IGR Meetings attended	Number Attended	32	32	32	Operational	32	ACHIEVED				Attendance registers

STRATEGIC OBJECTIVE : DESTINATION MANAGEMENT : KEY PERFORMANCE AREA 5: FINANCE & ADMINISTRATION

PROJECT REF	PROJECT	PROJECT OBJECTIVE	SUB-PROJECT REF.	REVISED SUB-PROJECT REF.	SUB-PROJECT	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
5.1	Performance Management		5.1.1	5.1.1	Strategic Plan review	Reviewed Strategic Plan approved by Board by date	Date of Strategic Plan Approval	30 April 2023.	20 April 2023.	30 April 2024.	Operational	19 June 2024.	ACHIEVED				Board Resolution of Approval
			5.1.2	5.1.2	Annual Performance Plan	Annual Performance Plan approved by Board by date	Date of Operational Plan Approval	31 May 2023.	23 May 2023.	31-May-24	Operational	28 July 2024.	ACHIEVED	Due to the delayin the Strategy approval, the APP has also been delayed	None	28 July 2024.	Board Resolution of Approval
			5.1.3	5.1.3	Performance Management	90% Targets/Annual KPI: Outputs Achieved	Planned KPI Outputs % Achieved.	90%	87%	Annual target removed	Operational	Annual Target removed at Mid Year					
			5.1.4	5.1.3.2		Annual Report for SCTIE adopted by Board 31 December	Date of Annual Report Adoption	31 December 2022.	8 December 2022.	31 December 2023.	Operational	7 December 2023.	ACHIEVED				Board Resolution of Adoption, submission to the Ugu District Municipality
			5.1.5	5.1.3.3		Mid-Year Performance Report adopted and submitted to the Ugu District Municipality by 20 January	Date of Mid-Year Report Adoption	20 January 2023.	12 January 2023.	20 January 2024.	Operational	17 January 2024.	ACHIEVED				Board Resolution of Adoption, submission to the Ugu District Municipality
			5.1.6	5.1.3.4		Quarterly Performance Review reports submitted to Ugu District by the 5th of the New Quarter	Number of reports	4	4	4	Operational	4	ACHIEVED				Evidence of Submission to Ugu District Municipality
5.2	Governance	To ensure good governance through statutory compliance and policy framework	5.2.1	5.2.1	Risk Management and Fraud Prevention	Completed Risk Register and Fraud Prevention Plan by 31 October	Date	30 October 2022.	27 October 2022.	31-Oct-23	Operational	9 October 2023.	ACHIEVED				Risk Register and Fraud Risk Register submitted to the CEO by date
			5.2.2	5.2.2.1	Annual Audit Plan	Annual Audit Plan approved by 31 October	Date	31 October 2022.	27 October 2022.	31-Oct-23	Operational	28 February 2024.	ACHIEVED				Board Resolution of Adoption
			5.2.3	5.2.2.2		Number of Quarterly Audit Committee sittings.	Number per quarter	4	4	4	R134 122	4	ACHIEVED				Audit Committee Minutes
			5.2.4	5.2.2.3		80 % of audit queries resolved per quarter.	Percentage of Resolved Audit Queries per quarter	80%	87%	80%	Operational	83%	ACHIEVED				Quarterly Corrective Action Summation / Internal Audit Reports
			5.2.5	5.2.2.4		100% Annual Audit Plan Implementation	Percentage of Plan Implemented	100%	100%	100%	Operational	100%	ACHIEVED				Audit Committee Minutes
			5.2.6	5.2.3.1	Auditor-General Management Report: USCT	Auditor-General Management Report and Audit Finding: USCT	AG Report Opinion	Unqualified Audit	Unqualified Audit	Unqualified Audit	Operational	Unqualified Audit Opinion	ACHIEVED				AG Management Report Duly Signed off and Tabled.
			5.2.7	5.2.3.1	Auditor-General Management Report: USCDA	Auditor-General Management Report and Audit Finding: SCTIE	AG Report Opinion	Unqualified Audit	Unqualified Audit	Unqualified Audit	R1 025 000	Unqualified Audit Opinion	ACHIEVED				AG Management Report Duly Signed off and Tabled.
			5.2.8	5.2.4.1	Statutory Compliance	100% Statutory compliance for Board meetings	Percentage Compliance	100%	100%	100%	Operational	100%	ACHIEVED				Board Minutes.
			5.2.9	5.2.4.2			CIPC updated with regards to Board of Directors appointments and terminations	100%	100%	100%	Operational	100%	ACHIEVED				Confirmation of changes effected to CoR 39.
			5.2.10	5.2.4.3			Completion of Annual Return and AFS submission to CIPC	30 April 2023.	22 June 2023.	30 April 2024.	Operational	26 April 2024.	ACHIEVED				Confirmation of submission to CIPC
			5.2.11	5.2.4.4			AGM with the Parent by date	30 June 2023.	27-Jun-23	30 June 2024.	Operational	21 June 2024.	ACHIEVED				Agenda and Attendance Register for the AGM held, with Minutes from previous meeting held.
			5.2.12	5.2.4.5			Reviewed and updated Operational Policies Approved by date	31 May 2023.	23 May 2023.	31 May 2024.	Operational	16 May 2024.	ACHIEVED				Resolution by the Board by date
3	Finance	To ensure good budgeting, financial management according to legislation	5.3.1	5.3.1.1	Budget Planning	Budget Related Policies approved by date	By date	31 May 2023.	23 May 2023.	31 May 2024.	Operational	16 May 2024.	ACHIEVED				Board Resolution Adopting Budget Policy
			5.3.2	5.3.1.2		S88: Mid Year Budget & Performance assessment report approved by date	By date	20 January 2023.	12 January 2023.	20 January 2024.	Operational	17 January 2024.	ACHIEVED				Board resolution for the approval of the S88 Mid Year Performance assessment report, and submitted to Ugu District Municipality
			5.3.4	5.3.1.3		First draft budget submitted to Ugu District Municipality 150 days before the start of the financial year	By Date	31 January 2023.	13 January 2023.	31 January 2024.	Operational	13 January 2023.	ACHIEVED				Evidence of first Draft Budget tabled, and Submission to Ugu DM.

STRATEGIC OBJECTIVE : DESTINATION MANAGEMENT : KEY PERFORMANCE AREA 5: FINANCE & ADMINISTRATION

PROJECT REF	PROJECT	PROJECT OBJECTIVE	SUB-PROJECT REF.	REVISED SUB-PROJECT REF.	SUB-PROJECT	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
			5.3.5	5.3.1.4		Revised draft budget submitted to Ugu, 100 days before the start of the financial year	By date	23 March 2023.	16 March 2023.	23 March 2024.	Operational	18 March 2024.	ACHIEVED				Evidence of first Draft Budget tabled, and Submission to Ugu DM.
			5.3.6	5.3.1.5		Annual Budget approved by the Board 30 days before the start of the financial year	By Date	31 May 2023.	23 May 2023.	31 May 2024.	Operational	17 May 2024.	ACHIEVED				Board Resolution of Approval of Draft Budget & submission to Ugu
			5.3.7	5.3.2.1	**Financial In-Year Reporting**	12 Monthly Reports compiled and submitted by deadline.	Number of Reports by deadline.	12	12	12	Operational	12	ACHIEVED				Reports with submission dates.
			5.3.8	5.3.3.1	**Annual Financial Statements**	Draft AFS of USCT and SCTIE submitted to AG by date	Draft AFS submitted to AG by Date (SCTIE)	31 August 2022.	31 August 2022.	31 August 2023.	Operational	31 August 2023.	ACHIEVED				Draft AFS submitted to AG with acknowledgement of receipt.
			5.3.9			Draft AFS of USCT submitted to AG by date	Draft AFS submitted to AG by Date (USCT)	31 August 2022.	31 August 2022.	N/A	Annual Target Removed						
			5.3.10	5.3.3.2		Adopted Annual Financial Statements of USCT and SCTIE adopted by the Boards by date	Adopted AFS by date	31 December 2022.	8 December 2022.	31 December 2023.	Operational	7 Decembr 2023 and 11 December 2023.	ACHIEVED				Board Resolution of AFS Adoption.
			5.3.11	5.3.4.1	**Operational Expenditure**	80% operational expenditure to plan.	% operational expenditure to plan.	80%	82%	80%	R2 141 177.76	75%	NOT ACHIEVED	With the unapid grant - primarlity that of Ugu DM, SCTIE had to be extremely caution with operational spend. Only critical operations costs were incurred. This is an acceptable Non-Achievement	None. The operational savings are acceptable	N/A	Quarterly Reports.
			5.3.12	5.3.4.2		Staff Salaries paid monthly by 25th.	12 x Salary Payments by date	25th Monthly	25th Monthly	25 th Monthly	R8 356 785	10x Monthly Payment by 25th	NOT ACHIEVED	With the unapid grant - primarlity that iof Ugu DM, SCTIE was not able to meet the salary payments on 25 May and 25 June.	After continuous engagement with the municiplaities, SCTIE have also engaged with COGTA to intervieve in the matter	15 July 2024.	Salary Reports by date
			5.3.13	5.3.4.3		Board Fees paid monthly by 25th.	12 x Payments by date	25th Monthly	25th Monthly	25 th Monthly	R1 364 934	10x Monthly Payment by 25th	NOT ACHIEVED	With the unapid grant - primarlity that iof Ugu DM, SCTIE was not able to meet the salary payments on 25 May and 25 June.	After continuous engagement with the municiplaities, SCTIE have also engaged with COGTA to intervieve in the matter	15 July 2024.	Salary Reports by date
			5.3.14	5.3.5.1	**Capital Expenditure**	% capital expenditure to plan.	% capital expenditure to plan.	50%	2%	50%	R271 806	39%	NOT ACHIEVED	Only the very essential Capital Assets have been purchased due to non-payment of municipal grants	This target will not be achieved due to the non-payment of grants.	N/A	Quarterly Reports.
			5.3.15	5.3.6.1	**Fruitless & Wasteful Expenditure**	Less than 1% Fruitless and Wasteful expenditure	Budget % spend fruitless and wasteful expenditure	Less than 1%	Less than 1%	Less than 1%	R137 120.00	0.17%	ACHIEVED				Board Reports and Minutes, and Register.
			5.3.16	5.3.7.1	**Unauthorised Expenditure**	Less than 1% unauthorised expenditure	Budget % spend unauthorthorised expenditure	Less than 1%	Less than 1%	Less than 1%	Operational	0%	ACHIEVED				Board Reports and Minutes, and Register.
			5.3.17	5.3.8.1	**Grant Funding**	% of Municipal Grant revenue collected as per the funding model	% of Municipal Grant funding collected	100%	28%	100%	R32 180 279	98%	NOT ACHIEVED	Based on all invoices issued, Umuziwabantu is yet to release R258 203. Ugu DM invoiced - however reversed immediately	Continuos engaremnet with the Municipality to process the payment	25 July 2024.	Quarterly reports on the grant funding received
				5.3.9.1	**Grant Funding**	80% of the grant funding recievd from other sources (NSF)	% received per plan	N/A	N/A	Annual target removed		Annual Target removed at Mid Year : Pending project reinstatement application process					Quarterly reports on the grant funding received
			5.3.18	5.3.10.1	**Received Revenue to Plan**	90% revenue received as per Annual Revenue Budget	% revenue received to plan.	90%	99%	90%	R683 486	100%	ACHIEVED				Quarterly Reports
			5.3.19	5.3.11.1	**Revenue Generation**	To raise own revenue or support funding through various avenues to reach a 30/70 split in relation to grant funding from participating municipalities, over a five (5) year period	Revenue generated or support received	R500 000	R49 419 918	R500 000.00	Operational	1 598 558.00	ACHIEVED	-	-	-	Report submitted to the CEO on the revenue and or support generated as a percentage of the Annual Grant budget received

STRATEGIC OBJECTIVE : DESTINATION MANAGEMENT : KEY PERFORMANCE AREA 5: FINANCE & ADMINISTRATION

PROJECT REF	PROJECT	PROJECT OBJECTIVE	SUB-PROJECT REF.	REVISED SUB-PROJECT REF.	SUB-PROJECT	ANNUAL KEY PERFORMANCE INDICATOR: OUTPUT	UNIT OF MEASURE	2023 TARGET	2023 ACHIEVED	2024: ADJUSTED ANNUAL TARGET	2024: ADJUSTED BUDGET	2024 : ANNUAL ACHIEVEMENT	ACHIEVED / NOT ACHIEVED	CHALLENGES	CORRECTIVE MEASURES	REVISED DATE	PORTFOLIO OF EVIDENCE
			5.3.20	**5.3.12**	**Annual Procurement Plan**	100% SCM implementation to plan	% to plan implementation	100%	38%	100%	Operational	25%	NOT ACHIEVED	With the non-payment of grant funding, SCTIE has not been able to procure as per the procurement plans. Further to this - SCTIE had suspended certain Marketing contracts for the month of June as we could not afford to incur these costs	Continuous pleas to release funding, to enable procurement from planned projects to be undertaken.	NA	Quarterly Reports
			5.3.22	**5.3.13**	**BBBEE Reporting**	100% compliant implementation	% Compliance	100%	100%	100%	Operational	100%	ACHIEVED				Quarterly Reports
			5.3.23	**5.3.14**	**Asset Register**	100% compliant Asset Register implementation	% Compliance	100%	100%	100%	Operational	100%	ACHIEVED				Quarterly Reports
			5.3.24	**5.3.15.1**	**Cash Coverage Ratio**	3 months cash coverage ratio	3 months cash coverage ratio	N/A	N/A	3 months	Operational	0 MONTH	NOT ACHIEVED	With little to no grant funding being received, this target cannot be met.	Continuous pleas to release grant funding to stabilise the entity	15 July 2024.	Quarterly report on Cash Coverage
			5.3.25	**5.3.15.2**	**Current Ratio**	Current ratio of 2:1	Current ratio 2:1	N/A	N/A	Current ratio 2:1	Operational	3.44 : 1	ACHIEVED				Quarterly Current ratio calcualtion
			5.3.26	**5.3.15.3**	**Creditors payments**	Creditors paid: 30 days	Creditors paid: 30 days	N/A	N/A	30 days	Operational	35 days	NOT ACHIEVED	At the end of May, with no funding avaiable, and grants remaining unpaid, SCTIE was not able to ensure that suppliers were paid in 30 days. Communication was sent to supplers, with request for leniency until such time as the matter could be resolved.	Continuosus engagement with municpalties to settle grants. Discussion for COGTA for intervention.	16 July 2024.	Quarterly report on Crediitors paid
			5.3.27	**5.3.15.4**	**Total Employement costs as a % of total operating costs**	Employement costs as a percentage to total operating costs	Employment Cost : Total operating costs	N/A	N/A	25% - 40%	Operational		NOT ACHIEVED	Due to the non-payment of grants, SCTIE is unable to procure as per the procurement plan for projects. Staff are funding alternative ways to deliver on the scorecard, at no cost to the company.	None, until such time as funding is received and procurement can be done.	None	Quarterly Employee Costs : Total operating expenditure report
5.4	**Corporate Service & HR**	To ensure HR matters are compliant and enable core functions to be performed.	**5.4.1**	**5.4.1**	**Staffing**	100% posts in structure filled.	% filled posts in structure	100%	89%	100%	Operational		NOT ACHIEVED	This is pending the appointment of the CEO, currently Acting CEO and Coordinator Investment Marketing & Coordinator Projects.	Pending the finalisation of the new Strategy and organogram	1 August 2024.	Quarterly Reports
			5.4.2	**5.4.2**	**Internships**	To facilitate tertiary student internships during the year	Number of internships facilitated	6	6	6	R82 333	27	ACHIEVED				Confirmation letter of appointment to Internship
			5.4.3	**5.4.3**	**Staff Development**	Plan Development by date	Date	30 December 2022.	30 December 2022.	30 December 2023.	R27 000	14 December 2023.	ACHIEVED				Quarterly Reports
			5.4.4	**5.4.4.1**	**Staff Performance**	100% relevant staff with signed annual performance plans by date of 31 July	% staff with signed annual plans by 31 July	100%	100%	100%	Operational	100%	ACHIEVED				Duly Signed Annual Performance Plans
			5.4.5	**5.4.4.2**		Implementation Individual Performance Management Systems (IPMS)	% Implementation of IPMS	100%	100%	100%	Operational	100%	ACHIEVED				Quarterly Performance Reports
5.5	**Entity Amalgamation**	Ensure that legal requirements are met with the closure of USCT and USCDA Companies	**5.5.1**	**5.5.**	**USCT / USCDA Amalgamation**	Ensure the two entities of USCT and SCDA are de-registered for relevant statutory and legislative profiles	Deregistration's and Closures by date	30 June 2023.	-	30 June 2024.	Operational	-	NOT ACHIEVED	The de-registration process for USCT was started in January 2024, after the final Annual Return was completed. CIPC has acknowledge receipt, however they have yet to finalise.	None, we follow up with CIPC on a regular basis. Documents have been resubmiited,	NA	Report to the Boards of USCT and USCDA on the status of the final deregistration for the entities



AUDIT REPORT

South Coast Tourism and Investment Enterprise (SOC) Ltd

2024-25

Date: 30 November 2025

Report of the auditor-general to KwaZulu-Natal Provincial Legislature and the council on South Coast Tourism and Investment Enterprise (SOC) Ltd

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the South Coast Tourism and Investment Enterprise (SOC) Ltd set out on pages 01 to 64, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, the cash flow statement, and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the South Coast Tourism and Investment Enterprise (SOC) Ltd as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and Companies Act 71 of 2008 (Companies Act of South Africa).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the municipal entity in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Allowance for debt impairment provision on receivables from non-exchange transactions

7. As disclosed in note 6 of the financial statements, the allowance for debt impairment provision of R30 450 893 was reported, due to challenges regarding grant funding not being received timeously.

Going concern

8. As disclosed in note 37 of the financial statements, the municipal entity's ability to operate and meet its financial obligation is highly dependable on the timely receipt of grant funding from the district and local municipalities.

Other matter

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

Unaudited disclosure notes

10. In terms of section 125(2)(e) of the MFMA, the municipality entity is required to disclose particulars of non-compliance with the MFMA in the financial statements. The disclosure requirements did not form part of the audit of the financial statements and, accordingly, we do not express an opinion on it.

Responsibilities of the accounting authority for the financial statements

11. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Companies Act of South Africa; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

12. In preparing the financial statements, the accounting authority is responsible for assessing the municipal entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipal entity or to cease operations, or has no realistic alternative but to do so.

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

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

14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx to xx, forms part of my auditor's report.

Report on the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

16. I selected the following material performance indicators related to investment and tourism attraction key performance areas presented in the annual performance report for the year ended 30 June 2025. I selected those indicators that measure the municipal entity's performance on its primary mandated functions and that are of significant national, community or public interest.

    - Rand value of investments considered & rand value of investments secured for 2024-2025 year
    - Bi-annual investment information: investment queries, investment challenges, business retentions, attractions, submitted to included in the state of the district economy report
    - Rand value of investment secured in the catalytic projects
    - Rand-value of investment facilitated – Eastern Seaboard
    - Quarterly reports identify investor friendly awareness activities undertaken by entity local advertising, activations
    - Capacitate and facilitate opportunities for SMME's to be assisted through being trained, graded (TGCSA), and exposure to market
    - Report on the support provided to youth
    - Exposure through Published articles/ insert in the local newspapers and national publications or platforms, and radio and television
    - Domestic exhibition and trade shows as per annual plan/calendar participated

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

18. I performed procedures to test whether:

    - the indicators used for planning and reporting on performance can be linked directly to the municipal entity's mandate and the achievement of its planned objectives

    - all the indicators relevant for measuring the municipal entity's performance against its primary mandated and prioritised functions and planned objectives are included

    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported.

19. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

20. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

21. I draw attention to the matter below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

23. The table that follows list the key indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 1 to 4.

Investment and tourism attraction

Targets achieved: 66%		
Key indicators not achieved	**Planned target**	**Reported achievement**
Rand value of investments considered & rand value of investments secured for 2024-2025 year	R50 million	R0
Bi-annual investment information: investment queries, investment challenges, business retentions, attractions, submitted to be included in the state of the district economy report	2	1
Rand value of investment secured in the catalytic projects	R50 million	R66 667

Report on compliance with legislation

24. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the municipal entity's compliance with legislation.

25. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipal entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

27. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Expenditure management

28. Reasonable steps were not taken to ensure that money owed by the municipal entity was always paid within 30 days or an agreed period, as required by section 99(2)(b) of the MFMA.

29. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R32 655, as disclosed in note 32 to the annual financial statements, in contravention of section 95(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest charged on long overdue supplier invoices.

30. Reasonable steps were not taken to prevent irregular expenditure amounting to R14 544 as disclosed in note 33 to the annual financial statements, as required by section 95(d) of the MFMA. The majority of the irregular expenditure was caused by procurement process not followed resulting to monthly extensions of expired contracts.

Other information in the annual report

31. The accounting authority is responsible for the other information included in the annual report which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act of South Africa. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in core function presented in the annual performance report that have been specifically reported on in this auditor's report.

32. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

33. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in core function presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

34. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

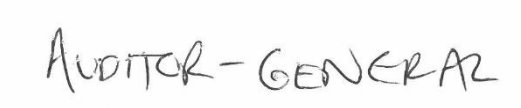
Internal control deficiencies

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

36. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.

37. The accounting authority did not exercise adequate oversight responsibility regarding compliance with legislation.

38. Management did not perform adequate review and monitor compliance legislation.



Pietermaritzburg

30 November 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraphs (a), (b) & (d) of the definition: irregular expenditure Sections 87(5)(b) & (d), 87(5)(d)(i), 87(5)(d)(iii), 87(6)(c), Sections 87(8), 88(1)(a), 90(1), 90(2)(a), (b) & (d), Sections 96(2)(a), (b), 97(e), (f), (h) & (i), 99(2)(a), Sections 99(2)(b), (c), (g), 102(1), 102(2)(a), Sections 112(1)(j), 116(2)(b) & (c)(ii), 122(1), 126(2)(b), Sections 133(1)(a), (c)(i), (c)(ii), 170, 172(3)(a) & (b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 73(1), 73(2), 75(1), 75(2)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(2), 3(3), 5(4), 6, 6(8)(b), 7, 10(1), 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2005	Regulations 5, 12(1)(c), 12(3), 13(b), (c) & (i), 16(a), Regulations 17(1)(a), (b), & (c), 19(a), Regulations 21(b), 22(1)(b)(i), 22(2), 27(2)(a) & (e), Regulations 28(1)(a)(ii), 29(1)(a) & (b), 29(5)(a)(ii), Regulations 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e) & (f)
Municipal Systems Act 32 of 2000	Section 93B(a), 93C(a)(iv)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1) & (2), 5(1), (3), (6) & (7), 6(1), (2) & (3), Regulations 6(6), 6(8), 7(1), (2) & (3), 7(6), 7(8), 8(2), 8(5), Regulations 9(1), 10(1) & (2), 11(1) & (2)
Preferential Procurement Regulations, 2022	Regulations 4(1), (2), (3) & (4), 5(1), (2), (3) & (4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Companies Act 71 of 2008	Sections 45(2), 45(3)(a)(ii), (b)(i), (ii), 45(4), Sections 46(1)(a), (b) & (c), 112(2)(a)

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE
(Registration number 2016/158371/30)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

South Coast Tourism and Investment Enterprise

(Registration number 2016/158371/30)
Annual Financial Statements for the year ended 30 June 2025

General Information

Country of incorporation and domicile	South Africa	
Nature of business and principal activities	Economic Development in the Ugu District area	
Directors	Dr. Sipho J Nzimande	(Outgoing chairperson)
	Mrs. Elizabeth J. Crutchfield	(Outgoing deputy chairperson)
	Mr. Sandile C. Dlomo	(Incoming chairperson)
	Dr. Khululiwe H. Godlwana	
	Mrs. Nongcebo V. Masito	(Incoming deputy chairperson)
	Mr. Paul T. Jefferys	(Outgoing)
	Mr. Lunga G. Yeni	
	Mr. Colin J. Davenhill	(Outgoing)
	Mr. Henry T.H Sabela	
Registered office	16 Bisset Street Port Shepstone 4240	
Business address	16 Bisset Street Port Shepstone 4240	
Postal address	P.O. Box 570 Port Shepstone 4240	
Controlling entity	Ugu District Municipality	
Bankers	Standard Bank Limited	
Auditors	Auditor General South Africa	
Company registration number	2016/158371/30	
Tax reference number	9357440180	
VAT number	4080273974	
PAYE number	7250793637	
Preparer	The annual financial statements were compiled under the supervision of: Mrs D. Ludick	
Website	www.sctie.co.za	

South Coast Tourism and Investment Enterprise

(Registration number 2016/158371/30)
Annual Financial Statements for the year ended 30 June 2025

Contents

The reports and statements set out below comprise the annual financial statements presented to the the Board of Directors:

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ABBREVIATIONS

COID	Compensation for Occupational Injuries and Diseases
GRAP	Generally Recognised Accounting Practice
ME's	Municipal Entities
MFMA	Municipal Finance Management Act

Directors' Responsibilities and Approval

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

Consideration is also given to the provisions of the Companies Act (Act 71 of 2008) to ensure that such provisions are not contravened.

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

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

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

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

The directors have reviewed the entity's cash flow forecast for the year to 30 June 2026 and, in the light of this review and the current financial position, they are satisfied that the entity has access to adequate resources to continue in operational existence for the foreseeable future.

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

Although the board are primarily responsible for the financial affairs of the entity, they are supported by the entity's external auditors.

The annual financial statements set out on page 4 to 59, which have been prepared on the going concern basis, were approved by the board on 28 August 2025 and were signed on its behalf by:

Mr. Sandile C. Dlomo
Chairperson

Board of Directors' Report

The directors submit their report for the year ended 30 June 2025.

1. Incorporation

The entity was incorporated on 13 April 2016 and obtained its certificate to commence business on the same day.

2. Review of activities

Main business and operations

South Coast Tourism and Investment Enterprise is a municipal entity of Ugu District Municipality mandated to implement Growth and Development within the Ugu District.

The parent Municipality resolved to amalgamate Ugu South Coast Development Agency and Ugu South Coast Tourism effective from 1 July 2022. The Ugu South Coast Tourism transferred functions as per GRAP 105 to Ugu South Coast Development Agency, this is as per Merger and Acquisition agreement between the two entities. The entity name changed to South Coast Tourism and Investment Enterprise.

3. Going concern

Although the entity is technically solvent as its total assets exceed its total liabilities, liquidity remains a challenge. The parent municipality resolved to amalgamate its two entities, which would result in increased efficiency due to reduced operational costs and other commitments. The entity will be able to meet its obligations as they fall due, resulting in certainty regarding the going concern status of the entity.

4. Subsequent events

There were no subsequent events that the board of the directors are aware of in the year under review.

5. Board

The directors of the entity during the year and to the date of this report are as follows:

Name		Changes
Dr. Sipho J Nzimande	Outgoing Chairman	End of term: 01 October 2023
Mrs. Elizabeth J. Crutchfield		End of term: 01 October 2023
Dr. Khululiwe H. Godlwana		Appointed: 01 October 2023
Mr. Sandile C Dlomo	Incoming Chairman	Re-appointed: 01 October 2023
Mr. Lunga G. Yeni		Appointed: 01 October 2023
Mr. Colin J. Davenhill		End of term : 01 October 2023
Mr. Henry T.H Sabela		Appointed: 01 October 2023
Mrs. Nongcebo Vukile Masito		Appointed 01 October 2023

Number of meetings attended by the directors

Board Members	Board and Special Board Meetings	Audit Committee	Strategy	AGM	PMS and HR	Other meetings	Total
Mr. S.C Dlomo (Chairman)	9	1	3	1	9	30	53
Mr. LG Yeni	9	-	1	-	3	9	22
Mrs. NV Masito	9	-	2	1	1	6	19
Mr. HTH Sabela	8	-	2	1	7	20	38
Dr. K Godlwana	8	3	1	1	1	6	20

Board of Directors' Report

6. Corporate governance

General

The board is committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the board supports the highest standards of corporate governance and the ongoing development of best practice.

The entity confirms and acknowledges its responsibility to total compliance with the Code of Corporate Practices and Conduct ("the Code") laid out in the King Report on Corporate Governance for South Africa 2002. The board discusses the responsibilities of management in this respect, at Board meetings and monitors the entity's compliance with the code on a quarterly basis.

The salient features of the entity's adoption of the KING IV is outlined below:

Board of directors

The Board:

- retains full control over the entity, its plans and strategy;
- acknowledges its responsibilities as to strategy, compliance with internal policies, external laws and regulations, effective risk management and performance measurement, transparency and effective communication both internally and externally by the entity;
- is of a unitary structure comprising:
  - non-executive directors, all of whom are independent directors as defined in the Code; and
  - executive directors.

Chairperson and Chief Executive Officer

The Chairperson is a non-executive and independent director (as defined by the Code).

The roles of the Chairperson and Chief Executive Officer are separate, with specific responsibilities, so that no individual has unfettered powers of discretion.

Executive meetings

The board has met on 13 separate occasions during the financial year.

Non-executive directors have access to all members of management of the entity.

7. Controlling entity

The entity's controlling entity is Ugu District Municipality which owns all the issued share capital.

8. Auditors

Auditor General South Africa will continue in office for the next financial period.

Chief Executive Officer's Certification

Chief Executive Officer's Certification

I am responsible for the preparation of these annual financial statements in terms of Section 124(1) of the Municipal Finance Management Act (Act No 56 of 2003), and which I have signed on behalf of the municipal entity.

I certify that the salaries, allowances and benefits of the board as disclosed in note 20 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with this Act.

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

Dr. Vusumuzi Sibiya
Chief Executive Officer

Statement of Financial Position as at 30 June 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Non-Current Assets			
Investment property	2	9,406,111	9,406,111
Property, plant and equipment	3	406,452	527,511
Intangible assets	4	2,205	14,397
		9,814,768	**9,948,019**
Current Assets			
Receivables from exchange transactions	5	89,266	275,839
Receivables from non-exchange transactions	6	4,921,037	4,016,027
Cash and cash equivalents	7	1,104,361	36,461
		6,114,664	**4,328,327**
Total Assets		**15,929,432**	**14,276,346**
Liabilities			
Current Liabilities			
Payables from exchange transactions	8	1,632,865	1,758,155
VAT payable	9	1,891,333	925,034
		3,524,198	**2,683,189**
Total Liabilities		**3,524,198**	**2,683,189**
Net Assets		**12,405,234**	**11,593,157**
Share capital / contributed capital	10	200	200
Accumulated surplus		12,405,034	11,592,957
Total Net Assets		**12,405,234**	**11,593,157**

* See Note 39

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Commission, membership fees and sales	11	145,098	88,363
Rental of facilities	12	142,675	154,374
Sundry income	13	35,795	158,101
Interest received	14	137,789	107,519
Total revenue from exchange transactions		**461,357**	**508,357**
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	15	17,761,404	32,446,054
Total revenue	16	**18,222,761**	**32,954,411**
Expenditure			
Bad debts and cancelled membership fees	17	(15,500)	(17,068,669)
Debt Impairment	18	(5,398,692)	(25,052,201)
Depreciation and amortisation	19	(87,300)	(92,779)
Directors remuneration	20	(650,190)	(837,558)
Employee related costs	21	(5,947,894)	(7,504,828)
Finance costs	22	(30,604)	(86,685)
Lease rentals on operating lease	23	(551,867)	(552,021)
Loss on disposal of assets	3&4	(56,526)	(16,310)
Operational costs	24	(1,668,703)	(1,821,617)
Developmental and project costs	25	(112,530)	(214,571)
Marketing and investment costs	26	(2,890,877)	(2,899,541)
Total expenditure		**(17,410,683)**	**(56,146,780)**
Surplus / (Deficit) for the year		**812,078**	**(23,192,369)**

* See Note 39

South Coast Tourism and Investment Enterprise

(Registration number 2016/158371/30)
Annual Financial Statements for the year ended 30 June 2025

Statement of Changes in Net Assets

Figures in Rand	Share capital / contributed capital	Accumulated surplus	Total net assets
Balance at 1 July 2023	**200**	**34,785,326**	**34,785,526**
Changes in net assets			
Deficit for the year	-	(23,192,369)	(23,192,369)
Total changes	-	(23,192,369)	(23,192,369)
Prior year adjustments - Note 39	-	49,454	49,454
Restated* Balance at 1 July 2024	**200**	**11,592,956**	**11,593,156**
Changes in net assets			
Surplus for the year	-	812,078	812,078
Total changes	-	812,078	812,078
Balance at 30 June 2025	**200**	**12,405,034**	**12,405,234**
Note	10		

* See Note 39

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Commission, membership fees and sales		148,068	66,098
Rental		164,077	198,406
Grants		14,121,920	13,343,469
Sundry income		214,365	33,356
Interest income		131,463	125,396
		14,779,893	13,766,725
Payments			
Employee costs		(6,511,943)	(8,036,825)
Suppliers		(7,158,877)	(7,523,321)
Finance costs		(30,604)	(35,783)
		(13,701,424)	(15,595,929)
Net cash flows from operating activities	27	**1,078,469**	**(1,829,204)**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(10,569)	(96,914)
Proceeds from sale of property, plant and equipment	3	-	6,782
Net cash flows from investing activities		**(10,569)**	**(90,132)**
Net decrease in cash and cash equivalents		**1,067,900**	**(1,919,336)**
Cash and cash equivalents at the beginning of the year		36,461	1,955,797
Cash and cash equivalents at the end of the year	7	**1,104,361**	**36,461**

* See Note 39

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Commission, membership fees raised and sales	87,885	(21,548)	**66,337**	145,098	**78,761**	40.1
Rental of facilities	218,400	1,800	**220,200**	142,675	**(77,525)**	40.2
Sundry income	-	17,336	**17,336**	35,795	**18,459**	40.3
Interest received	125,920	-	**125,920**	137,789	**11,869**	40.4
Total revenue from exchange transactions	**432,205**	**(2,412)**	**429,793**	**461,357**	**31,564**	
Revenue from non-exchange transactions						
Transfer revenue						
Municipal grants & subsidies	25,374,468	(7,613,064)	**17,761,404**	17,761,404	**-**	40.5
Total revenue	**25,806,673**	**(7,615,476)**	**18,191,197**	**18,222,761**	**31,564**	
Expenditure						
Employee related costs	(8,750,327)	1,813,165	**(6,937,162)**	(5,947,894)	**989,268**	40.6
Depreciation and amortisation	(189,828)	96,828	**(93,000)**	(87,300)	**5,700**	40.7
Developmental costs	(3,414,811)	2,233,776	**(1,181,035)**	(112,530)	**1,068,505**	40.8
Finance costs	(50,000)	(99,493)	**(149,493)**	(30,604)	**118,889**	40.9
Lease rentals on operating lease	(672,500)	82,500	**(590,000)**	(551,867)	**38,133**	40.10
Debt Impairment	-	-	**-**	(5,398,692)	**(5,398,692)**	40.11
Bad debts written off	(10,000)	(9,000)	**(19,000)**	(15,500)	**3,500**	40.12
Directors Remuneration	(1,314,934)	521,076	**(793,858)**	(650,190)	**143,668**	40.13
Marketing costs	(8,885,471)	2,744,686	**(6,140,785)**	(2,890,877)	**3,249,908**	40.14
Operational costs	(2,267,052)	131,640	**(2,135,412)**	(1,668,703)	**466,709**	40.15
Total expenditure	**(25,554,923)**	**7,515,178**	**(18,039,745)**	**(17,354,157)**	**685,588**	
Operating surplus	**251,750**	**(100,298)**	**151,452**	**868,604**	**717,152**	
Loss on disposal of assets and liabilities	(36,750)	-	**(36,750)**	(56,526)	**(19,776)**	40.16
Surplus before taxation	**215,000**	**(100,298)**	**114,702**	**812,078**	**697,376**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**215,000**	**(100,298)**	**114,702**	**812,078**	**697,376**	
Reconciliation						

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Position						
Assets						
Current Assets						
Receivables from exchange transactions	275,839	-	**275,839**	89,266	**(186,573)**	40.17
Receivables from non-exchange transactions	4,016,027	(2,000,000)	**2,016,027**	4,921,037	**2,905,010**	40.18
VAT receivable	-	-	**-**	2,582,227	**2,582,227**	40.19
Cash and cash equivalents	36,461	1,640,215	**1,676,676**	1,104,361	**(572,315)**	40.20
	4,328,327	**(359,785)**	**3,968,542**	**8,696,891**	**4,728,349**	
Non-Current Assets						
Investment property	9,406,111	-	**9,406,111**	9,406,111	**-**	
Property, plant and equipment	527,511	(4,548)	**522,963**	406,452	**(116,511)**	40.21
Intangible assets	14,397	(10,500)	**3,897**	2,205	**(1,692)**	40.22
	9,948,019	**(15,048)**	**9,932,971**	**9,814,768**	**(118,203)**	
Total Assets	**14,276,346**	**(374,833)**	**13,901,513**	**18,511,659**	**4,610,146**	
Liabilities						
Current Liabilities						
Payables from exchange transactions	1,758,155	(824,501)	**933,654**	1,632,864	**699,210**	40.23
VAT payable	925,034	334,966	**1,260,000**	4,473,560	**3,213,560**	40.24
	2,683,189	**(489,535)**	**2,193,654**	**6,106,424**	**3,912,770**	
Total Liabilities	**2,683,189**	**(489,535)**	**2,193,654**	**6,106,424**	**3,912,770**	
Net Assets	**11,593,157**	**114,702**	**11,707,859**	**12,405,235**	**697,376**	
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Share capital / contributed capital	200	-	**200**	200	**-**	
Reserves						
Accumulated surplus	11,592,957	114,702	**11,707,659**	12,405,035	**697,376**	
Total Net Assets	**11,593,157**	**114,702**	**11,707,859**	**12,405,235**	**697,376**	

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Commission, membership, sales	101,068	(24,780)	**76,288**	148,068	**71,780**	40.25
Rental	251,160	2,070	**253,230**	164,077	**(89,153)**	40.26
Grants	29,180,638	(8,755,024)	**20,425,614**	14,121,920	**(6,303,694)**	40.27
Sundry Income	-	-	**-**	214,365	**214,365**	40.28
Interest	125,920	-	**125,920**	131,463	**5,543**	
	29,658,786	**(8,777,734)**	**20,881,052**	**14,779,893**	**(6,101,159)**	
Payments						
Employee costs	(8,750,327)	1,813,165	**(6,937,162)**	(6,511,943)	**425,219**	40.29
Suppliers	(7,307,518)	2,815,104	**(4,492,414)**	(7,158,877)	**(2,666,463)**	40.30
Finance costs	(50,000)	(99,493)	**(149,493)**	(30,604)	**118,889**	40.31
	(16,107,845)	**4,528,776**	**(11,579,069)**	**(13,701,424)**	**(2,122,355)**	
Net cash flows from operating activities	**13,550,941**	**(4,248,958)**	**9,301,983**	**1,078,469**	**(8,223,514)**	
Cash flows from investing activities						
Purchase of property, plant and equipment	(215,000)	100,298	**(114,702)**	(10,569)	**104,133**	40.32
Net increase/(decrease) in cash and cash equivalents	13,335,941	(4,148,660)	**9,187,281**	1,067,900	**(8,119,381)**	
Cash and cash equivalents at the beginning of the year	36,461	-	**36,461**	36,461	**-**	
Cash and cash equivalents at the end of the year	**13,372,402**	**(4,148,660)**	**9,223,742**	**1,104,361**	**(8,119,381)**	
Reconciliation						

Accounting Policies

Figures in Rand	Note(s)	2025	2024

1. Presentation of Annual Financial Statements

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

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

Offsetting

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

Consideration is also given to the provisions of the Companies Act (Act 71 of 2008) to ensure that such provisions are not contravened.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

- GRAP 1 Presentation of Financial Statements
- GRAP 2 Cash Flow Statements
- GRAP 3 Accounting Policies, Changes in Accounting Estimates and Errors
- GRAP 5 Borrowing Costs
- GRAP 9 Revenue from Exchange Transactions
- GRAP 13 Leases
- GRAP 14 Events After the Reporting Date
- GRAP 16 Investment Property
- GRAP 17 Property, Plant and Equipment
- GRAP 18 Segment Reporting
- GRAP 19 Provisions, Contingent Liabilities and Contingent Assets
- GRAP 21 Impairment of Non cash-generating Assets
- GRAP 23 Revenue from Non-exchange Transactions
- GRAP 24 Presentation of Budget Information in Financial Statements
- GRAP 25 Employee Benefits
- GRAP 31 Intangible Assets
- GRAP 32 Service Concession Arrangements: Grantor
- GRAP 104 Financial Instruments
- GRAP 108 Statutory Receivables

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

1.2 Going concern assumption

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

1.3 Property, plant and equipment

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

The cost of an item of property, plant and equipment is recognised as an asset when:
- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Accounting Policies

1.3 Property, plant and equipment (continued)

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

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

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

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

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

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

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and equipment	Straight-line	6- 20 years
Motor vehicles	Straight-line	5- 10 years
IT equipment	Straight-line	3-12 years
Signage	Straight-line	15 years
Containers	Straight-line	15 years

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

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

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

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

Accounting Policies

1.3 Property, plant and equipment (continued)

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

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

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements.

1.4 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

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

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Item	Useful life
Property - land	Indefinite

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

1.5 Intangible assets

An asset is identifiable if it either:

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

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

Accounting Policies

1.5 Intangible assets (continued)

An intangible asset is recognised when:

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

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

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

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

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

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

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

Item	Depreciation method	Average useful life
Computer software	Straight-line	3- 10 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

1.6 Financial instruments

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

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

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

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

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

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

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

Accounting Policies

1.6 Financial instruments (continued)

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

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

A financial asset is:

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

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

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

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

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

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

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

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

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

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

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

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

1.6 Financial instruments (continued)

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

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

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

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

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

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

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.8 Share capital / contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.9 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Accounting Policies

1.9 Revenue from exchange transactions (continued)

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

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

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

Accounting Policies

1.10 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Accounting Policies

1.10 Revenue from non-exchange transactions (continued)

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

1.11 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.12 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.13 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.14 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.15 Irregular expenditure

Irregular expenditure as defined in section 1 of the MFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

(a) this Act; or
(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
(c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the MFMA requires the following (effective from 1 April 2008):

Accounting Policies

1.15 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.16 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Trade receivables / Held to maturity investments and/or loans and receivables

The entity assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in the entity or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 8.

Useful lives of Property, plant and equipment

The entity's management determines the estimated useful lives and related depreciation charges for the Property plant and equipment. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Accounting Policies

1.16 Significant judgements and sources of estimation uncertainty (continued)

Effective interest rate

The entity used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Selection of an appropriate reporting framework by the entity as a public entity

The entity assesses whether it meets the criteria in paragraph 11 of Directive 12: The Selection of an Appropriate Reporting Framework by Public Entities.

This assessment is performed initially when the Directive becomes effective, and subsequently changes the reporting framework only if a significant change has occurred that leads the entity to conclude that it meets, or no longer meets, the relating criteria.

In making these assessments, management applies its judgement and consider all relevant historical facts and circumstances, as well as prospective information, ensuring a holistic assessment over an extended period of time is performed, to ensure that the entity does not change its reporting framework every year.

In the case of the entity as part of a group of entities, the assessments are applied to the economic entity. The reporting framework selected based on the assessment of the economic entity, is applied by both the controlling entity and controlled entity in preparing their annual financial statements.

1.17 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting surplus nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting surplus nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable surplus will be available against which the unused tax losses and unused STC credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Accounting Policies

1.17 Tax (continued)

Tax expenses

Value Added Tax

The Entity is registered with SARS on invoice basis in accordance with Section 15 (2)(a) of the Value Added Tax Act No. 89 of 1991.

1.18 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Accounting Policies

1.18 Employee benefits (continued)

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

1.19 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Accounting Policies

1.19 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the entity

No obligation arises as a consequence of the sale or transfer of an operation until the entity is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

1.20 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.21 Government grants

Government grants are recognised as revenue when:

Accounting Policies

1.21 Government grants (continued)

- it is probable that the economic benefits or services potential associated with the transaction will flow to the economic entity
- the amount of the revenue can be measured reliably, and
- to the extent that there has been compliance with any restrictions associated with grant.

These transfers are recognised in the financial performance as expenses in the period that the events give rise to transfer.

The municipality assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with these transactions will flow to the entity. An announcement at the beginning of the financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, whichever is earlier.

When government remit grants on a reimbursement basis, revenue is recognised when the qualifying expenses have been incurred and to the extent that any other restriction have been complied with.

Conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations it would be enforced by the transferrer, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or were past experience has indicated that the transferrer has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, are recognised in the statement of financial performance in the period which they become receivable.

Interest earned on investments is treated in accordance with the grants conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipal entity's interest, it is recognised as interest earned in the Statement of Financial Performance.

Revenue is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment are brought into use.
Turnover comprises of sales to customers and service rendered to customers. Turnover is stated at the invoice amount and is exclusive of value-added taxation.

1.22 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Accounting Policies

1.22 Segment information (continued)

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.23 Budget information

Entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 1/07/2024 to 30/06/2025.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Variances between actual and budgeted are regarded as material when there is a variance of 10%.

1.24 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

Accounting Policies

1.24 Related parties (continued)

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.25 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

2. Investment property

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	9,406,111	-	9,406,111	9,406,111	-	9,406,111

2. Investment property (continued)

Reconciliation of investment property - 2025

	Opening balance	Total
Investment property	9,406,111	9,406,111

Reconciliation of investment property - 2024

	Opening balance	Total
Investment property	9,406,111	9,406,111

Details of property

Ifafa Farm

Remainder of Portion 1 of the Farm Elysium number 15582, Registration division ET, province of KwaZulu Natal.

In Extent 92,4433 Hectares

Land is leased to Lancelot Estates CC for 9.5 % plus VAT of the cane gross proceeds per month with no escalation clause. There was no expenditure incurred to improve or repair the investment property in the year under review.

The directors assessed the carrying value of investment property at year end. There were no indicators requiring an impairment as at 30 June 2025.

Purchase price: 1 October 2016	9,349,310	9,349,310
- Capitalised expenditure	56,801	56,801
	9,406,111	**9,406,111**

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the entity.

Figures in Rand	2025	2024
2. Investment property (continued)		
Amounts recognised in surplus or deficit		
Rental revenue from Investment property	142,675	154,374
From Investment property that generated rental revenue		
Direct operating expenses (excluding repairs and maintenance)	59,122	55,976

Notes to the Annual Financial Statements

Figures in Rand

3. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and equipment	285,365	(147,141)	138,224	365,960	(190,367)	175,593
Motor vehicles	21,534	(12,920)	8,614	21,534	(8,614)	12,920
IT equipment	295,770	(144,869)	150,901	318,774	(109,564)	209,210
Containers	49,016	(9,803)	39,213	49,016	(6,535)	42,481
Signage	86,875	(17,375)	69,500	100,739	(13,432)	87,307
Total	**738,560**	**(332,108)**	**406,452**	**856,023**	**(328,512)**	**527,511**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and equipment	175,593	9,612	(22,746)	(24,235)	138,224
Motor vehicles	12,920	-	-	(4,306)	8,614
IT equipment	209,210	957	(13,321)	(45,945)	150,901
Containers	42,481	-	-	(3,268)	39,213
Signage	87,307	-	(11,860)	(5,947)	69,500
	527,511	**10,569**	**(47,927)**	**(83,701)**	**406,452**

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and equipment	183,629	18,174	(2,439)	(23,771)	175,593
Motor vehicles	17,227	-	-	(4,307)	12,920
IT equipment	202,242	78,740	(20,653)	(51,119)	209,210
Containers	45,748	-	-	(3,267)	42,481
Signage	94,023	-	-	(6,716)	87,307
	542,869	**96,914**	**(23,092)**	**(89,180)**	**527,511**

Pledged as security

No assets were pledged as security for the year ended.

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
IT Equipment	22,735	18,931
Furniture and Equipment	2,039	16,452
Motor vehicles	26,007	6,476
	50,781	**41,859**

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the entity.

4. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	4,410	(2,205)	2,205	21,596	(7,199)	14,397

Reconciliation of intangible assets - 2025

	Opening balance	Disposals	Amortisation	Total
Computer software	14,397	(8,593)	(3,599)	2,205

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Total
Computer software	17,997	(3,600)	14,397

5. Receivables from exchange transactions

Trade debtors	-	173,398
Deposits	86,615	81,892
Prepaid expenses	-	19,479
Accrued income	2,651	1,070
	89,266	**275,839**

Figures in Rand	2025	2024

5. Receivables from exchange transactions (continued)

Age analysis		
0-30 Days	7,374	174,469
120 Days+	81,892	101,370
	89,266	**275,839**

6. Receivables from non-exchange transactions

Municipal grants and subsidies	35,371,930	29,068,228
Allowance for impairment	(30,450,893)	(25,052,201)
	4,921,037	**4,016,027**
Municipalities contributing to receivables from non-exchange transactions above are as follows:		
Ray Nkonyeni Municipality	2,000,000	2,000,000
Ugu District Municipality	32,670,031	26,810,032
Umuziwabantu Municipality	701,899	258,204
	35,371,930	**29,068,236**
Receivables from non-exchange transactions aging (Gross)		
0-30 days	9,660,000	27,068,236
120 days +	25,711,930	2,000,000
	35,371,930	**29,068,236**

Reconciliation of provision for impairment of receivables from non-exchange transactions

Opening balance	25,052,201	-
Ugu District Municipality	5,398,692	23,313,071
Ray Nkonyeni Local Muncipality	-	1,739,130
	30,450,893	**25,052,201**

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	504	499
Bank balances	1,103,857	35,962
	1,104,361	**36,461**

Figures in Rand	2025	2024

7. Cash and cash equivalents (continued)

The entity had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
ABSA - Main Current Account (USCT) - 4074036586	-	98	353,081	-	98	353,081
SCTIE - Call Account : ABSA 9382648008	-	-	1,583,919	-	-	1,583,919
USCDA - Call Account : NSNP Raset 9340887696	-	-	1,102	-	-	1,102
URT - Investment Account 9358814944	-	-	799	-	-	799
TIKZN: One Stop Shop STD Bank 053302435	1,045	1,154	-	1,045	1,154	-
STD Bank - Call Account 058900578	7,014	2,593	-	7,014	2,953	-
STD Bank - SCTIE: Main Account 053302346	1,095,798	31,756	-	1,095,798	31,756	-
Cash on hand	-	-	-	504	499	-
Total	**1,103,857**	**35,601**	**1,938,901**	**1,104,361**	**36,460**	**1,938,901**

8. Payables from exchange transactions

Trade payables	469,478	527,851
Accrued leave pay	589,936	401,191
Accrued bonus	192,871	312,598
Provision for employment benefits	157,877	361,259
PAYE/ UIF/ SDL/ Pension Accrual	221,553	154,106
Other Creditors	1,150	1,150
	1,632,865	**1,758,155**

Trade payables from exchange transactions age analysis

0 - 30 days	1,356,968	1,370,232
31 - 60 days	4,901	250,903
61 - 90 days	-	126,500
91 - 120 days +	270,996	10,520
	1,632,865	**1,758,155**

9. VAT payable

VAT payable	1,891,333	925,034

The Entity is registered with SARS on invoice basis in accordance with Section 15 (2)(a) of the Value Added Tax Act No. 89 of 1991.

10. Share capital / contributed capital

Authorised		
200 Ordinary shares of R1 each	200	200
Issued		
Ordinary	200	200

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
11. Commission, membership fees and sales		
Sale of goods	78,261	-
Commission on sales	335	1,363
Membership fees raised	66,502	87,000
	145,098	**88,363**
12. Rental of facilities		
Facilities and equipment		
Lancelot Estate CC	142,675	154,374
13. Sundry income		
Legal fees recovered	14,727	152,014
Insurance claim refund	19,748	6,087
VAT	1,320	-
	35,795	**158,101**
14. Interest received		
Interest revenue		
Bank	132,607	102,796
Other (Deposits)	4,723	4,723
SARS	459	-
	137,789	**107,519**

Total interest income, earned using the effective interest rate, on financial instruments not at fair value through surplus or deficit amounted to R137 789 (2024: R107 519).

Figures in Rand	2025	2024

15. Government grants and subsidies

Operating grants

Ugu District Municipality	8,400,000	23,313,071
Umdoni Municipality	2,195,400	2,083,344
Umzumbe Municipality	2,053,344	1,955,448
Umuziwabantu Municipality	1,479,912	1,405,572
Ray Nkonyeni Municipality	3,632,748	3,422,844
TIKZN - One Stop Shop	-	265,775
	17,761,404	**32,446,054**

Conditional and Unconditional

Included in above are the following grants and subsidies received:

Conditional grants received	-	265,775
Unconditional grants received	17,761,404	32,180,279
	17,761,404	**32,446,054**

TIKZN - One Stop Shop

Current-year receipts	-	265,775
Conditions met - transferred to revenue	-	(265,775)
	-	**-**

The grant was received from Trade and Investment KwaZulu Natal in respect of the establishment of Ugu District One Stop Shop.

16. Revenue

Commission, membership fees and sales	145,098	88,363
Rental of facilities	142,675	154,374
Sundry income	35,795	158,101
Interest received	137,789	107,519
Government grants & subsidies	17,761,404	32,446,054
	18,222,761	**32,954,411**

The amount included in revenue arising from exchanges of goods or services are as follows:

Rendering of services	145,098	88,363
Rental of facilities and equipment	142,675	154,374
Sundry income	35,795	158,101
Interest received	137,789	107,519
	461,357	**508,357**

Transfer revenue

Government grants & subsidies	17,761,404	32,446,054

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
17. Bad debt written off		
Ugu District Municipality	-	17,037,915
Cancelled membership fees	15,500	30,754
	15,500	**17,068,669**
18. Debt Impairment		
Ugu District Municipality	8,400,000	23,313,071
Ray Nkonyeni Municipality	-	1,739,130
Reversal of impairment	(3,001,308)	-
	5,398,692	**25,052,201**
19. Depreciation and amortisation		
Property, plant and equipment	83,701	89,180
Intangible assets	3,599	3,599
	87,300	**92,779**
20. Directors' remuneration		
Dr. S.J Nzimande	-	26,235
Mr. S.C Dlomo	250,481	308,592
Mrs. E.J Crutchfield	-	48,433
Mr. CJ Davenhill	-	17,715
Mrs. NV Masito	116,060	131,477
Dr. K Godlwana	79,726	97,335
Mr. LG Yeni	81,987	80,129
Mr. HTH Sabela	121,936	127,643
	650,190	**837,559**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

21. Employee related costs

Basic	5,028,538	6,241,361
Bonus	233,521	582,398
Medical aid - company contributions	174,964	185,515
UIF	27,215	31,335
SDL	54,454	68,019
Leave pay (reversal) / charge	189,896	53,526
Pension	171,687	219,011
Overtime payments	-	32,595
Housing benefits and allowances	9,207	8,811
Telephone allowance	58,412	82,257
	5,947,894	**7,504,828**

Chief Executive Officer - PC Mangcu (01 July 2023 to 31 January 2024)

Annual Remuneration	-	857,508
Performance Bonuses	-	178,516
Contributions to UIF	-	10,476
Cell phone allowance	-	15,075
Leave paid out	-	115,887
	-	**1,177,462**

Remuneration of Chief Executive Officer - Vl Sibiya (01 October 2024 - 30 June 2025)

Annual Remuneration	750,000	607
Contributions to UIF	8,914	-
Cell phone allowance	-	7,284
	758,914	**7,891**

Acting Manager: Finance, Corporate Services & Admin - S Singh (From 1 March 2024 to 31 August 2024)

Annual Remuneration	65,022	151,486
Acting allowance	74,508	149,016
Contributions to UIF	1,002	2,004
	140,532	**302,506**

Remuneration of Manager Finance and HR - B Fikeni (01 July 2022 - 28 February 2023)

Performance Bonuses	-	14,075

Figures in Rand	2025	2024

21. Employee related costs (continued)

Manager: Development & Projects - N Hlongwane

Annual Remuneration	-	887,359
Performance Bonuses	-	67,581
Contributions to UIF	-	9,899
Cell phone allowance	-	7,284
Leave paid out	-	47,098
	-	**1,019,221**

Acting - Manager: Finance, Corprate Services & Admin - DL Ludick (01 July 2023 - 28 February 2024)

Annual Remuneration	778,092	622,473
Performance Bonuses	93,371	113,388
Contributions to UIF	9,492	7,494
Cellphone allowance	21,536	17,229
	902,491	**760,584**

Acting - Chief Executive Officer - DL Ludick (01 March 2024 - 31 August 2024)

Annual Remuneration	155,618	389,046
Acting Allowance	89,384	178,768
Contributions to UIF	3,443	3,797
Cell phone allowance	4,307	8,614
	252,752	**580,225**

22. Finance costs

Interest and penalties on late payment	30,604	86,685

Total interest expense, calculated using the effective interest rate, on financial instruments not at fair value through surplus or deficit amounted to R30,604 (2024: R86,685).

23. Lease rentals on operating lease

Premises		
Contractual amounts	505,200	503,100
Equipment		
Contractual amounts	46,667	48,921
	551,867	**552,021**

Leasing Arrangements
The entity leases office buildings under an operating lease arrangement. Lease term is 3 years, with no options to renew. No contingent rent is payable, and no restrictions are imposed by lease arrangements.

Payments are made on a starightline basis over the lease term.
Future minimum lease payments under non-cancellable leases:
Not later than 1 year : R463 100
Later than 1 year and not later than 5 years: Nil

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

24. Operational costs

Advertising	820	48,388
Audit committee fees	117,271	104,541
Auditors remuneration	776,728	874,762
Bank charges	18,727	32,076
Cleaning	12,432	12,192
Consulting and professional fees	43,645	135,316
Insurance	40,491	37,584
Motor vehicle expenses	27,340	43,165
Printing and stationery	58,201	54,201
Repairs and maintenance	54,701	47,790
Security	16,921	19,696
Software expenses	11,062	11,870
Staff welfare	3,039	42,880
Subscriptions and membership fees	5,159	3,648
Telephone and fax	96,817	90,989
Training	1,479	-
Travel and accommodation	91,047	39,943
Water and electricity	253,282	179,308
Workmen's Compensation	39,541	43,268
	1,668,703	**1,821,617**

25. Developmental and project costs

SMME Training and development	2,921	21,511
KwaXolo cave route	37,912	281
Ifafa industrial park	59,122	55,976
Ntelezi Msani project	-	16,656
Umdoni projects	9,391	562
Umuziwabantu projects	3,184	1,575
One Stop Shop	-	118,010
	112,530	**214,571**

26. Marketing investment costs

Advertising, public relations and campaigns	936,113	1,811,010
Markerting event support	869,565	-
Media educationals	12,335	12,704
Promotional items	17,053	40,237
Shows and exhibitions	370,879	80,727
Research and advisory	3,000	8,400
Marketing collateral, images and videos	49	165,537
MICE leads and support	90,342	-
Website & social media	458,811	732,069
Brand tracking	40,418	37,768
Stakeholder costs	92,312	11,089
	2,890,877	**2,899,541**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

27. Cash (used in) / generated from operations

Surplus (deficit)	812,078	(23,192,369)
Adjustments for:		
Depreciation and amortisation	87,300	92,779
Loss on disposal of assets	56,526	16,310
Debt impairment	5,398,692	25,052,201
Bad debts written off	15,500	17,068,669
Changes in working capital:		
Receivables from exchange transactions	186,573	(74,313)
Receivables from non-exchange transactions	(6,319,208)	(21,404,685)
Payables from exchange transactions	(125,291)	297,326
VAT	966,299	314,878
	1,078,469	**(1,829,204)**

28. Auditors' remuneration

Audit fee	776,728	874,762

29. Related parties

Relationships	
Controlling entity	Ugu District Municipality
Directors	See Directors' Report and Note 22
Grant funding municipality	Umdoni Municipality
	Umzumbe Municipality
	Umuziwabantu Municipality
100% Owner : S Dlomo Incorporated	SC Dlomo

Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties		
Ugu District Municipality	32,670,032	26,810,032
Ray Nkonyeni Local Municipality	2,000,000	2,000,000
Umuziwabantu Municipality	701,899	258,204
Legal costs paid to related parties		
S Dlomo Incorporated	-	10,000

Related party transactions

Grants revenue from related parties		
Ugu District Municipality	8,400,000	23,313,071
Ray Nkonyeni Municiaplity	3,632,748	3,422,844
Umdoni Municipality	2,195,400	2,083,344
Umzumbe Municipality	2,053,344	1,955,448
Umuziwabantu Municipality	1,479,912	1,405,572
Services in- kind received from related parties		
Ugu District Municiplaity	-	157,600
Compensation to directors and other key management		
Short-term employee benefits	209,529	260,488

Figures in Rand	2025	2024

30. Additional disclosure in terms of Municipal Finance Management Act

Audit fees

Opening balance	9,986	-
Current year subscription / fee	893,238	874,762
Amount paid - current year	(633,381)	(864,776)
	269,843	**9,986**

PAYE, UIF and SDL

Opening balance	129,296	(59)
Current year subscription / fee	1,292,228	1,784,718
Amount paid - current year	(1,206,135)	(1,655,363)
	215,389	**129,296**

Pension and Medical Aid Deductions

Opening balance	24,693	-
Current year subscription / fee	690,193	794,517
Amount paid - current year	(714,886)	(769,824)
	-	**24,693**

VAT

VAT payable	1,891,333	925,034

All VAT returns have been submitted by the due date throughout the year.

31. Directors' emoluments

2025

	Emoluments	Board fees	Other	Total
Mr. Sandile C. Dlomo	56,026	53,674	140,783	250,483
Dr. Khululiwe H. Godlwana	33,995	17,402	28,329	79,726
Mrs. Nongcebo V. Masito	49,037	47,563	19,460	116,060
Mr. Lunga G. Yeni	33,995	26,858	21,134	81,987
Mr. Henry T.H Sabela	33,995	29,333	58,607	121,935
	207,048	**174,830**	**268,313**	**650,191**

2024

	Emoluments	Board fees	Other	Total
Dr. Sipho J Nzimande	14,007	12,228	-	26,235
Mrs. Elizabeth J. Crutchfield	12,259	15,074	21,100	48,433
Mr. Sandile C. Dlomo	50,518	84,357	173,717	308,592
Dr. Khululiwe H. Godlwana	25,496	33,725	38,114	97,335
Mrs. Nongcebo V. Masito	36,778	42,806	51,893	131,477
Mr. Lunga G. Yeni	25,496	27,653	26,980	80,129
Mr. Colin J. Davenhill	8,499	7,418	1,799	17,716
Mr. Henry T.H Sabela	25,496	38,851	63,295	127,642
	198,549	**262,112**	**376,898**	**837,559**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
32. Fruitless and wasteful expenditure		
Opening balance as previously reported	122,109	35,783
Opening balance as restated	**122,109**	**35,783**
Add: Expenditure identified - current	32,655	86,714
Less: Amount written off	(35,822)	(388)
Closing balance	**118,942**	**122,109**
33. Irregular expenditure		
Opening balance as previously reported	34,309	386,784
Opening balance as restated	**34,309**	**386,784**
Add: Irregular Expenditure - current	14,544	62,231
Less: Amount written off	(48,853)	(414,706)
Closing balance	**-**	**34,309**

33. Irregular expenditure (continued)

Incidents/cases identified in the current year include those listed below:

	Disciplinary steps taken/criminal proceedings		
Bid not evaluated in terms of SCM Regulation 28	No disciplinary action taken	-	28,084
Three written quotations not invited	No disciplinary action taken	14,544	34,147
		14,544	**62,231**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

34. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• All commitments	1,655,406	4,885,607

Total commitments

Total commitments

Authorised capital expenditure	-	3,173,495
Authorised operational expenditure	1,655,406	1,712,113
	1,655,406	**4,885,608**

TMSA & OJC 052019

A tender was awarded to TMSA & OJC 052019, for the provision of Marketing, Public Relations, Advertising Agency and Digital Services for a 36 month period in September 2022, for the total amount of R10 912 153. At the end of May 2024, the contract was ultimately suspended for a 4 month period due to cash flow challenges. The contract was reactived in full for the period October to December 2024, whereafter we negotiated a reduced scope in the services for the remainder of the financial year. The remaining financial commitment is approximatley R1 122 841.

Woodmill Lane

A tender for office accommodation was awarded to Woodmill Lane in June 2023. The 36 month lease ends 31 May 2026. The reamining financial commitment is apprximatley R532 565.

35. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the board and includes a note to the annual financial statements.

• Impractical to get three quotes	307,656	351,279

Figures in Rand	2025	2024

36. Risk management

Financial risk management

The Accounting Officer has overall responsibility for the establishment and oversight of the municipal entity's risk management framework. The municipal entity's risk management policies are established to identify and analyse the risks faced by the municipal entity, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities and municipal entities are not exposed to the degree of financial risk faced by business entities. Financial instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IASs mainly apply. Generally, financial assets and liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipal entity in undertaking its activities.

The Chief Financial Officer monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipal entity does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports quarterly to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Liquidity risk

Liquidity risk is the risk that the municipal entity will encounter difficulty in meeting the obligations associated with its Financial liabilities that are settled by delivering cash or another financial asset. The municipal entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipal entity's reputation.

Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

Credit risk

Credit risk is the risk of financial loss to the municipal entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the municipal entity's receivables from customers and investment securities.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipal entity. The municipal entity has a sound credit control and debt collection policy and obtains collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipal entity uses other publicly available financial information and its own trading records to assess its major customers. The municipal entity's exposure of its counterparties are monitored regularly.
Potential concentrations of credit rate risk consist mainly of, other debtors, short-term investment deposits and bank and cash balances.

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial asset	2025	2024
Cash and cash equivalents	1,104,361	36,461
Receivables from non - exchange transactions	4,921,037	4,016,027
Receivables from exchange transactions	89,266	275,839

Figures in Rand	2025	2024

36. Risk management (continued)

Interest rate risk

Interest rate risk is defined as the risk that the fair value or future cashflows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Financial assets and liabilities that are sensitive to interest rate risk are cash and cash equivalents and loan payables. The municipal entity is not exposed to interest rate risk on these financial instruments as the rates applicable are fixed interest rates.
Potential concentrations of interest rate risk consist mainly of other debtors, short-term investment deposits and bank and cash balances.

37. Going concern

We draw attention to the fact that at 30 June 2025, the entity had an accumulated surplus of R 12,405,034 and that the entity assets exceed its liabilities by R 12,405,234.

The entity is however highly dependent on the District and Local Municipalities for grant funding and therefore it’s ability to operate and meet its financial obligation timeously depends on the timely receipt of these grants.

Ugu South Coast Tourism was deregistered and the deregistration processes was finlised on the 22nd of August 2025.

Figures in Rand	2025	2024

38. Segment information

Identification of segments

The entity is organised and reports to management on the basis of three major functional areas:

- Operational
- Developmental and
- Marketing

The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

38. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2025

	Operational	Developmental	Marketing	Total
Revenue				
Commission	335	-	-	335
Membership raised	-	-	66,502	66,502
Rental of facilities	-	142,675	-	142,675
Sundry income	35,795	-	-	35,795
Sales	-	-	78,261	78,261
Interest received	137,789	-	-	137,789
Government grants and subsidies	5,920,468	5,920,468	5,920,468	17,761,404
Total segment revenue	**6,094,387**	**6,063,143**	**6,065,231**	**18,222,761**
Entity's revenue				**18,222,761**
Expenditure				
Depreciation and amortisation	29,100	29,100	29,100	87,300
Directors remuneration	216,730	216,730	216,730	650,190
Employee related costs	3,419,540	1,076,007	1,452,348	5,947,895
Finance costs	10,201	10,201	10,201	30,603
Bad debts write off	-	-	15,500	15,500
Debt impairment	1,799,564	1,799,564	1,799,564	5,398,692
Lease rentals on operating lease	183,956	183,956	183,956	551,868
Loss on disposal of assets	18,842	18,842	18,842	56,526
Operational costs	556,234	556,234	556,234	1,668,702
Developmental and project costs	-	112,530	-	112,530
Marketing and investment costs	-	-	2,890,877	2,890,877
Total segment expenditure	**6,234,167**	**4,003,164**	**7,173,352**	**17,410,683**
Total segmental surplus/(deficit)				**812,078**

Assets

38. Segment information (continued)

Property, plant and equipment	135,484	135,484	135,484	406,452
Investment property	-	9,406,111	-	9,406,111
Intangible assets	735	735	735	2,205
Receivables from exchange transactions	89,266	-	-	89,266
Receivables from non-exchange transactions	1,640,346	1,640,346	1,640,345	4,921,037
Cash and cash equivalents	368,120	368,120	368,121	1,104,361
Total segment assets	**2,233,951**	**11,550,796**	**2,144,685**	**15,929,432**
Total assets as per Statement of financial Position				**15,929,432**
Liabilities				
Payables from exchange transactions	544,288	544,288	544,289	1,632,865
VAT payable	630,444	630,444	630,445	1,891,333
Total segment liabilities	**1,174,732**	**1,174,732**	**1,174,734**	**3,524,198**
Accumulated surplus				12,405,034
Share capital				200
Total Net Assets				**12,405,234**

2024

	Operational	Developmental	Marketing	Total
Revenue				
Commission	1,363	-	-	1,363
Membership raised	-	-	87,000	87,000
Rental of facilities	-	154,374	-	154,374
Sundry income	158,101	-	-	158,101
Interest revenue	107,519	-	-	107,519

38. Segment information (continued)

Government grants & subsidies	10,726,759	10,726,760	10,726,760	32,180,279
Conditional grants	-	132,888	132,888	265,776
Total segment revenue	**10,993,742**	**11,014,022**	**10,946,648**	**32,954,412**
Entity's revenue				**32,954,412**
Expenditure				
Depreciation and amortisation	30,926	30,927	30,926	92,779
Directors remuneration	279,186	279,186	279,186	837,558
Employee related costs	3,592,691	2,397,903	1,508,190	7,498,784
Bad debts	5,689,556	5,689,556	5,689,556	17,068,668
Development and project costs	-	214,571	-	214,571
Marketing and investment costs	-	-	2,899,541	2,899,541
Debt impairment	8,350,734	8,350,734	8,350,733	25,052,201
Finance costs	86,685	-	-	86,685
Lease rentals on operating lease	184,007	184,007	184,007	552,021
Operational costs	607,206	607,206	607,206	1,821,618
Loss on disposal	16,310	-	-	16,310
Total segment expenditure	**18,837,301**	**17,754,090**	**19,549,345**	**56,140,736**
Total segmental surplus/(deficit)				**(23,186,324)**
Assets				
Property, plant and equipment	175,837	175,837	175,837	527,511
Investment property	-	9,406,111	-	9,406,111
Intangible assets	4,799	4,799	4,799	14,397
Receivables from exchange transactions	275,839	-	-	275,839
Receivables from non-exchange transactions	1,338,676	1,338,676	1,338,675	4,016,027
Cash and cash equivalents	12,153	12,154	12,154	36,461
Total segment assets	**1,807,304**	**10,937,577**	**1,531,465**	**14,276,346**
Total assets as per Statement of financial Position				**14,276,346**

38. Segment information (continued)

Liabilities				
Payables from exchange transactions	586,052	586,052	586,051	1,758,155
VAT payable	308,345	308,345	308,344	925,034
Total segment liabilities	**894,397**	**894,397**	**894,395**	**2,683,189**
Accumulated surplus				11,592,957
Share capital				200
Total Net Assets				**11,593,157**

Figures in Rand	2025	2024

39. Prior-year adjustments

Presented below are those items contained in the statement of financial position and statement of financial performance that have been affected by prior-year adjustments:

Statement of financial position

2025

	Note	As previously reported	Correction of error	Restated
Unspent conditional grants and receipts (A)		(55,500)	55,500	-
Accumulated surplus		(11,543,502)	(49,454)	(11,592,956)
		(11,599,002)	**6,046**	**(11,592,956)**

Statement of financial performance

2025

	Note	As previously reported	Correction of error	Restated
Employee related costs (B)	21	7,498,783	6,045	7,504,828

Errors

A) The unspent grant revenue was incorrectly not transfered to revenue in the prior years' although conditions having being met.

Figures in Rand	2025	2024

40. Budget differences

Statement of financial performance

40.1
SCTIE entered into participation agreements in an effort to raised some revenue to assist with the costs of attendeing the Africa Travel Indaba in May. This also assisted the four establishments in attending the trade show at a cost which was less than purchasing their own space.

40.2 With the entity not entering into a long-term lease with the tenant, they are not investing in the maintenance of the soil, which has brought about the reduction in the crop quantity and quality, bringing about the reduction in income.

40.3
This income was made up of an award of legal fees R14 727, from the USCT labour matter which was finalised in May 2023. The amount of R19 748, for an insurance refund and R1320 from SARS for an old VAT refund.

40.4
With the non-payment of grants, cash on hand was significantly less than anticipated, causing a reduction of interest earned.

40.5
Whilst the municiapl grnats were invoiced, Ugu District has yet to meet their responsibilities to release their payments.

40.6
This reduction has been brought about, due to the unfilled positions in the organogram, which has been due to financial constraints that SCTIE is operating under.

40.7 A small reduction in depreciation, brought about by some of the losses incurred during the year.

40.8
Due to the entity only receiving approximately 49 % of its annual grant, many of the Catalytic Projects & Tourism Development projects could not be undertaken, in the manner in which had been intended.
Many of the targets achieved were done so by leveraging other stakeholders for support, as SCTIE did not have the cash flow to bare these costs.

40.9
This expenditure was brought about due to the penalties and interest on late payments to SARS due to the non-availability of cash on hand to meet the SARS payment deadlines.

40.10
This is acceptable saving, which was brought about through management of the operational leases.

40.11
This provision for a debt impairment, is based on the impairment of the outstanding grant for 2023, owed by Ray Nkonyeni Municipality and the impairment of the full grant owed by Ugu District Municipality.

40.12
This reduction is a saving and is acceptable.

40.13
Directors are remunerated for meetings attended.

40.14
Due to the entity only receiving approximately 49 % of its annual grant, many of the Investment & Tourism
Marketing activities could not be undertaken, in the manner in which had been intended. Many of the targets achieved were done so by leveraging other stakeholders for support, as SCTIE did not have the cash flow to bare these costs.

The bulk of cash on hand was utilised for operational costs. Many of the targets achieved through the Marketing, PR, Advertising & Digital Services contract and were also done by leveraging other stakeholders for support, as SCTIE did not have the cash flow to bare these costs. The bulk of cash on hand was utilised for operational costs.

40. Budget differences (continued)

40.15
Management have monitored operational costs stringently, due to the very limited availablility of cash on hand. Only absolute essentials were procured.

40.16
Losses were incurred on the scrapping of redundant assests.

Statement of Financial Position

40.17
Acceptable reduction, all other revenue exchange transaction were received.

40.18
SCTIE anticipated the payment of the outstanding grant funding from RNM, which was not received.

40.19
Less than expected due to the non receipt of grant funding.

40.20
This is higher than expected due to the query on the 2023/2024 vat on the Ugu Grant.

40.21
SCTIE carefully assed the PPE on hand and has diposed of assets in poor condition.

40.22
Due to the diposal of computer equipment, the intangible assets were also disposed of.

40.23
This is higher than expected due to the non-payment of creditors at year end and the increase of provision of employee leave pay.

40.24
This is higher than expected due to the query on the 2023/2024 vat on the Ugu Grant.

Cash Flow Statement

40.25
This was brought about through the funding raised for Indaba stand participation.

40.26
With the entity not entering into a long-term lease with the tenant, they are not investing in the maintenance of the soil, which has brought about the reduction in the crop quantity and quality, bringing about the reduction in income.

40.27
This is due to the non-payment of the Ugu grant as committed in January.

40.28
This is the recovery of the SAMWU outstanding debt, which was finally recovered during the year.

40.29
This reduction has been brought about, due to the unfilled positions in the organogram, which has been due to financial constraints that SCTIE is operating under.

40.30
This reduction due to the entity not being in a position to procure as planned due to the non-receipt of the Ugu grant.

40.31
Provision was made for penalties on the vat on the adjustment made to the 2024 Ugu grant, which has not been finalised.

Figures in Rand	2025	2024

40. Budget differences (continued)

40.32
This reduction due to the entity not being in a position to procure as planned due to the non-receipt of the Ugu grant.

South Coast Tourism and Investment Enterprise
Appendix E(1)
June 2025

Actual versus Budget (Revenue and Expenditure) for the year ended 30 June 2025

	Act. Bal. Rand	Adjusted budget Rand	Variance Rand	Var	Explanation of Significant Variances greater than 10% versus Budget
Revenue					
Commission, membership and sales	145,098	66,337	78,761	118.7	SCTIE entered into participation agreements in an effort to raised some revenue to assist with the costs of attendeing the Africa Travel Indaba in May. This also assisted the four establishments in attending the trade show at a cost which was less than purchasing their own space.
Rental of facilities	142,675	220,200	(77,525)	(35.2)	With the entity not entering into a long-term lease with the tenant, they are not investing in the maintenance of the soil, which has brought about the reduction in the crop quantity and quality, bringing about the reduction in income.
Government grants & subsidies	17,761,404	17,761,404	-	-	Whilst the municiapl grnats were invoiced, Ugu District has yet to meet their responsibilities to release their payments.
Sundry income	35,795	17,336	18,459	106.5	This income was made up of an award of legal fees R14 727, from the USCT labour matter which was finalised in May 2023. The amount of R19 748, for an insurance refund and R1320 from SARS for an old VAT refund.
Interest received - investment	137,789	125,920	11,869	9.4	With the non-payment of grants, cash on hand was significantly less than anticipated, causing a reduction of interest earned.
	18,222,761	18,191,197	31,564	0.2	
Expenses					
Employee related costs	(5,947,895)	(6,937,162)	989,267	(14.3)	This reduction has been brought about, due to the unfilled positions in the organogram, which has been due to financial constraints that SCTIE is operating under.
Depreciation & Amortisation	(87,300)	(93,000)	5,700	(6.1)	A small reduction in depreciation, brought about by some of the losses incurred during the year.
Lease rentals on operating lease	(551,867)	(590,000)	38,133	(6.5)	This is acceptable saving, which was brought about through management of the operational leases.
Finance costs	(30,604)	(149,493)	118,889	(79.5)	This expenditure was brought about due to the penalties and interest on late payments to SARS due to the non-availability of cash on hand to meet the SARS payment deadlines. Further penalties and interest will be incurred due to the VAT relating to the prior year adjustments, which has not been finalised.
Bad debts and cancelled membership fees	(15,500)	(19,000)	3,500	(18.4)	This reduction is a saving and is acceptable.
Marketing and investment	(2,890,877)	(6,140,785)	3,249,908	(52.9)	Due to the entity only receiving approximately 49 % of its annual grant, many of the Investment & Tourism Marketing activities could not be undertaken, in the manner in which had been intended. Many of the targets achieved were done so by leveraging other stakeholders for support, as SCTIE did not have the cash flow to bare these costs. The bulk of cash on hand was utilised for operational costs. Many of the targets achieved through the Marketing, PR, Advertising & Digital Services contract and were also done by leveraging other stakeholders for support, as SCTIE did not have the cash flow to bare these costs. The bulk of cash on hand was utilised for operational costs.

Actual versus Budget (Revenue and Expenditure) for the year ended 30 June 2025

	Act. Bal.	Adjusted budget	Variance		Explanation of Significant Variances greater than 10% versus Budget
Directors remuneration	(650,190)	(793,858)	143,668	(18.1)	Directors are remunerated for meetings attended.
Developmental and special project costs	(112,530)	(1,181,035)	1,068,505	(90.5)	Due to the entity only receiving approximately 49 % of its annual grant, many of the Catalytic Projects & Tourism Development projects could not be undertaken, in the manner in which had been intended. Many of the targets achieved were done so by leveraging other stakeholders for support, as SCTIE did not have the cash flow to bare these costs. The bulk of cash on hand was utilised for operational costs.
Debt impairment	(25,052,201)	-	(25,052,201)	-	This provision for a debt impairment, is based on the impairment of the outstanding grant for 2023, owed by Ray Nkonyeni Municipality and the impairment of the full grant owed by Ugu District Municipality.
Operational costs	(1,668,703)	(2,135,412)	466,709	(21.9)	Management have monitored operational costs stringently, due to the very limited availablility of cash on hand. Only absolute essentials were procured.
	(37,007,667)	(18,039,745)	(18,967,922)	105.1	
Loss on disposal of assets and liabilities	(56,525)	(36,750)	(19,775)	53.8	Losses were incurred on the scrapping of redundant assests.
Net surplus/ (deficit) for the year	(18,841,431)	114,702	(18,956,133)	(16,526.4)	

South Coast Tourism and Investment Enterprise
Appendix E(2)
June 2025

Budget Analysis of Capital Expenditure as at 30 June 2025

	Additions Rand	Revised Budget Rand	Variance Rand	Variance %	Explanation of significant variances from budget
Municipal Entity					
Computers	957	(70,953)	(69,996)	**99**	SCTIE had insuffient cash on hand to enable the procurement of computers as planned. This due to the non-payment of the Ugu District Municipality Grant.
Furniture and Fittings	9,618	(43,749)	(34,131)	**78**	With the assets on hand and the non-appointment of new staff, SCTIE did not need to procure new furniture.
	10,575	**(114,702)**	**(104,127)**	**91**	

UGU DISTRICT MUNICIPALITY

EXTRACT FROM THE DRAFT MINUTES OF THE MEETING OF THE UGU DISTRICT MUNICIPAL COUNCIL HELD ON 26 MARCH 2026

9.2 **2024/2025 Ugu District Municipality and Ugu South Coast Tourism and Investment Enterprise Annual Report and Oversight Report**

The Speaker took members through the report.

Following which,

It was

RESOLVED:

(a) That the report on the 2024/2025 Ugu DM and USCTIE Annual and Oversight Report be and is hereby **CONSIDERED**.

(b) That the 2024/2025 Ugu DM and USCTIE Annual and Oversight Report be and is hereby **APPROVED**.

(c) That after the Council having fully considered the Annual Reports of the Ugu District Municipality and the Ugu South Coast Tourism and investment Enterprise for the 2024/2025 Financial Year, the Oversight Report for the 2024/2025 Financial Year, a copy of which was attached to the signed minutes of the meeting be and is hereby **ADOPTED**.

(d) That the Annual Report of the Ugu District Municipality and the Ugu South Coast Tourism and Investment Enterprise for the 2024/2025 Financial Year as included in the comments in the Oversight Report as referred to in part (7.1) of the resolution be and is **APPROVED**.

(e) That the Oversight Report be made public in accordance with Section 129(3) of the Municipal Finance Management Act 56 of 2003.

(f) That the Oversight Report be submitted to the Provincial Legislature in accordance with Section 132(2) of the Municipal Finance Management Act 56 of 2003.

CERTIFIED A TRUE COPY OF THE ORIGINAL



MS MP GOBHOZI
GENERAL MANAGER: CORPORATE SERVICES

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE RISK REGISTER - 2024/2025

Ref No	Programme	Program Strategic Objective	Project	Risk Identified	Risk Category	Root cause	Consequences	Inherent Rating			Current controls	Residual Rating			Action plan	Responsible person	Time frame	Current status
								II	IL	IR		RI	RL	RR				
11	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Budget Planning	Failure to implement the budget	Financial Risk Compliance Operational Reputational	1. Failure of the municipalities to pay grant funding as per the funding model and SLA.	1. Inabilities to meet financial obligations as they fall due (salaries, board fees, creditors) 2. Failure to deliver on the mandate. 3. Tarnished image with the creditors 4. Low staff morals	5	5	25	1. SLAs with the Municipalities. 2. Stringent cashflow management (cash flow report goes to the board). 3. Budget Policy 4. Virement Policy.	5	5	25	1. Continuous Engagement with municipalities to release funds. 2. Partner with strategic stakeholders to leverage off their programmes.	CEO M: Finance, HR & Admin All managers	Ongoing Ongoing	Currently, Ugu owes R43.9m, RNM R2m (2022/2023). Intervention has been requested through COGTA, and the entity will be loadging a Dispute through the Framework for the Management of Intergovernment Disputes.
12	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Fruitless & Wasteful /Irregular/unauthorised Expenditure	Inability to prevent, detect and resolve fruitless, Irregular and unauthorised expenditure.	Financial Risk Compliance Operational Reputational	1. Non compliance with SCM regulations. 2. Failure to timeously identify changes in the SCM practices. 3. Late payment to SARS due to delayed transfer of funds by the parent.	1. Negative audit findings 2. Tarnish the image of the organisation 3. Financial Losses	5	5	25	1. SCM Policy 2. Procurement plan 3. Enough personnel to constitute committee. 4. SCM Checklist 5. Management of the invoicing.	3	4	12	1. Request training providers to conduct SCM training.	M: Finance, HR & Admin	Completed.	SCM and Tender training was undertaken through Treasury in May. SCTIE staff were invited to participate.
13	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Grant Funding	Delayed transfer of grants (funds) to the entity by the municipalities	Financial Risk Compliance Operational Reputational	1. Financial difficulties of the parent. 2. Municipalities do not understand the mandate of the entity. 3. Lack of the entity being a priority.	1. Inability to meet financial obligations as they fall due (salaries, board fees, creditors) 2. Failure to deliver on the mandate. 3. Tarnished image with the creditors 4. Low staff morals	5	5	25	1. SLAs with the Municipalities. 2. Stringent cashflow management (cash flow report goes to the board). 3. Bank, Cash and Investment management policy.	5	4	20	1. Continuous Engagement with municipalities to release funds. 2. Explore alternative revenue sources.	CEO	31 March 2025.	The funding model has been revised - and a Self-Sustaining workshop will be held as soon as the new CEO is appointed. This has been planned in the APP by 31.03.2025
14	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Corporate Services & HR	Failure to fill the vacant positions On the structure	Financial Risk Human Resources Compliance Operational	1.Budget limitations 2. Failure to attract the right candidates for the advertised positions. 3. Package expectations. 4. Post office is not reliable	1. Lack of capacity to fulfil mandate. 2. Tarnished image of the entity 3. Staff burnout	4	4	16	1. Recruitment and appointment policy 2. Acting Policy 3. Use of interns/graduates.	4	2	8	N/A	N/A	N/A	

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE RISK REGISTER - 2024/2025

Ref No	Programme	Program Strategic Objective	Project	Risk Identified	Risk Category	Root cause	Consequences	Inherent Rating			Current controls	Residual Rating			Action plan	Responsible person	Time frame	Current status
								II	IL	IR		RI	RL	RR				
4	SMME Development & Support	Facilitate the integration of emerging entrepreneurs into tourism industry and encourage transformation through various support initiatives planned as sub-projects	Access to Information/markets/business support	Inability to assist SMMEs and businesses requiring support	Service Delivery Operational	1. Poor attendance of intervention programmes by SMMEs due to lack of lack of commitment 2. Communication challenges with SMMEs. 3. Product quality not meeting industry standards. 4. Lack of undertsanding of the importance of Customer Service	1. Delayed intergration of Emerging entrepreneurs into the economy. 2. Poor service of clients by SMMEs 3. Failure to have an impact on unemployment reduction.	4	5	20	1. Encourage LED of the LM to partner with SCTIE in engaging the SMMEs participation. 2. Communication through social media, telephone, word of mouth and emails. 3. Workshops/awareness/ roadshows are facilitated to create awareness on the importance Customer Service & Quality assurance	3	4	12	Ensure current controls are implemented	Manager: Investment Development CEO	On-going	SCTIE continues to work with municipal LED on this develeopment project. With the lack of funding available SCTIE have not been able to host Community Awareness road shows
5	Stakeholder relations	Develop and maintain relations with key stakeholders in the public and private sector to ensure effective implementation of programs	Membership	Lack of private sector interest in government related membership program	Service Delivery	1. Product owners don't see value in joining the membership. 2. Lack of Muncipal Service delivery negatively impacting SCTIE 3. Abundance of easily accessable marketing platforms for products, therefore seeing the value in joining SCTIE	1. Easy opportunities for scamsters to take advantage of the potential Tourist and the Product	5	4	20	1. Ensure an up to date database is kept with relevant product owner information. 2. Improved communication to stakeholders on the databse on the SCTIE programs and offerings to encourage cooperation	5	3	15	Ensure current controls are implemented	Coordinator: Tourism & Marketing	On-going	Our database is maintened, however, with the serious challenges around municipal Service Delivery which has been compounded by the flooding in Margate in April, membership subscriptions have reduced again this year.
6	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Performance Management	1. Entity Strategy may not align to municipalities IDP.	1. Compliance risk 2. Service Delivery 3 Strategic	1. Lack of participation in the development of the annual performance plan and strategic plan by the municipalities 2. Municipalities do not understand the mandate of the entity. 3. Entity not considered as a priority by LMs and district municipality.	1. Implementation of projects that are not seen to effective. 2. Withholding of the Grant funds by the municipalities.	4	5	20	1. Each Municipality has a representative on the Board of Directors of the Entity. 2. Municipal Managers, Mayors, Portfolio Chairs and LEDs are invited to the strategic review sessions. 3. The Strategy and APP are presented to the Councils of the Municipalities by CEO. 4. The Strategic Planning Session is included in the Annual schedule of meetings	2	5	10	1. Implemnet the action plan 2. Encourage the particpation of municipalities at SCTIE meetings	CEO	On-going	The new Strategy has been apporved by the Board. The APP will be approved has been approved.

.TABLE BELOW DEPICTS THE ASSESSMENT OF SERVICE PROVIDERS FOR THE MONTHS OF JULY 2024 TO JUNE 2025

Contract no. & Description	***Name of Contractor***	***Department***	***Start Date***	***End Date***	***Amount*** ***ACTUAL***	***Supplier Performance Assessment Rating***		
						Good	Fair	Poor
SCTIE 01/2023 Marketing, Advertising & Digital Agency	TMSA & OJC 052019	Marketing (Full value)	01.10.2022 / 01.01.2023	30.09.2025 / 31.12.2025	R 3 173 494 per annum **R1 161 595**	X		
SCTIE 03/2023 Office Accommodation	Woodmill Lane (Pty) Ltd	Administration	01.06.2023	31.05.2026	R 580 980.00 per annum + utilities **R 873 444**	X		
SCTIE MINI 11/2024 Office Insurance	Hibiscus Insurance Brokers	Administration	01.07.2024	30.06.2025	**R 39 739.20**	X		
SCTIE MINI 12/2024 IT Support services	Key Computers	Administration	01.07.2024	30.06.2025	R 440.00 per hour **R 8 900.00**	X		
SCTIE MINI 01 2025 Copy Machine Rental	i. Konkia Minolta ii. Capital Office	Administration	13.09.2024	30.03.2025	R 2 136.83pm R 2 541.00pm	X X		

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE RISK REGISTER - 2024/2025

Ref No	Programme	Program Strategic Objective	Project	Risk Identified	Risk Category	Root cause	Consequences	Inherent Rating			Current controls	Residual Rating			Action plan	Responsible person	Time frame	Current status
								II	IL	IR		RI	RL	RR				
1	Marketing and Communication	To position the KZN South Coast as an accessible, year-round, tourist and investment friendly destination, with diverse offerings through various approaches, methods and tools	Brand positioning/Public Relations/Brand Tracking	Inability to market the south coast as a suitable destination for tourism and investment	Service Delivery Operational	1. Lack of funds 2. Delay in the transfer of funds by municipalities. 2. Staff capacity 3. Failure to manage and monitor the performance of the marketing agency. 4. Lack of support by the municipalities in infrastructure maintenance (water challenges, sewer spillage, potholes, beach amenities) 5. Red tape in the municipalities investment application approvals (and special permits)	1. Failure to attract potential tourist and investors. 2. Failure to have an impact on level of unemployment.	5	5	25	1. Service Level Agreements with the Local Municipalities and the District on the funding model. 2. Quarterly Marketing plan. 2. Marketing done through a Marketing Agency. 3. Service Level Agreement with the Marketing Agency which stipulates the performance expectations. 4. Use of Media Familiarisation trip. 5. Quarterly CEO/area chair meetings. 6.Ugu Economic Sector and infrastructure Development Cluster meetings.	5	4	20	1. Follow-up on the transfer of funds by the municipalities. 2. Management of the one stop shop office for district investment.	CEO Manager: Finance, HR & Admin	On-going monthly for collection of grants. Quarterly/As per SLA's and or Equitable Share release (RNM) 31.03.2025.	SLAs signed Coninuous engagements with municipalities on the grant payments
2	Tourism development	Develop an inclusive and diverse tourist destination while addressing it's competitiveness	Nodal Development	Inability to provide nodal development and support.	Service Delivery Operational	1. Lack of funds 2. Lack cooperations from key stakeholders (chiefs, communities, municipalities, government departments) 3. Protests from local communities. 4. Complications with the ownership of the nodal sites.	1. Failure to attract potential tourist and investors. 2. Failure to have an impact on level of unemployment.	4	4	16	1. Project steering committees, 2. Training of community members as tourism operators. 3. Community awareness programs are conducted. 4. Ugu Cluster Priority Committee on rural safety and tourism. 5. Partnerships with relevant government (EDTEA, Department of Arts and culture) and private sector	3	3	9	N/A	N/A	N/A	Lack of funding remains a challenge. Development Training is being done through outstide service providers - with coordination being doone by SCTIE personal
3	Development	To facilitate and support the development of new existing catalytic projects in order to encourage Investment and Job Creation	Catalytic Projects	Failure to implement the catalytic and greenfield projects	Service Delivery Operational	1. Delay in the transfer of funds by municipalities. 2. Red Tape limitation by government departments and municipalities 3. Vacancy of Manager : Investment & Development (1.07.2024)	1. Failure to attract potential investors. 2. Failure to have an impact on level of unemployment 3. Entities image may be tarnished	4	4	16	1. Applications for alternative funding. 2. Sub-lease contract (Hib Mixed Use). 3. Continuous stakeholder egagements to unlock blockages 4. Pending new advert & appointment by the CEO	4	3	12	1. Engagement with key stakeholders to unlock blockages 2. Finalise vacancy advert	Manager: Investment Development CEO	31 January 2025.	The Lease for HMU has been drafted for review. The new Strategy has been approved. The New CEO started 1.10.2024.

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE RISK REGISTER - 2024/2025

Ref No	Programme	Program Strategic Objective	Project	Risk Identified	Risk Category	Root cause	Consequences	Inherent Rating			Current controls	Residual Rating			Action plan	Responsible person	Time frame	Current status
								II	IL	IR		RI	RL	RR				
7	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Performance Management	Inability to implement the activities on the Annual Performance	1. Compliance risk 2. Service Delivery 3 Strategic	1. Annual Performance plan may not the consistent with Strategic Plan. 2. Delay in the release of grant funding by the municipalities. 3. Unfilled vacancies with the organisation structure.	Failure to deliver on the mandate of the entity.	5	5	25	1. Organisational Performance Management System Policy 2. Individual Performance Management System Policy 3. Section 57 signed APPs 4. Internal Audit review Process 5. Quarterly Reports are presented to the Board and parent	2	4	8	N/A	N/A	N/A	
8	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Governance	The risk management may not be conducted	Compliance risk Operational	1. Non availability of entity personnel. 2. Understanding of the risk process	1. Non compliance with MFMA 2. Risks to the objectives will not been managed	4	5	20	1. Risk Management policy 2. Fraud Prevention Plan 3. The risk is being coordinated by the Manager HR & Administration 4. Risk Management Unit of Parent assists with risk management.	2	4	8	N/A	N/A	N/A	
9	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Governance	Audit queries may not be resolved	Compliance risk Operational	1. System capacity or system set up. 2. Some finding may be complex requiring extended time to resolve	1. Repeat findings 2. Negative audit opinion	5	5	25	1. Post Audit Action Plan is prepared after every audit. 2. Quarterly reporting on post audit action plans to the audit committee 3. Internal Reports and AGSA reports/management reports are presented to the board 4. Resolving of audit queries is a KPI in the performance agreement of managers	5	1	5	N/A	N/A	N/A	
10	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Financial In year reporting.	Non submission of monthly financial reports to UGU.	Compliance risk Operational risk	1.Reports drawn from system are not reliable. 2. Reliant on consultants to format and create a system which is MSCOA compliant.	Non compliance with MFMA	5	5	25	1. There is a SAGE Evolution system that is being used. 2. Parent has a contract with the SAGE contractor	2	5	10	1. Continuous engagement with UGU and Consultants directly to resolve the system challenges, as and when required.	M: Finance, HR & Admin	Ongoing	The system is stable and reports are submitted to Ugu and thereafter to Treasury via Ugu DM.

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE RISK REGISTER - 2024/2025

Ref No	Programme	Program Strategic Objective	Project	Risk Identified	Risk Category	Root cause	Consequences	Inherent Rating			Current controls	Residual Rating			Action plan	Responsible person	Time frame	Current status
								II	IL	IR		RI	RL	RR				
15	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Corporate Services & HR	Senior management positions becoming vacant	Financial Risk Human Resources Compliance risk Operational	1. One S57 (Manage: Investment & Development) resigned 30 June 2024. 2. Recruitement process to begin, pending direction of the new CEO	1. Positions become vacant 2. Lack of moral of staff 3. Lack of service delivery implementation 4. Tarnished image of the entity	5	4	20	1. Vacancies will be advertised. 2.New CEO appointment from 1 October 2024.	5	3	15	1. A timetime will be formulated once direction received from the CEO.	CEO Manager: Finance, HR & Admin	31 January 2025.	Board have appointed a CEO as of 1 October to start the recruitment process.
16	Finance & Administration	To ensure that the Entity's administration is characterised by good financial management, good governance and compliance as well as adequate / required staff in order to achieve the intended outcomes according to plans	Corporate Services & HR	Staff may not be adequately develop	Financial Risk Human Resources Compliance risk Operational	1. No budget for staff development 2. Identification of the suitable training requirements	1. Lack of capacity to perform required tasks. 2. Failure to deliver on the mandate of the entity 3. Tarnished image of the entity	5	4	20	1. Informal on the Job training. 2. Training and Development policy 3. Training development plan.	3	4	12	1. Review the Training and Development Plan 2. Explore free training opportunities 3. Staff engagements on training required	CEO M: Finance, HR & Admin All managers	31 December 2024.	Done

LEGENDS:

II - Inherent Impact
IL - Inherent Likelihood
IR - Inherent Rating
RI - Residual Impact
RL - Residual Likelihood
RR - Residual Rating

Risk index	Risk magnitude	Risk acceptability	Proposed actions
20 – 25	Maximum risk	Unacceptable	Take action to reduce risk with highest priority, accounting officer and executive authority attention.
15 – 19	High risk	Unacceptable	
10 – 14	Medium risk	Unacceptable	Take action to reduce risk, inform top management.
5 – 9	Low risk	Acceptable	No risk reduction - control, monitor, inform management.
04-Jan	Minimum risk	Acceptable	No risk reduction - control, monitor, inform management.

MERGED ENTITY

STRATEGIC PLAN DOCUMENT 2022 - 2026

Prepared on the 28th January 2022

SUBMITTED TO:

MERGED ENTITY

Contact Persons: Sandile Dlomo & Phelisa Mangcu

Position: Chief Executive Officers

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M.M

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1. INTRODUCTION

1.1 BACKGROUND AND ORIENTATION

The Ugu District Municipality as the Parent to Ugu South Coast Tourism, and Ugu South Coast Development Agency, resolved to consider a merger of these two entities. It must be noted that, these are two legally compliant special purpose vehicles which are being merged into one entity. The merger includes the de-registration of the one entity, and increasing mandate of other entity and registration of that accordingly.

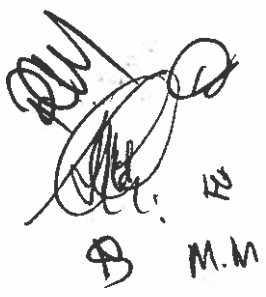
Therefore, a new external service delivery mechanism is not being created, but out of two previously established external service delivery mechanisms there is a merger for purposes of streamlining efficiencies and effectiveness (including financial sustainability), as part of an entire change within the economic development space of the district. Covid 19 draw attention to the current inefficiencies and the inability to respond appropriately.

Therefore, it is not a new entity per se but a merger arising out of a context and broader assessment process and guided by a strategic plan which is aligned to the macro-LED framework.

The Change Management (Technical & Political) Committees were established with an intention to guide the merger process, and resolved to recommend an interim board be established. The interim board comprises of some board members from each board of the two entities. These interim board members have a defined Terms of Reference; and they are registered members for both existing entities. However, on the 01st July2022 it is planned that the merger would be completed which will result into one entity existing with broadened mandate and interim board members. The interim board term of office will come to an end in 2023.

1.2 THE PURPOSE OF THE STRATEGIC PLAN

It is important to note that, this is a development of a comprehensive new strategy, that will simplify the mandate of the Merged Entity as it is spelled out under sub-section 3.1.2 of this document. It must also be noted that, this strategic plan document is developed being informed by the Post COVID-19 Economic Regeneration Strategy that was adopted in year 2020, and Ugu Growth and Development Strategy. It must be noted that, this strategy was developed prior to the Parent Municipality (Ugu District Municipality), and Ugu Family of Municipalities held their strategic planning sessions. So therefore, the Merged Entity strategy was developed based on the Post COVID-19 Economic Regeneration Strategy and Ugu Growth and Development Strategy. It must be further noted that, this strategic plan document will be finalised when all due processes have been undertaken such as:



1.2.1 COMPREHENSIVE SITUATIONAL ANALYSIS

Comprehensive situational analysis will cover the following:

- Distil requisite organisational competencies to deliver on the mandate;
- In depth analysis of organisational structure for visible discrepancies, misalignment, one on one reporting and duplication;
- Further analyse the current service delivery model on which the current structure is based on.

1.2.2 SERVICE DELIVERY MODELLING

Service delivery modelling will cover the following:

- Confirm mandated responsibility through a signed Service Delivery Agreement by the Parent Municipality Representatives and Agency Representatives;
- List services to be provided and an indication of who would provide the services to which clients;
- Review the pros and cons of current approaches to service delivery;
- Describe how the best service provision should be operationally organised internally and through working arrangements with strategic partners;
- In depth analysis of how to support services can be best organised to support front-line service delivery;
- Discuss alternate service delivery mechanisms or operational improvement for each area of service;
- Analyse Information Technology (IT) requirements of each service;
- Analyse human resources and general capacity requirements of each service;
- Risk and constraints of delivery, with mitigation plans.

1.2.3 ORGANISATIONAL ALIGNMENT

Organisational alignment will cover the following:

- Evaluate the current organisational arrangement against the standards set during service delivery modelling;
- The primary purpose is to examine various structural alternatives and select the one best suited and aligned to deliver on the mandate confirmed during service delivery modelling;
- Identify service recipients and their expectation;
- Consider likely modes of delivery;
- Consider legislative requirements;
- Consider job clusters, and business processes;
- Consider delegation of authority and workflow;
- Work in the specialisation versus the generalist approach; and
- Consider the Agency competency requirements.

2. SITUATIONAL ANALYSIS

2.1 INSTITUTIONAL AND POLICY ENVIRONMENT

2.1.1 NATIONAL DEVELOPMENT PLAN

One specific policy directive from the National Development Plan (NDP) is to expands employment and entrepreneurial opportunities in a more inclusive economy.

The Six Pillars of the NDP

The NDP is founded on 6 pillars that represent the broad objectives of the plan to eliminate poverty and reduce inequality:

a) Uniting South Africans of all races and classes around a common programme to eliminate poverty and reduce inequality.
b) Encouraging citizens to be active in their own development, in strengthening democracy and in holding their government accountable.
c) Raising economic growth, promoting exports and making the economy more labour absorbing.
d) Focusing on key capabilities of both people and the country with focus on skills, infrastructure with key international partners.
e) Building a capable and developmental state, and
f) Strong leadership throughout society that work together to solve our problems.

2.1.2 NATIONAL LED FRAMEWORK (2018– 2028)

This framework is intended as a strategic coordination and implementation guide that provides and enhances a commonly shared understanding of LED in South Africa.
This framework provides policy grounding of LED with particular emphases placed on the National Development Plan, the National Growth Path and the Industrial Policy Action Plan.
The key Pillars of this policy framework are building a diverse economic base, developing learning and skilful local economies, developing inclusive economies and economic governance.

These pillars are depicted below. The framework asserts that implementation of LED is largely driven and facilitated at local government level, strong support, coordination and instruments design are however largely the competence of the national sphere with some roles also shared with the provinces.

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Source: National LED Framework 2018 – 2028

2.1.3 THE TOURISM ACT

The Tourism Act No. 3 of 2014 makes provisions for the development and promotion of sustainable tourism for the social, economic and environmental benefit of South African citizens.

The objectives of the Act are to:

a) Promote the practising of responsible tourism for the benefit of the Republic and for the enjoyment of all its residents and foreign visitors;
b) Provide for the effective domestic and international marketing of South Africa as a tourist destination;
c) Promote quality tourism products and services;
d) Promote growth in and development of the tourism sector; and
e) Enhance cooperation and coordination between all spheres of government in developing and managing tourism.

The Tourism Act No. 3 of 2014 embraces the National Tourism Sector Strategy (NTSS) as part of the legislative framework for the management and development of tourism. It enables the sector to address gaps pertaining to the lack of knowledge and information about the sector; the lack of adequate structures for the management of tourism; transformation and the lack of service excellence in the sector.

2.1.4 THE NATIONAL TOURISM SECTOR STRATEGY

The National Tourism Sector Strategy (NTSS) 2016 – 2026; a sector-wide 10-year strategy aimed at increasing tourism's direct contribution to the economy, job creation and national development objectives, was approved by the Cabinet in December 2017. The National Department of Tourism (NDT) commissioned the review of the NTSS - the first of which was published in 2011 - in 2015 to ensure that the strategy remains relevant in a rapidly changing global environment as well as to align it to the NDP and the Tourism Act 3 of 2014. The process culminated in the second iteration of the NTSS renamed as the NTSS 2016 - 2026.

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The NTSS focuses on inclusive growth, which must fundamentally be based on domestic and international tourist market growth and expenditure increases. While the national tourism marketing agency, South African Tourism (SAT) has a detailed methodology for identifying priority markets, the NTSS further links the marketing plans to broader development imperatives, including addressing barriers to growth and the building of a transformed and inclusive tourism economy. This growth will, by the values that drive South Africa as a developmental state, be inclusive, responsible and sustainable. It will also be underpinned by an awareness of the imperative of the wise use of scarce resources."

A set of initial strategy action plans are identified in the NTSS 2016-2026. Initiatives identified are organised around five strategic pillars namely

- Effective marketing
- Facilitating ease of access
- Visitor experience
- Destination management, and
- Broad-based benefits

The pillars define a set of supply and demand side interventions to be pursued under the new NTSS. These include initiatives related to transformation and enterprise development, tourism infrastructure development, targeted marketing, the regulatory environment, intermodal transport and bandwidth.

2.1.5 THE ROLE OF LOCAL GOVERNMENT IN TOURISM DEVELOPMENT

The role of local government in tourism development is as follows:

- Tourism is a Local Economic Development directive that is mandated by the South African Constitution (1996) and the Tourism Act No. 3 of 2014.

- The White Paper on the Promotion and Development of Tourism in South Africa (1996) reflects tourism as a concurrent function; meaning that all spheres of government have a role in tourism development. Depending on the local conditions, skills and financial resources; Local Government has a mandate to promote and financially support the establishment of local tourism authorities and community tourism associations to facilitate, market, coordinate and administer tourism initiatives.

- Local Governments exert great influence over the social and economic wellbeing of local communities and as providers of social services, builders of economic infrastructure, regulators of economic activities and managers of the natural environment; they have many direct instruments to influence the direction of local tourism development.

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2.1.6 PROVINCIAL/DISTRICT GROWTH & DEVELOPMENT PLAN

By 2030 KwaZulu Natal will be a prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the World. To achieve this, the strategic goals and objectives are as follows:

STRATEGIC GOALS	STRATEGIC OBJECTIVES
1. Job Creation	• Unleashing the agricultural sector. • Enhance industrial development through trade, investment and exports. • Expansion of government led job creation programmes. • Promoting SMME, entrepreneurial and youth development. • Enhance the Knowledge Economy.
2. Human Resource Development	• Early childhood development, primary and secondary education. • Skills alignment to economic growth. • Youth skills development and life-long learning.
3. Human & Community Development	• Poverty alleviation & social welfare. • Enhancing health of communities and citizens. • Enhance sustainable household food security. • Promote sustainable human settlements. • Enhance safety & security. • Advance social capital.
4. Strategic Infrastructure	• Development of harbours. • Development of ports. • Development of road and rail networks. • Development of ICT Infrastructure. • Improve water resource management & supply. • Develop energy production & supply.
5. Environmental Sustainability	• Increase productive use of land. • Advance alternative energy generation. • Manage pressures on biodiversity. • Adaptation to climate change.
6. Governance and Policy	• Strengthen policy & strategy coordination & Inter Governmental Relations (IGR). • Building government capacity. • Eradicating fraud and corruption. • Promote participative, facilitative & accountable governance.
7. Spatial Equity	• Actively promoting spatial concentration. • Facilitate integrated land management

2.1.7 TOURISM KWAZULU NATAL STRATEGIC PLAN

In line with the National Tourism Sector Strategy (NTSS); the strategic plan captures TKZN's commitment to the people of KwaZulu Natal, its intention to play a leading role in the development of tourism to become an increasingly significant contributor to the province's economy and at the same time spreading its benefits in a meaningful way to those who have been disadvantaged and marginalized by history. The TKZN Strategic Plan identifies the vision for tourism in KZN as follows:

"By 2030 KwaZulu-Natal will be globally renowned as Africa's top beach destination with a unique blend of wildlife, scenic & heritage experiences for all visitors".

In growing tourism in the province; TKZN focuses on marketing and promoting experiences and these include: beach, scenic beauty, wildlife, heritage/culture. A special focus is also placed on developing niche tourism markets/experiences where the province has a competitive or comparative advantage. These include cruise tourism, diving tourism, golf tourism, events tourism, and business tourism. The strategy further acknowledges that districts within the province may have different experiences or niches that they may want to focus on, as outlined in their respective brands.

2.2 DISTRICT DEMOGRAPHICS AND ECONOMIC OUTLOOK

2.2.1 BACKGROUND

Ugu District (DC21) is the one of the 10 Districts in KZN Province, 4981 km2, 4 municipalities, 85 wards, 40 Traditional Authorities. Borders eThekwini - the economic powerhouse of KZN & notable economic point in SA. With various connection points: land, air and sea. 112 kilometres of Coastline (opportunity for Ocean / Blue Economy), first coastal commercial hub from E-Cape to KZN.

As in 2018, the district had over 175 000 households with an average of 4.1 persons per household.

In 2019 the Ugu DM population was estimated at 802 228 people which is 5th largest in Province. The nature of this population is that it is young, rural and high level of non-literate: Youth (15 – 34 years) constituted 37%.

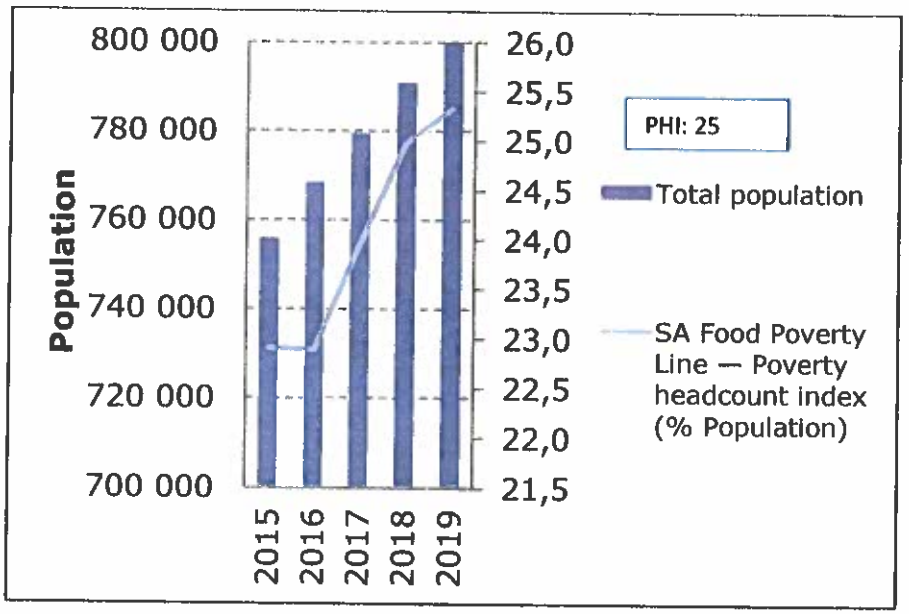
Illiteracy rate as at 2018 was 39% which is above the national (30%) and provincial (32%) average. Mismatch of skills and jobs available; low entrepreneurial activity and high dependence on government grants.

Poverty Headcount Index percentage been steadily increasing since 2015: within 25% PHI in 2019. Gini Coefficient for Ugu: 6.0 (severe inequality), all Local Municipalities exceed 4.0 which is considered warning side. Ray Nkonyeni Municipality (0.64) and Umdoni Municipality (0.61) have highest levels of inequality. 2019 Comparative disposal income shows higher disposal income in Ugu than Harry Gwala, but less than uMgungundlovu. Official unemployment rate 2019 – 36.8%. Labour absorption rate 2019 of 28.9, which is the lowest rate since 2010. Average worker is semi or low skilled employed in wholesale & retail, community &

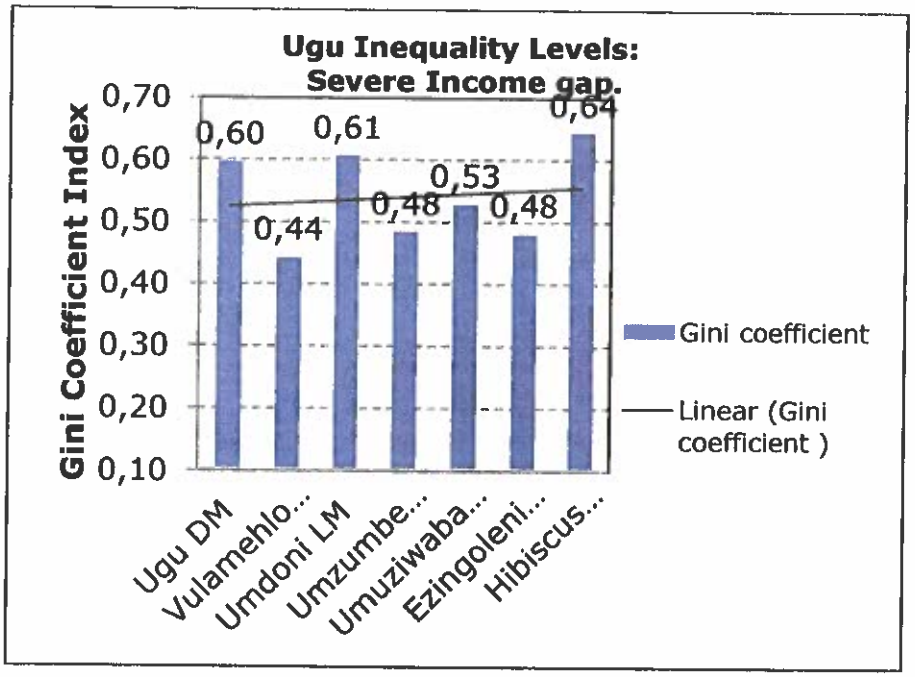
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social services, agriculture & manufacturing. The low skills-set perpetuates inequality and poverty. Ugu growth experienced between 2014-2018 was not enough for absorption of labour necessary. Greatest employment sectors: wholesale, retail, trade and catering, followed by community, social and personal services, then central government then agriculture.

2.2.2 TOTAL POPULATION, POVERTY AND INEQUALITY LEVELS



Source: Ugu District Municipality Overview Document 2021



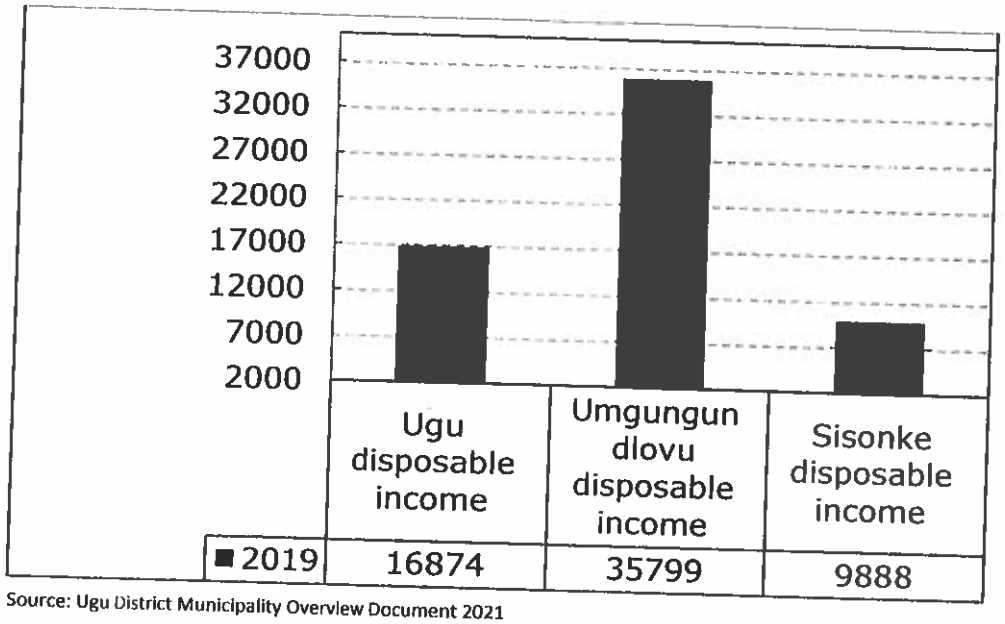
Source: Ugu District Municipality Overview Document 2021

Gini Index measure of income/wealth distribution which ranges, 0.2 is perfect income equality, 0.5 severe income gap. 0.4 warning level. PHI – population headcount index measures the proportion of population that

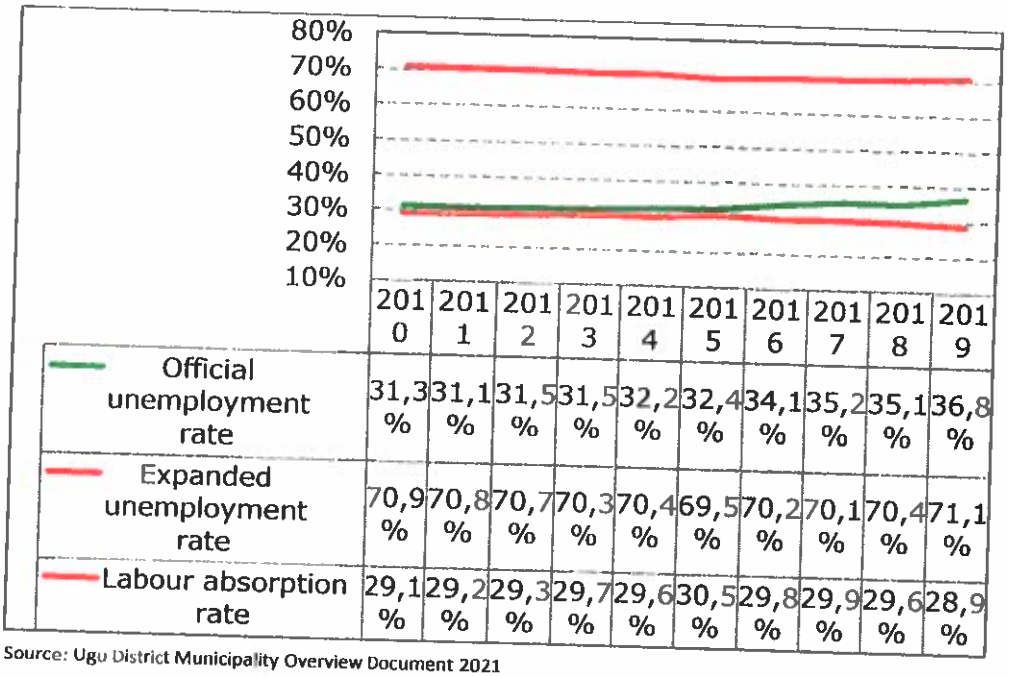
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is poor (total number who fall below certain income level & divide by total population). It is percentage of population that falls below official poverty line. (less than R890 per month considered poor. Monthly food poverty line R624, Monthly lower bound poverty line R890, and Monthly upper bound poverty line R1 335. (2021) Statistic SA (Saifaddin Galala Sept 20, 2021)

2.2.3 DISPOSAL INCOME COMPARATIVELY IN 2019



Source: Ugu District Municipality Overview Document 2021

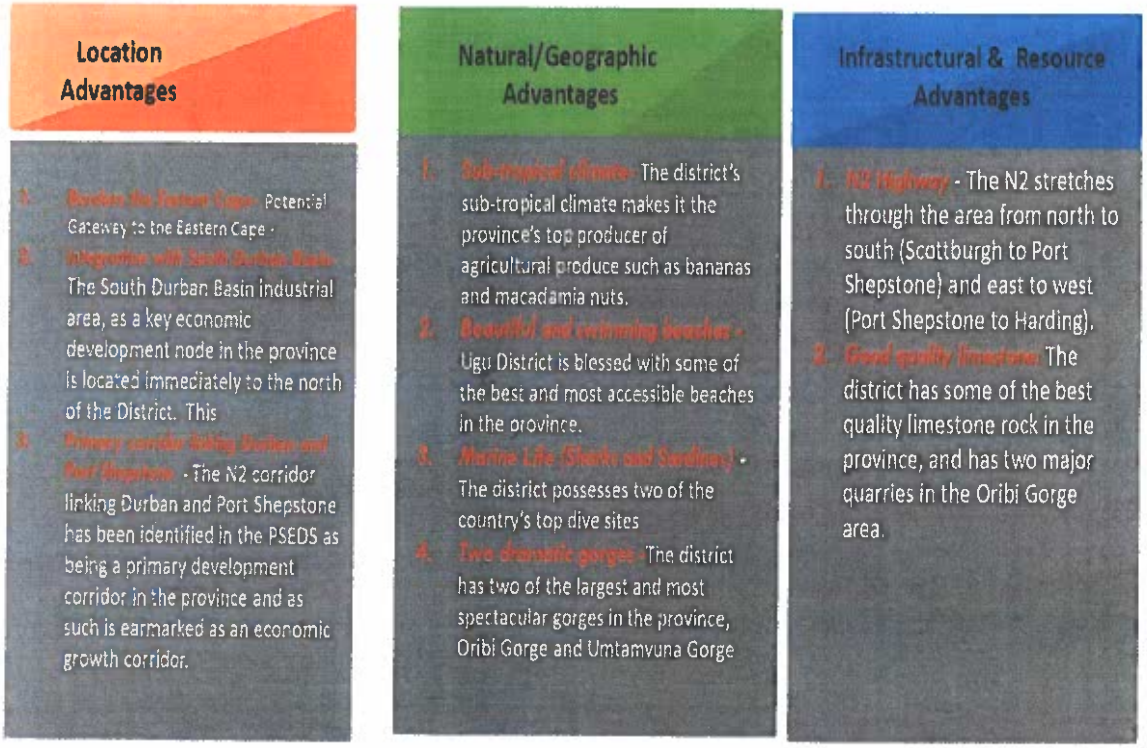


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Official unemployment rate	31,3%	31,1%	31,5%	31,5%	32,2%	32,4%	34,1%	35,2%	35,1%	36,8%
Expanded unemployment rate	70,9%	70,8%	70,7%	70,3%	70,4%	69,5%	70,2%	70,1%	70,4%	71,1%
Labour absorption rate	29,1%	29,2%	29,3%	29,7%	29,6%	30,5%	29,8%	29,9%	29,6%	28,9%

Source: Ugu District Municipality Overview Document 2021

Disposable income within the region is on a slow incline and fairly competitive if ones compare it to the rest of the district municipalities with the exception of uMgungundlovu and eThekwini metro with a fairly diversified economy.

2.2.4 SPATIAL FEATURES



Source: Ugu District Municipality Overview Document 2021

2.2.5 CATERGORISATION OF UGU SECTORAL ADVANTAGES



Forestry and Timber production - Ugu has extensive forestry plantations and saw mills in the Harding region. This sector has a large location quotient and has averaged 3% GVA growth over the past 3 years.

Hospitality/Tourism - Despite the relocation of the province's main airport to the north of Durban, Ugu District continues to be the province's premier domestic beach tourism destinations.

Agriculture and Hunting - While this sector has averaged positive growth over the past 10 years, there are significant threats to future growth in the sector. To the extent that Ugu's comparative advantage in this sector was derived from sugar cane, lowering crop yield and regional competition may strip the district of this comparative advantage.

Quarrying – This industry is largely monopolised by two companies and the potential for expansion, based on the current status quo is relatively low.

Food beverages and tobacco processing – This is a dynamic and steadily growing (around 3%) sector and contains a number of the smaller newer companies in the district

Furniture production and wood products – Although growth has been almost stagnant in the production of wood products, the manufacture of furniture has been growing relatively steadily over the period.

Source: Ugu District Municipality Overview Document 2021

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3. STRATEGIC OVERVIEW

3.1 MANDATE

3.1.1 LEGISLATIVE PROVISIONS

3.1.1.1 THE CONSTITUTION, 1996 (ACT NO. 108 OF 1996)

Section 152 of the Constitution provides the objectives of local government to be:

- To provide democratic and accountable government for all local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To encourage the involvement of communities and community organisations in the matters of local government.

While working to achieve these objectives, municipalities are expected to transform its approach and focus to be developmental in nature (section 153). To do this, the Constitution requires a municipality to:

- Structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community'
- Participate in national and provincial development programmes; and
- Together with other organs of state contribute to progressive realisation of fundamental rights contained in sections 24 to 27 and 29.

3.1.1.2 THE WHITE PAPER ON LOCAL GOVERNMENT 1998

The White Paper on Local Government[1], which preceded the enactment of the Systems Act, noted the following regarding the service delivery options:

- The challenge posed by the need to address the backlog in service delivery in historically deprived areas;
- The need for municipalities strategically to assess the most appropriate forms of service delivery for their areas from the range of options available;
- The need to ensure that municipal administrations to be geared so as to implement the chosen service delivery option in the most effective manner and to provide maximum benefit to communities;
- The possibility that an appropriate mix of such options may be necessary.

The White Paper on Local Government identified the following possible delivery mechanisms:

- Building on existing in-house capacity (within existing administrators);
- Corporatizations;
- Public Private Partnerships;
- Partnership with CBOs and NGOs;
- Contracting Out;

[1] Source: National Department of Provincial & Local Government Municipal Entity Toolkit

- Leases and concessions (PPPs); and
- Transfer of Ownership (privatisation).

From the list the first option represents the only internal service delivery mechanism, based on building the existing capacity within existing administrations. Clearly, a municipality can improve and expand the delivery of services by improving its own ability to do so.

The other options on the White Paper on Local Government list represent external delivery mechanisms, involving some forms of engagement with other entities in rendering basic services. For reasons that appear more fully below, for present purposes, the most important of these external options is corporatisation, as it has been specifically included in the Municipal Entity model developed under the Systems Act. The concept of corporatisation, as outlined in the White Paper on Local Government is critical for purposes of an assessment of the Municipal Entity model, which essentially follows the corporatisation route. The White Paper on Local Government identifies the following features of corporatisation:

- It involves the separation of service delivery units from council.
- Budgets for corporatized units are ringfenced or separated from the rest of the municipal budget.
- Corporatized units are managed as operationally autonomous units.
- Corporatisation allows council to set policy and service standards and hold corporatized units accountable against such standards.
- This allows greater autonomy and flexibility in terms of management and allows for the introduction of commercial management practices in delivery systems.
- Corporatisation is likely to be appropriate for municipalities with large area of jurisdiction, such as Metropolitan Councils.
- Reporting requirements and accountability mechanisms must be clearly defined by council.

3.1.1.3 THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT 2000 (ACT NO. 32 OF 2000)

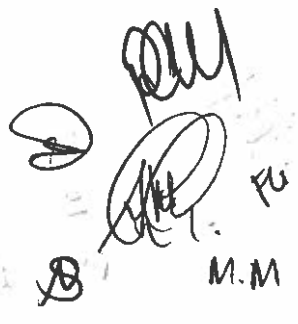
The Local Government Systems Act provides for a range of different options in terms of service delivery mechanisms[2]. The Act draws a distinction between:

- Internal mechanisms involving mechanisms operating within municipal administrative structures; and
- External mechanisms, based on a Service Delivery Agreement (SDA) with an external entity.

The Municipal Entities represents only one particular type of external mechanism. Since 2003 amendment to the Systems Act, only the following types of Municipal Entities are recognised:

- A Private Company subject to specific restrictions;
- A Service Utility established by the municipality;
- A Multi Jurisdiction Service Utility established by two or more municipalities.

[2] Source: National Department of Provincial & Local Government Municipal Entity Toolkit



The Municipal Entity model clearly is designed as a form of corporatisation, as involves the externalisation of the operational aspects of service delivery while retaining for the municipalities concerned oversight in respect of, and ultimate responsibility for, the delivery of the relevant services.

i) Common Features of Municipal Entities

All three forms of Municipal Entities share certain common features:

- They are established for the particular purpose of assisting a municipality in the performance of any of its functions or powers.
- The detail of the delivery of services in each case is governed by a Service Delivery Agreement between the Municipal Entity and the Municipality.
- Service Delivery Agreements between municipalities and Municipal Entities are exempted from the competitive bidding procedures that apply in the case of most other external mechanisms.
- All Municipal Entities are juristic persons
- Their activities are expressly restricted to the purposes for which the Municipal Entity is used or established, and they have no competence to perform any activity falling outside of the relevant prescribed functions and powers.
- They are governed by a Board of Directors, who have certain prescribed duties under the Systems Act, and who must comply with the Code of Conduct annexed to the Municipal Systems Act.
- Municipalities may recall or remove a Director of the Municipal Entity in certain circumstances.
- Municipalities must also ensure wide solicitation of applications for nomination or appointment of Directors of Municipal Entity, and must nominate or appoint from the list drawn up as a result of such solicitation.
- The relevant municipalities exercise a substantial level of control over the Municipal Entity, although the exact nature of this control differs depending on the particular form of Municipal Entity and other relevant factors
- Fundamental features of the control exercised over Municipal Entities include:
    - ✓ The duty to monitor and review the performance of Municipal Entities against their set annual performance objectives and indicators;
    - ✓ The power to liquidate and disestablish Municipal Entity in certain circumstances; and
    - ✓ The power to control the setting and adjustment of tariffs for services, even in circumstances where the service delivery agreement gives a Municipal Entity the right to adjust tariffs, in which case the Municipal Entity must comply with the tariff limitations laid down by the municipality.
- The Municipal Entities must comply with the Local Government: Municipal Finance Management Act.
- The process in terms of which an election is made to provide services through a Municipal Entity is subject to extensive regulation under the Systems Act.

ii) Duties and Responsibilities of a Municipality in Respect of Municipal Entity

One of the key features of the Municipal Entity model is that it separates out the operational aspects of service delivery, while at the same time retaining for municipalities their overall Constitutional and legislative responsibilities to ensure efficient and effective basic service delivery on a developmental foundation. Specific provision is made in the Systems Act to put this into effect:

- Section 81(1) expressly provides that the municipality remains responsible for ensuring that a service regulated by a Service Delivery Agreement is provided to the local community.
- The municipality must:

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- ✓ Regulate the provision of the service by setting key performance areas and measurable targets in line with the municipal development priorities and objectives set out in the Integrated Development Plan;
- ✓ Monitor and assess the implementation of the Service Delivery Agreement and the performance of the service provider against the key performance indicators and targets and undertake yearly reviews;
- ✓ Regularly report to council, the public and other organs of state on such regulation, monitoring and assessment.
- ✓ Control, set and adjust tariffs for the service covered by a Service Delivery Agreement in accordance with the municipality's tariff policy.
- ✓ Ensure the uninterrupted delivery of the service in the best interests of the community. This includes the duty to ensure that the service in question is continued if the service provider is placed under judicial management or is liquidated.

- The Act also make provision for:
  - ✓ A municipal representative to represent the municipality as an observer at meetings of the Board of Directors of a Municipal Entity, and report back to council; and
  - ✓ The Mayor or Executive Mayor may convene meetings in order for the Board of Directors of a Municipal Entity to give account for their actions.
- On the other hand, the Systems Act identifies a range of operational issues that may be assigned to an external service provider under a Service Delivery Agreement:
  - ✓ The development of service delivery plans;
  - ✓ Operational planning and management;
  - ✓ Social and economic development directly related to the provision of the service in question;
  - ✓ Customer management;
  - ✓ Management of its own accounting and budgeting subject to the financial controls established by the municipality and the Municipal Finance Management Act;
  - ✓ The collection of service fees for its own account in accordance with the municipality's tariff policy.
  - ✓ The service provider may also receive from the municipality funds for the subsidisation of services to the poor, provided that this is executed through a transparent system. This provision allows some flexibility to ensure that where business principles are implemented by, Private Company Municipal Entity, municipal responsibility to ensure basic services to those most in need is preserved.

iii) Safeguards to Facilitate Ethical Conduct & Compliance

The Systems Act contains a number of provisions designed to facilitate ethical and good faith conduct in the operations of Municipal Entities:

- Section 85(5) prohibits municipal staff members or councillors from sharing in any profit or improperly receiving any benefit from a service provider operating under the Service Delivery Agreement. This is not a specific offence under the Act. However, given the wide meaning to corrupt activities under the Prevention and Combating of Corrupt Activities Act, such conduct could well constitute an offence under that Act. The common law crime of fraud would also be applicable.
- Section 93F disqualifies councillors, municipal officials and other public office bearers from holding the position of director in a Municipal Entity.
- Section 93H requires directors to disclose to the board and the representative of the parent municipality any direct or indirect personal or business interest of that director, or his or her spouse, or his or her partner in any matter before the board, and to withdraw from relevant decisions.

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Directors must also comply with Code of Conduct provided for in Section 93L of the Act. Breach of the Code may result in dismissal of the director. Members of staff of a Municipal Entity are also bound by the Code.

3.1.1.4 LOCAL GOVERNMENT MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT NO. 56 OF 2003)

This Act was promulgated to[3]:

- Secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government;
- Establish treasury norms and standards for the local sphere of government; and
- Provide for matters connected therewith.

The Object of the Act is to secure sound and sustainable management of the fiscal and financial affairs of municipalities and Municipal Entities by establishing norms and standards and other requirements for:

- Ensuring transparency, accountability and appropriate lines of responsibility in the fiscal and financial affairs of municipalities and Municipal Entities.
- The management of their revenues, expenditures, assets and liabilities and the handling of their financial dealings.
- Budgetary and financial planning processes and the co-ordination of those processes with the processes of organs of state in other spheres of government.
- Borrowing
- The handling of financial problems in municipalities.
- Supply chain management; and
- Other financial matters.

The Municipal Finance Management Act applies to:

- All municipalities
- All Municipal Entities; and
- National and provincial organs of state to the extent of their financial dealings with municipalities. In the event of any inconsistency between the provision of the Municipal Finance Management Act and any other legislation in force when this Act takes effect and which regulates any aspect of the fiscal and financial affairs of municipalities or Municipal Entities, the provision of the Municipal Finance Management Act prevails.

Thus, the Municipal Finance Management Act aims to strengthen local government practices by:

- Modernising budget and financial management practices.
- Placing local government finances on sustainable footing.
- Ensuring a sound financial governance framework by clarifying roles and responsibilities of:
  - ✓ The mayor
  - ✓ Executive and non-executive councillors and officials.

The consequences of these aim are to maximise the capacity of municipalities to deliver services to all its residents, customers, users and investors.

Chapter 10 of the Municipal Finance Management Act deals specifically with Municipal Entities and covers the following aspects:

[3] Source: National Department of Provincial & Local Government Municipal Entity Toolkit

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- Part 1 : Establishment
- Part 2 : Financial Governance
- Part 3 : Accounting Officers
- Part 4 : Reports and Reportable Matters
- Part 5 : General Issues

MERGED ENTITY MANDATE

3.1.2 PARENT MUNICIPALITY MANDATE

The Ugu District Municipal Council meeting held on Thursday 23 September 2021 resolved that, the Ugu South Coast Tourism (USCT) and Ugu South Coast Development Agency (USCDA) must be merged into a single entity[4]. This was necessitated by the weaker economic growth experienced in South Africa and the consequent reduction in the baseline budget allocations to the Province over the Medium Term Revenue and Expenditure Framework.

The mandate of the proposed Special Purpose Vehicle, District Development Agency be:

"The Entity is mandated to drive the economy of the Region through positioning it as a tourism and investment destination. As the official economic development arm, the Agency will proactively identify and unlock the full tourism, trade and investment potential of the region. That will involve engaging with all the role players and stakeholders to attract tourists and assist investors looking to branch out into the district uncovered opportunities."

3.2 STRATEGIC ANALYSIS

3.2.1 SWOT ANALYSIS

Strengths	Weaknesses
1. Reasonably adhering to principles of sound governance and ethical conduct. 2. Financial prudence embodying the principle of doing more with less focusing on the core mandate. 3. Ability to secure funding for unfunded projects. 4. Definitive beach and ocean product base- Blue Flag/ recently proclaimed Marine Protected Areas (MPAs).	1. Dependency on grants tend to negatively affect the implementation of the mandate. 2. Implementation capacity adversely affected by the financial inability to fill vacant positions, resulting in delays in the implementation of projects. 3. Effective fundraising ability is lacking.

[4] Source: Extract from the Draft Minutes of the Meeting of the Ugu District Municipal Council held on the 23rd September 2021

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Strengths	Weaknesses
5. Traditionally a strong destination brand. 6. Appeal to mainstream middle income and working-class groups. 7. Experienced and skilled tourism practitioners. 8. Year-round favourable climatic conditions. 9. Rural/hinterland eco-cultural and adventure assets. 10. Reputation as a value for money destination. 11. Diverse experiential offerings. 12. Direct Margate- Johannesburg air route. 13. Two world class diving sites (Protea Banks and Aliwal Shoal) attract international tourists. 14. The Sardine Run; the largest biomass and natural phenomena experienced annually. Popular on the KZN South Coast shores compared to other parts of KZN. 15. A broad base of sports and leisure facilities: golf, bowling, rugby, soccer. 16. Multiple hospitality options with high bed and accommodation stock. 17. A variety of events offerings. 18. Variety of adventure activities. 19. Dezzi KZN South Coast Raceway – Motor Racing. 20. Routes: Southern Explorer, Great Drives Out, Ramsgate Rumble, etc.	4. Lack of community belief in the destination. 5. Reputation of being a crime and grime destination. 6. Deterioration of Margate as the jewel of the KZN South Coast. 7. Insufficient product/itinerary packaging. 8. Institutional partners not working in a principle of collaboration. 9. Lack of maintenance of public spaces. 10. Inadequate enforcement of by-laws - mainly at beach precincts. 11. Lack of transition of SMMEs from emerging sector into the mainstream tourism mix. 12. Lack of transformation within the mainstream Tourism mix. 13. Competitor destination areas- e.g., Sunshine Coast/ North Coast/ Garden Route. 14. Lack of buy-in to quality assurance measures (Star Grading).

Opportunities	Threats
1. Funding from the private sector in return for fees earned for implementing their capital projects. 2. Improved public relations and reputation as a result of delivery of complex projects. 3. Investment in innovations and ideas. 4. Implementing high impact projects that will benefit the communities served, including development of identified pieces of land. 5. Opportunities for new Rural Tourism Routes throughout the KZN South Coast (extend the Great Drives Out). 6. Increased business and events tourism. 7. Opportunity to encourage businesses to be members of SCT and EDTEA; to ensure their compliance with the laws.	1. Timely implementation of projects adversely affected by the cash flow crisis. 2. Adverse impact by the COVID-19 pandemic to the operations of the entity and economy at large. 3. Community unrests and protests have the ability to destabilize the initiative commenced. 4. Red tape. 5. Negative perceptions of the Safety and security of the Coastal strip and hinterland to visitors and residents. 6. Degenerating urban appeal and deteriorating beach infrastructure –

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Opportunities	Threats
8. Agri-tourism. 9. Potential to develop world class beachfront amenities and facilities. 10. Eco and adventure tourism on both land and sea (e.g., Marine Protected Areas). 11. Untapped new rural/hinterland experiences (KwaXolo Caves, KwaNzimakwe Multi-trails, Umzumbe River Trail). 12. Potential to further market to our key markets nationally and globally. Tapping into new and unexplored target markets. 13. Higher market penetration into SA's main market demographics. 14. Margate Airport as an improved access facility. 15. Strategic alliances with public/ private/ NGO sectors. 16. New N2 link to Eastern Cape. 17. Film tourism. 18. Opportunity for transformation and attracting a new market. 19. Market exposure through digital platforms, Mobile App, social media, websites etc. 20. Digital and online is becoming an information and marketing platform for small businesses to operate on, and host virtual events and virtual tours. 21. Craft Village (Retail Concept similar to Mzamba Village) on the KZN South Coast. 22. Enhancement and diversification of event areas (KwaNzimakwe venue, KwaXolo Caves, St Michaels etc.) 23. Turton Beach developments. 24. Direct Margate - Cape Town air route. 25. Increase of persons visiting friends & relatives (VFR)	leased municipal buildings within the Admiralty Reserve. 7. Competition from other destinations with similar offerings. 8. Continued water challenges affecting the reputation of the destination. 9. Water quality challenges damaging Blue Flags statuses and creating unsafe bathing conditions etc. 10. Delays in urban regeneration programmes for Scottburgh, Port Shepstone and Margate. 11. Potential loss of events due to Covid-19. 12. Negative Social Discourse. 13. Depleting financial resources – funding partners. 14. Lack of attention to coastal amenity upgrades and maintenance. 15. Lack of funding to conceptualize and implement rural tourism products. 16. Challenges posed by COVID-19 leading to recession and job losses. 17. Tourism businesses not COVID-19 ready or compliant to welcome tourists, and not following COVID-19 Health protocols. 18. Inconsistencies in authorisation of event applications by Local Municipalities.

3.2.2 PESTLE ANALYSIS

Political	Economic
1. Highly politicized environment 2. Oil & Gas Exploration, effects to tourism 3. Highly unionized workforce	1. Covid 19 effects 2. Declined economy 3. Fiscus shrinking
Social	**Technological**
1. Social inequality 2. Social injustice due to spatial imbalances 3. Covid 19 effect 4. High rate of illiteracy	1. Cyber crime 2. Unreliable signal (internet connectivity) 3. Economic cost 4. Progressing at a high pace (difficult for community to catch up) 5. Bridge technology gap to balance social challenges.
Legal	**Environment**
1. No synergy in the legislative prescriptions which informs the existence of the agency (Too many frameworks to abide by) 2. Protracted processed (prolonged).	1. Oil exploration effects to tourism 2. Lack of infrastructure in rural areas 3. Geographical spread/ which affect service delivery effectiveness 4. Agriculture 5. Soil erosion/deforestation 6. Proper water management that will prevent deviation of water by unauthorized individuals. 7. Umuziwabantu Gumtree reserves are high as compared to other areas. 8. Lack of skills in preserving the environment 9. Environmental Impact Assessment turnaround time 10. Water pollution (maintenance of rivers) 11. Government water pollution

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4. STRATEGIC PLANNING FRAMEWORK

4.1 VISION

By 2035 for KZN South Coast to become KZN's leading regional tourism and investment destination.

4.2 MISSION

To develop and promote an inclusive diverse, and sustainable economy that is beneficial to all citizens within Ugu District Municipal Area.

4.3 CORE FUNCTION

The Merged Entity's core function is:

- Tourism Growth
- Investment Attraction (Cross-Cutting to all Economic Sectors)

4.3.1 TOURISM GROWTH

Destination Management:

The Tourism Function will have the responsibility to grow tourism in the region by:

- Putting measures to attract tourists to the destination (create demand) and
- Developing an inclusive and diverse tourist destination, while addressing the competitiveness of the destination (address the supply).

Regional Tourism Authority:

Merged Entity will function as a Regional Tourism Authority that represents all tourism businesses in the region. According to the regulations under section 32(f) and (i) of the KwaZulu-Natal Tourism Amendment Act, 2002 as promulgated on 13 May 2004:

- It is mandatory for enterprises whose primary objective is to provide services and facilities to tourists in the province of KwaZulu-Natal to register with EDTEA.
- To do that EDTEA requires them to join a local Community Tourism Organization (CTO).
- CTOs were established through the provincial legislation so that local role-players in the tourism industry can be involved in promoting and marketing the destination.

4.3.2 INVESTMENT ATTRACTION (CROSS-CUTTING TO ALL ECONOMIC SECTORS)

Investment Attraction:

- Pro-active Packaging of Investment opportunities
- Link business and government.
- Link business: various sectors and value chains.
- Market investment opportunities/offerings of the district.
- One-stop-shop for business support: opportunities and information.
- Link emerging business with funding opportunity agencies.
- Attraction of big business and forging of partnerships between big business, foreign and local business.

4.3.2.1 AGRICULTURE

Agriculture Investment Attraction:

- Agro processing.
- Development of livestock and vegetable production to commercial products.
- Development of markets and collaboration with private sector to receive product outputs.
- Expansion of dominant products to emerging farmers such as sugar-cane, banana, macadamia nuts and timber.

4.3.2.2 MANUFACTURING

Manufacturing Investment Attraction:

- Beneficiation of agricultural products.
- Furniture and clothing sector support.
- Upgrading and development of new industrial parks.

4.3.2.3 MARITIME

Maritime Investment Attraction:

- Small craft harbour/marina development
- Beachfront upgrade and development

4.3.2.4PROPERTY DEVELOPMENT, WHOLESALE, TRADE, RETAIL, HOSPITALITY AND ACCOMMODATION, RENEWABLE ENERGY

Investment Attraction:

- Support business expansion in these sectors.
- Package business opportunities in these sectors.
- Support new ventures.
- Share information on potential and new opportunities.
- Lobby for infrastructure development on behalf of business with local and provincial government.

4.4 TOURISM GROWTH & INVESTMENT ATTRACTION ROLES AND RESPONSIBILITIES

4.4.1 TOURISM GROWTH ROLES AND RESPONSIBILITIES

Responsible for planning, developing and implementing programs that are aimed at:

- **Destination Marketing**: Attracting and increasing the number of tourists to the destination.
- **Product Development**: Extending the tourist geographical spread across the destination by supporting the development of innovative, unique and authentic tourism products which meet market needs and promote involvement of local communities.
- **SMME and Business Support**: Ensuring the availability of world class tourist services by addressing people development to encourage transformation. This includes providing supportive services to established tourism businesses in order retain their businesses and save jobs.
- **Improving Competitiveness**: Ensuring that the tourism industry standards are met and adhered to by encouraging improved service levels and quality assurance.
- **Information Infrastructure**: Ensuring the availability of tourism information platforms.

4.4.2 INVESTMENT ATTRACTION ROLES & RESPONSIBILITIES

To support and attract investment, the function will provide services focusing on

- **Site allocation**: Provide information highlighting the benefits of locations around the Ugu District and help identify suitable commercial premises.
- **Customized market intelligence**: Collate up-to-date market intelligence, including economic and sector-investment profiles, business opportunities and trade conditions in the district.
- **Accessing finance**: Facilitate meetings with potential public and private funders, private individuals, banks and private equity firms to help unlock financing opportunities.
- **Red Tape Elimination**: Identify factors that could constrain investment and work with decision-makers to find ways of breaking down barriers to operating in the district.

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- **Accessing incentives:** Provide guidance and information to help investors understand the national, provincial and local incentives available to businesses in their sector.
- **Assist Foreign Investors:** Develop relations with immigration consultants who can help clients obtain the necessary documentation for employees in South Africa.

4.5 VALUES

The Merged Entity subscribes to the following values:

- Innovation
- Stakeholder Driven
- Integrity
- Delivery Focused
- Excellence

4.6 GOAL

To transform, develop, and grow the district economy.

4.7 STRATEGIC OBJECTIVES

The strategic objectives of the Merged Entity are as follows:

4.7.1 INVESTMENT ATTRACTION (CROSS CUTTING TO ALL ECONOMIC SECTORS)

- Diversify the economy of the district through targeted, strategic investment.
- Proa-actively identify, facilitate, and package investment opportunities.
- Provide confidential service to help investors establish and grow their businesses in the region.
- Promote the KZN South Coast as the investment destination, and grow the economy of the district.

4.7.2 TOURISM

- To implement destination management services that will put measures to attract tourists to the destination (create demand).
- To develop an inclusive and diverse tourist destination with services that are attracted to visitors while addressing the competitiveness of the destination (address the supply).
- To provide local tourism authority services in line with the legislative prescripts.

4.7.3 AGRICULTURE

- To facilitate and enable agricultural catalytic projects.

4.7.4 PROPERTY DEVELOPMENT

- To forge Strategic Partnerships to give effect to economic development on State, Ingonyama Trust and land owned by the private sector.
- Facilitate and to do all necessary processes in order to develop catalytic projects within the Ugu District. (within the context of the mandate).

4.7.5 MARITIME

- To promote economic development within coastal and riverine zones.

4.7.6 RENEWABLE ENERGY

- To identify, attract, support or assist renewable energy initiatives within the district.

4.7.7 MANUFACTURING

- To retain, resuscitate, grow and transform the manufacturing sector within the district.

4.7.8 INSTITUTIONAL COMPLIANCE

- To ensure that the Entity operations are compliant with all regulatory frameworks.

4.6.9 FINANCIAL SUSTAINABILITY

- To ensure that the Entity is financial sustainable and viable.
- Work towards a mixed funding model of 70% government and 30% Self-funding.

4.6.10 CAPACITY BUILDING

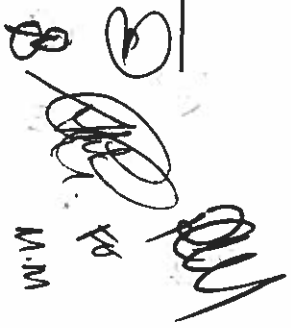
- To capacitate Entity to deliver and implement its core functions effectively.

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5. HIGH LEVEL IMPLEMENTATION MATRIX

Strategic Objective	Programmatic Intervention	Person Responsible & Strategic Partners	Timelines	Deliverables
5.1 Investment Attraction	Diversify the economy of the district through targeted, strategic investment.	New Entity; Trade & Investment KZN; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Proa-actively identify, facilitate, and package investment opportunities.	New Entity; Trade & Investment KZN; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Provide confidential service to help investors establish and grow their businesses in the region through One Stop Shop.	New Entity; Trade & Investment KZN; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Promote the KZN South Coast as the investment destination, and grow the economy of the district.	New Entity; Trade & Investment KZN; EDTEA; Ugu Family of Municipalities; Organised Business	2022 – 2026	Reports
5.2 Tourism	Implement destination management services that will put measures to attract tourists to the destination.	New Entity; KZN Tourism Authority; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Develop an inclusive and diverse tourist destination with services that are attracted to visitors	New Entity; KZN Tourism Authority; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports

Strategic Objective	Programmatic Intervention	Person Responsible & Strategic Partners	Timelines	Deliverables
	Develop specific nodes within the destination.	New Entity; KZN Tourism Authority; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Market the KZN South Coast by continuously creating and increasing destination brand awareness and improving its image to potential visitors	New Entity; KZN Tourism Authority; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Serve as destination developer - providing support for the realization of tourism related product development and business support	New Entity; KZN Tourism Authority; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Provide the One-Stop-Shop services for Visitors.	New Entity; KZN Tourism Authority; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Serve as industry coordinator, providing a clear focus and encourage more industry collaboration so as to share in the growing benefits of tourism.	New Entity; KZN Tourism Authority; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Provide local tourism authority services in line with the legislative prescripts.	New Entity; KZN Tourism Authority; EDTEA; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
5.3 Agriculture	Agro processing.	New Entity; KZN Agri Business Development; DARD Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports



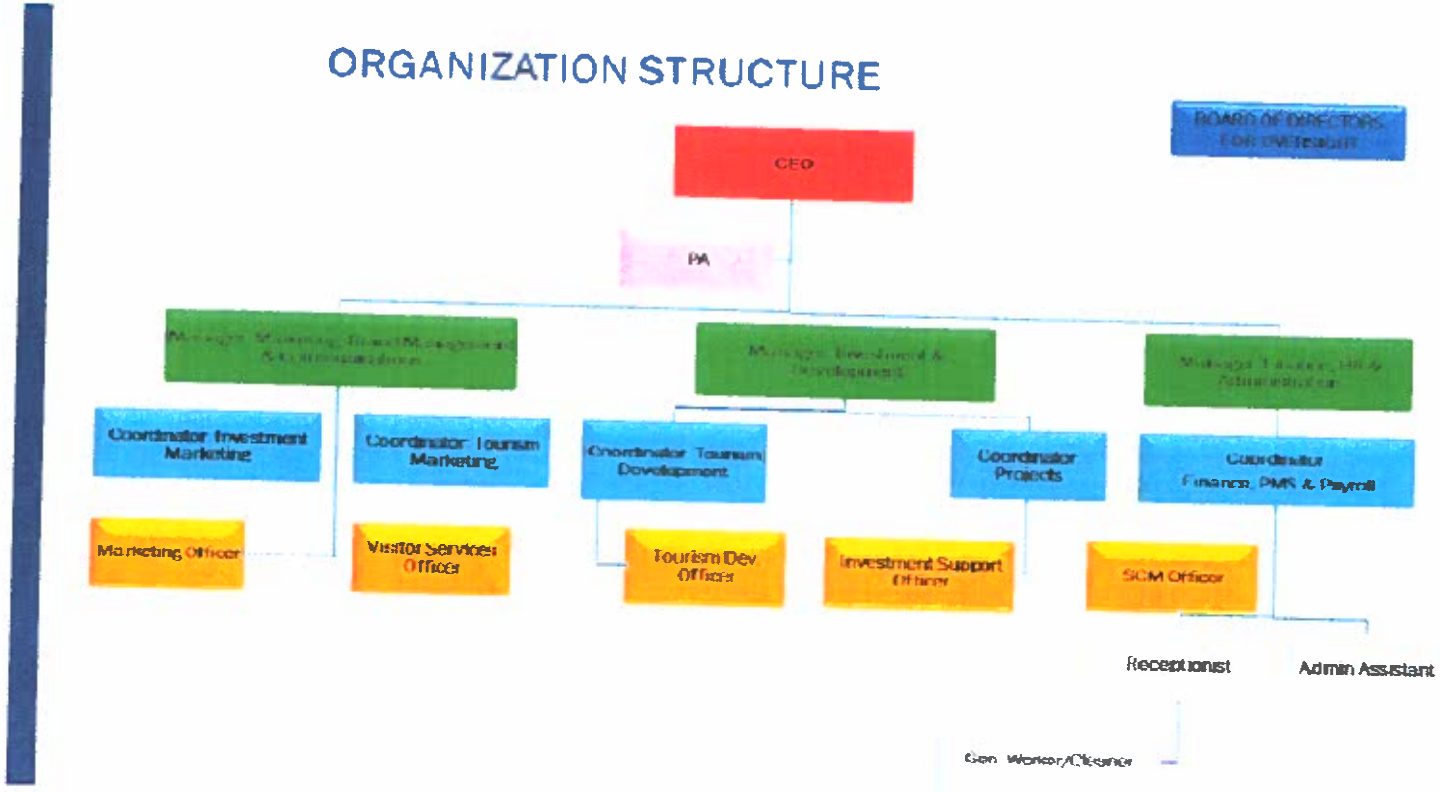
Strategic Objective	Programmatic Intervention	Person Responsible & Strategic Partners	Timelines	Deliverables
	Development of livestock and vegetable production to commercial products.	New Entity; KZN Agri Business Development; DARD Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Encourage established farmers coop to work with emerging farmers.			
	Development of markets and collaboration with private sector to receive product outputs.	New Entity; KZN Agri Business Development; DARD Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Expansion of dominant products to emerging farmers	New Entity; KZN Agri Business Development; DARD Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
5.4 Property Development	To forge Strategic Partnerships to give effect to economic development on State, Ingonyama Trust and land owned by the private sector.	New Entity; Trade & Investment KZN; EDTEA; National & Provincial Treasury Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Facilitate and to do all necessary processes in order to develop catalytic projects within the Ugu District. (Within the context of the mandate).	New Entity; Trade & Investment KZN; EDTEA; National & Provincial Treasury Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
5.5 Maritime	Promote responsible economic development within coastal and riverine zones.	New Entity; KZN Tourism; EDTEA; Operation Phakisa Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports

Strategic Objective	Programmatic Intervention	Person Responsible & Strategic Partners	Timelines	Deliverables
	Small craft harbour/marina development	New Entity; KZN Tourism; EDTEA; Operation Phakisa Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
	Beachfront upgrade and development	New Entity; KZN Tourism; EDTEA; Operation Phakisa Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
5.6 Renewable Energy	Identify, attract, support or assist renewable energy initiatives within the district.	New Entity; Trade & Investment KZN; EDTEA; Department of Energy Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
5.7 Manufacturing	Retain, resuscitate, grow and transform the manufacturing sector within the district.	New Entity; Trade & Investment KZN; EDTEA; DTIC; Ugu Family of Municipalities; Organised Business	2022 - 2026	Reports
5.8 Institutional Compliance	Ensure that the Agency operations are compliant with all regulatory frameworks.	New Entity; COGTA; Ugu Family of Municipalities	2022 - 2026	Reports
5.9 Financial Sustainability	To ensure that the Agency is financial sustainable and viable.	New Entity; COGTA; Ugu Family of Municipalities	2022 - 2026	Reports
	Work towards a mixed funding model of 70% government and 30% Self-funding.	New Entity; COGTA; Ugu Family of Municipalities	2022 - 2026	Reports
5.10 Capacity Building	Capacitate Agency to deliver and implement its core functions effectively.	New Entity; COGTA; Ugu Family of Municipalities	2022 - 2026	Reports

6. INSTITUTIONAL ARRANGEMENT

6.1 PROPOSED ORGANISATIONAL STRUCTURE

Disclaimer: This organisational structure (Organogram) is developed being informed by the Merged Entity Mandate, and Strategic Direction of the Entity. It is not based on a thorough Organisational Work Study process.



7. FINANCIAL FRAMEWORK

7.1 FINANCIAL POSITION

The current entities have experienced a difficult financial position in the recent past which is a result of numerous aspects which can be summarised as follows:

- **Grant Dependency:** The Merged Entity is dependent on grant revenue for over 90% of its budget. This means that if there are any challenges with these grants, the sustainability of the entity cannot be guaranteed;
- **Limited Budget Provision from the municipalities:** The municipalities, led by the parent, Ugu District Municipality experience their own financial difficulties resulting in limited budgetary allocation to the Merged Entity.
- **Transfer of allocations to the entity:** There has been acute delay in the actual transfer of allocations from the Ugu District Municipality to the Merged Entity resulting in fruitless and wasteful expenditure being incurred, as well as strained relations with creditors. The precarious cash flow position that the entity finds itself in results in the inability of the entity meeting its obligations as they fall due.

7.2 PROPOSED FUNDING MODEL

7.2.1 HISTORY

The Ugu District family of municipalities resolved to form and fund two district-wide municipal entities being:

- Ugu South Coast Tourism, and
- Ugu South Coast Development Agency.

In September 2021 it was resolved that the two entities be merged into a single entity. This was necessitated by:

- the weaker economic growth experienced in South Africa
- the consequent reduction in government funding
- the ability to reduce expenditure through economies of scale removing unnecessary duplications in oversight, staffing, infrastructure, services, etc.

7.2.2 FUNDING THE MERGED ENTITY

a) The Work of Merged Entity

Merged Entity's mandate is to drive the economy of the Region through positioning it as a tourism and investment destination.

b) Flow of Benefits

Virtually 100% of the benefits of the work of Merged Entity will not accrue to the Entity itself. Rather they will flow directly to the State at National, Provincial, District and Local Government levels via increased levels of:

- Taxes – Income tax, Value Added tax, Petrol tax

- Levies – Skills levies, UIF, WCA, Parking, etc
- Fines – Traffic, building,
- Assessment rates
- Business licences
- Planning fees
- etc

c) Own Revenues

Merged Entity will be able to raise a percentage of direct/own income via:

- Ring-fenced funding for specific projects
- Project facilitation/implementation fees
- Billboard and beach advertising (requires permission of local municipalities)
- Sale of branded apparel and souvenirs
- Value in kind – services donated by tourism enterprises towards in hosting media
- Clipping – value of media exposure generated without payment

d) Balance of Grant versus Own Funding

It is proposed that:

a ratio of 70:30 grant to own funding be achieved within 5 years, as follows:

- Year 1 – 2022/23 = 6%
- Year 2 – 2023/24 = 12%
- Year 3 – 2024/25 = 18%
- Year 4 – 2025/26 = 24%
- **Year 5 – 2026/27 = 30%**

e) Grant Funding

The grant funding from the Ugu District family of municipalities to Merged Entity needs to be sustainable and fairly borne by:

- KZN212 uMdoni
- KZN213 uMzumbe
- KZN 214 uMuziwabantu
- KZN216 Ray Nkonyeni
- DC21 Ugu District Municipality

It should be clear, simple to calculate and never become contentious or subject to annual negotiation.

f) Division of Revenue Act (DORA)

Section 214(1) of the Constitution provides for the equitable division of revenue raised nationally among the national, provincial and local spheres of government.

f) Division of Revenue Bill

An annual DORA Bill publishes the actual share to be paid to municipalities for the year in question, together with estimates for the next two years.

SCHEDULE 3

DETERMINATION OF EACH MUNICIPALITY'S EQUITABLE SHARE OF THE LOCAL GOVERNMENT SPHERE'S SHARE OF REVENUE RAISED NATIONALLY

			National Financial Year		
			Column A	Column B	
Number		Municipality	2022/23	Forward Estimates	
				2023/24	2024/25
KWAZULU-NATAL			R'000	R'000	R'000
A	ETH	eThekwini	4 057 189	4 405 068	4 784 326
B	KZN212	uMdoni	162 218	172 764	184 404
B	KZN213	uMzumbe	154 862	162 624	171 055
B	KZN214	uMuziwabantu	110 541	116 678	123 412
B	KZN216	Ray Nkonyeni	260 646	280 634	302 772
C	DC21	Ugu District Municipality	585 146	629 020	675 761
Total: Ugu Municipalities			**1 273 413**	**1 361 720**	**1 457 404**

h) Quantification of Grant funding payments to Merged Entity

Based on:

- the strategic plan, annual performance plan and proposed budget of Merged Entity, and
- the estimated total Equitable share to be received by the Ugu District family of municipalities

it is proposed that the Ugu District family of municipalities resolve:

- To pay an annual grant to Merged Entity equal to
- 2,4% of the equitable share received in respect of the local government sphere's share of revenue raised nationally; plus
- The applicable rate of VAT to be recovered from SARS; and that
- Such percentage be paid to Merged Entity within 7 (seven) days after receipt of the equitable share by each municipality. This being in line with the National Treasury circular of 31 May 2010 and instruction note no 34 of 30 November 2011 together with the MFMA Circular no 49 of 29 June 2009. Attached herewith.

i) Value Added Tax (VAT)

Some years ago, a change in legislation required that grants paid to any government entity by any sphere of government are subject to VAT. This is in terms of the SARS Interpretation Note 39 (issue 3).

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j) Schedule of The Funding Method

No.	Municipality	Percentage	2022/23		2023/24		2024/25	
			EQS	Allocation - Net of VAT	EQS	Allocation - Net of VAT	EQS	Allocation - Net of VAT
KZN212	uMdoni	1.20%	162 218 000	1 946 616	172 764 000	2 073 168	184 404 000	2 212 848
KZN213	uMzumbe	1.20%	154 862 000	1 858 344	162 624 000	1 951 488	171 055 000	2 052 660
KZN214	uMuziwabantu	1.20%	110 541 000	1 326 492	116 678 000	1 400 136	123 412 000	1 480 944
KZN216	Ray Nkonyeni	1.20%	260 646 000	3 127 752	280 634 000	3 367 608	302 772 000	3 633 264
DC21	Ugu District Municipality	3.70%	585 146 000	21 650 402	629 020 000	23 273 740	675 761 000	25 003 157
				29 909 606		**32 066 140**		**34 382 873**

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7.3 THE FINANCIAL POSITION OF THE EXISTING ENTITIES IN 2021/22 FINANCIAL PERIOD

STATEMENT OF FINANCIAL PERFORMANCE	USCT	USCDA	CONSOLIDATED
	2021	2021	2021
Revenue			
Revenue from exchange transactions			
Rental of facilities and equipment		R211 638.00	R211 638.00
Interest earned	R272 197.00	R72 254.00	R344 451.00
Commission and Sales	R12 312.00		R12 312.00
Interest received - VAT receivable	R5 372.00	R9 376.00	R14 748.00
Membership fees	R134 789.00		R134 789.00
Total revenue from exchange transactions	R424 670.00	R293 268.00	R717 938.00
Revenue from non-exchange transactions			
Government grants & subsidies	R17 539 235.00	R12 367 568.00	R29 906 803.00
Total revenue from non-exchange transactions	R17 539 235.00	R12 367 568.00	R29 906 803.00
Total revenue	R17 963 905.00	R12 660 836.00	**R30 624 741.00**
Expenditure			
Employee related costs	-R5 328 555.00	-R5 514 211.00	-R10 842 766.00
Depreciation and amortisation	-R122 839.00	-R54 771.00	-R177 610.00
Finance costs		-R127 545.00	-R127 545.00
Operating lease rentals	-R627 746.00	-R803 351.00	-R1 431 097.00
Contracted services		-R3 703 274.00	-R3 703 274.00
Development costs	-R318 498.00		-R318 498.00
Directors' remuneration	-R492 998.00	-R659 917.00	-R1 152 915.00
Marketing costs	-R2 839 864.00		-R2 839 864.00
Operational Costs	-R1 098 388.00	-R866 481.00	-R1 964 869.00
Loss on disposal of assets and liabilities	-R60 638.00		-R60 638.00
Total expenditure	-R10 889 526.00	-R11 729 550.00	**-R22 619 076.00**
Surplus for the year	R7 074 379.00	R931 286.00	**R8 005 665.00**
Expenditure as a % Internally generated Revenue	-2564%	-4000%	-6564%
Contracted services as a % Internally generated Revenue		-1263%	
Employee costs and Director's remuneration as a % of total expenditure	53%	53%	53%
Government grants & subsidies as a % of total revenue	98%	98%	98%
Internally generated Revenue as a % of total revenue	2%	2%	2%

Source: Funding Model Amalgamated Entity Document 2021



8. MONITORING AND EVALUATION FRAMEWORK

The Monitoring and Evaluation (M&E) Framework is developed to operationalise the strategic orientation provided for in the Merged Entity Strategy. This framework aims at informing decision makers about progress towards achieving targets as set in the Merged Entity Strategic Plan Document. In combination with other initiatives, the M&E Framework will focus the attention of stakeholders and direct efforts towards the ultimate vision of Merged Entity. In order to do so, the M&E Framework needs to provide strategic information to decision-makers, who will combine this information with other strategic information to make evidence-based decisions.

This Monitoring and Evaluation framework is based on principles intended to institutionalize the use of M&E as a tool for better public sector management, transparency and accountability, so as to support the overall direction of the Merged Entity Strategy and achievement of the results.

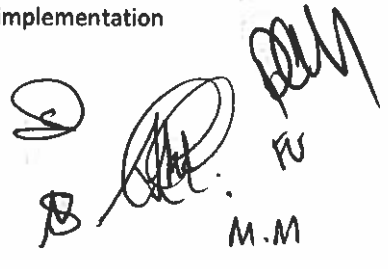
Importantly the M & E framework proposed focuses on strategic-high level outcomes-based indicators and not implementation/operational output and milestone indicators. It is crucial that detailed implementation plans per project with KPI: Outputs and Milestones are developed to enable lower-level monitoring and evaluation as that is critical to achieve the below monitoring framework's usefulness in achieving strategic objectives, goals and ultimately Merged Entity Vision. This will be simplified by the Annual Performance Plan of the Merged Entity.

8.1 KEY PRINCIPLES OF THE MONITORING AND EVALUATION FRAMEWORK

Principle	Description
GOVERNANCE	
• Transparency Accountability Participation Inclusion	• All findings are publicly available unless there are compelling reasons otherwise. • Use of resources is open to public scrutiny. • Voice is provided to historically marginalized people. • Traditionally excluded interests are represented through M&E processes.
M&E IS DEVELOPMENTALLY ORIENTATED	
• Rights-based: Bill of rights pro-poor orientation • Service delivery and performance Learning • Human resource management Impact awareness	• A rights-based culture is promoted and entrenched by its inclusion in the value base for all M&E processes. • Poverty's causes, effects and dynamics are highlighted, and the interests of poor people are promoted and prioritized.

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Principle	Description
	• Variables reflecting institutional performance and service delivery are analyzed and reviewed, links are identified, and responsive strategies are formulated. • Knowledge and an appetite for learning are nurtured in institutions and individuals. • The skills needed for deliberative M&E are available, fostered and retained.
M&E IS ALIGNED AND INTEGRATED	
• Aligned Integrated	• The M&E framework is aligned with national policy on M&E and provincial and district-level strategic planning frameworks. • Integration mechanisms ensure alignment is achieved and maintained, in terms of who does what, within the multi-sector and multi- department situation.
M&E IS UNDERTAKEN ETHICALLY AND WITH INTEGRITY	
• Confidentiality • Respect • Representation of competence Fair reporting	• There is responsible use of personal and sensitive information and promises of anonymity and non- identifiability are honored and relied upon. • Dignity and self-esteem are built amongst stakeholders and affected people. • There is skillful and sensitive implementation of M&E processes. • Those engaged in monitoring and evaluation fairly represent their competence and the limitations of their reports. • Reporting provides a fair and balanced account of the findings.
M&E IS USER ORIENTED	
• Defining and meeting expectations Supporting utilization	• M&E products meet knowledge and strategic needs. • A record of recommendations is maintained, and their implementation followed up.



10. CONCLUSION

The advent of the unprecedented Covid-19 pandemic with the resultant unprecedented lockdown of the country by the President re-ignited a sense of collegiality and trust between the various stakeholders within Ugu: private sector, civil society and government. The end result has been an all-encompassing embraced by a multitude of stakeholders with only one end in mind – reigniting economic activity with a greater sense of urgency.

The Ugu District Municipal Council meeting held on Thursday 23 September 2021 resolved that, the Ugu South Coast Tourism (USCT) and Ugu South Coast Development Agency (USCDA) must be merged into a single entity. This was necessitated by the weaker economic growth experienced in South Africa and the consequent reduction in the baseline budget allocations to the Province over the Medium-Term Revenue and Expenditure Framework. Financial savings.

Therefore, resolutions were taken through due structures to improve which include the following: rationalization of roles and responsibilities of LED between district, locals and entities informed by the Post-Covid Economic Regeneration Plan, which provides an assessment, and then strategic framework, and programmatic plan.

In responding to the above-mentioned economic predicament, the amalgamation of USCT and USCDA was necessary to mitigate on the funding challenges, and financial savings.

The Merged Entity Strategy 2022 – 2026, is the catalyst in ensuring that, the above-mentioned predicaments are mitigated accordingly through a collaborative effort by direct and indirect economic development role players or strategic partners.

The Merged Entity Strategic Plan Document will be reviewed on annual basis, with an intention to ensure that latest developments within the economic development sector are incorporated.

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ANNEXURE A: ANNUAL PERFORMANCE PLAN

SERVICE LEVEL AGREEMENT

BETWEEN

UGU DISTRICT MUNICIPALITY

AND

SOUTH COAST TOURISM & INVESTMENT ENTERPRISE SOC (RF)
Company Registration Number 2016/158371/30

(Together herein referred to as "the Parties")

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ANNEXURE A 20

PREAMBLE

WHEREAS the District Municipality is a Municipality as defined in terms the Municipal Structures Act 117 of 1998; and amplified in the Local Government: Municipal Systems Act 32 of 2000.

AND WHEREAS the parties wish to give effect to and recognition of the principles enshrined in the Constitution of the Republic of South Africa of 1996, and with specific reference to Section 156 of such Constitution and the parties are obliged to take cognizance of Section 93B and 93D of the Systems Act.

AND WHEREAS the parties are also cognizant of and acknowledge that they are properly bound by the Municipal Finance Management Act 56 of 2003, and more specifically Section 87 of such Act as well as rules pertaining to National Treasury Funding.

AND WHEREAS Ugu is, inter alia, empowered, and wishes to in terms of the Municipal Structures Act and Municipal Systems Act conclude such an agreement.

AND WHEREAS South Coast Tourism and Investment Enterprise as a properly created Municipal Entity as defined herein has the capacity, experience, and know-how to implement its statutory functions.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS: -

1. DEFINITIONS

1. The definitions as contained in all Acts mentioned in the text of this Agreement and Regulations are applicable to this contract. In addition, the following definitions are applicable: -

2. **"Ugu District Municipality area"** or "Ugu" is a District Municipality as provided for in the Local Government: Municipal Structures Act, Act 117 of 1998 as amended and represented herein by Dr EMS Ntombela in his capacity as the Acting Municipal Manager thereof, he being duly authorized.

3. **"South Coast Tourism and Investment Enterprise SOC (RF)"** or **"SCTIE"** or **"Company" or "Entity"** is a state-owned company, Registration No. 2016/158371/30 which is a municipal entity as defined in the Municipal's Systems Act and represented herein by Phelisa Mangcu as the Chief Executive Officer.

4. **"Preferential Procurement"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and its Regulations as amended from time to time.

5. **"Integrated Development Plan"** or **"IDP"** shall mean development planning as provided for in terms of the Division of Revenue Act 1 of 2007, the Municipal Systems Act and the Municipal Financial Management Act and its Regulations as amended from time to time.

6. **"The Constitution"** shall mean the Constitution of South Coast Tourism and Investment Enterprise SOC (RF) if applicable.

7. **"Contract"** means this Service Level Agreement of which the only two parties, shall be Ugu District Municipality and South Coast Tourism and Investment Enterprise, and shall, in context, hereinafter be referred to as the "parties"; as well as any addenda hereto as may be concluded from time to time by the Parties, and properly annexed hereto.

8. **"Person"** includes reference to a juristic person.

9. **"The CEO"** means the Chief Executive Officer in the company appointed by the Board of Directors of the Company.

10. The **"MFMA"** means Local Government Municipal Finance Management Act No. 56 of 2003.

11. **"Parent Municipality "** or **"Parent"** means the Ugu District Municipality.

12. **"The Companies Act"** means the Act 71 of 2008 as amended or any Act which replaces it, and any and every other statute or subordinate legislation from time to time in force concerning companies and necessarily affecting the company, South Coast Tourism and Investment Enterprise.

13. **"The Articles"** means the Articles of the Company and any and every other Statute or subordinate legislation from time in force concerning companies and necessarily affecting the Company.

14. **"The Systems Act"** or **"the Act"** means the Local Government: Municipal Systems Act 32 of 2000.

15. **"Effective date:** irrespective of the date of signatures the effective date for this agreement is 1 July 2022, subject to review of the entity by the parent

2. INTEPRETATION

2.1 Headings of clauses shall be deemed to have been included for purposes of convenience only and shall not affect the interpretation of this Agreement.

2.2 Unless inconsistent with the context, words relating to any gender shall include the other genders, words relating to the singular shall include the plural and vice versa and words relating to natural persons shall include associations of persons having corporate status by statute or common law.

2.3 In the event that any of the provisions of this Agreement or its collateral Constitution, are found to be invalid, unlawful or unenforceable, such terms shall be severable from the remaining terms which shall continue to be valid and enforceable.

2.4 This Agreement incorporates the Annexures, which Annexures shall have the same force and effect as if set out in the body of this Agreement. The various documents forming part of this Agreement are to be taken as mutually explanatory. In the event of any conflict or inconsistency the provisions contained in the main body of the Agreement will prevail.

2.5 If any provision in a definition is a substantive provision conferring any right or imposing any obligation on any party, then notwithstanding that such provision is only in this interpretation clause or in a definition elsewhere in this agreement, effect shall be given to it as a substantive provision of this agreement.

2.6 When any number of days is prescribed in this agreement, the same shall be reckoned exclusively of the first and inclusively of the last day unless that last day falls on a Saturday, Sunday or proclaimed public holiday in the Republic of South Africa, in which event the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.

2.7 Any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time.

2.8 If any provision in this agreement is in conflict or inconsistent with any law, the invalidity of any such provision shall not affect the validity of the remainder of the provision hereof.

2.9 Where figures are referred to in words and in numerals, if there is any conflict between the two, the words shall prevail.

NOW THEREFORE

3. RECORDAL

3.1 Ugu District Municipality lists the South Coast Tourism and Investment Enterprise as the economic vehicle of the district to drive investment, economic growth and transformation.

3.1.1 Through the existence of South Coast Tourism and Investment Enterprise it is therefore important to unlock obstacles to economic growth and development in the district. This would involve understanding the legislation, regulations, policies, and the national, provincial and district strategic frameworks and develop programs that will have positive impact on development growth in the District.

3.1.2 South Coast Tourism and Investment Enterprise strives to align its own strategies to those of the Ugu District Municipality District Development Model, Ugu Spatial Development Framework, Post Covid Recovery Strategy, and Provincial and District Growth and Development Strategies.

4. FUNCTION OF UGU SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE

4.1 As a special purpose vehicle with defined goals and objectives, which aims to unlock the development and economic potential of the district through promoting tourism and investment by implementing and facilitating economically viable, regionally impacting, economic development in accordance with the approved Strategic Plan. (Annexure A)

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5. POWERS OF SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE

5.1 The Company is a state-owned company established in terms of Section 86C of the Systems Act and accordingly is restricted to act as a municipal entity in terms of:

5.1.1 Chapter 8A of the Systems Act; and

5.1.2 Chapter 10 and 11 of the MFMA

5.1.3 Section 41 of the Systems Act; and

5.1.4 Section 38 of the KwaZulu Natal Tourism Act of 1996; and

5.1.5 Its Memorandum of Incorporation

5.2 Section 86D(2) of the Systems Act shall apply namely that the entity must restrict its activities to the purpose for which it is created by its Parent Municipality in terms of Section 86E(1)(a); and entity shall have no competence to perform any activity which falls outside the functions and powers of its Parent Municipality contemplated by Chapter 8 of the Act.

6. RESTRICTIONS ON SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE

6.1 All the income, expenditure, sponsorship, and property of ENTITY shall be applied solely towards the implementation and promotion of its main objective.

6.2 No portion of ENTITY's income, expenditure and property shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise, to Ugu or directors of the Company, or its Parent Municipality; provided that nothing herein contained shall prevent the payment in good faith or reasonable remuneration to an officer or servant of the Company or to any member in return for any services actually rendered to the company, nor shall ENTITY be precluded from acquiring bona-fide sponsors to improve and further its objects and functions.

6.3 The winding-up of the company, shall be in terms of the stipulations contained in the Local Government: Municipal Systems Act, The Local Government: Municipal Finance Management Act and the Companies Act and other relevant Acts.

6.4 The company shall monitor, and annually review its annual budget process as set out in Section 87 of the Municipal Finance Management Act, including ensuring that the Mayor tables the entity's budget to the Parents Council, as required in Section 87(3) of the Municipal Finance Management Act.

6.5 The company shall comply with the reporting requirements in terms of Section 104 of the Municipal Finance Management Act.

6.6 Ownership of, equity interest or shares or any alienation or transfer of that share in the Company may only be alienated or disposed of in terms of Section 86G of the Systems Act.

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6.7 To only provide goods and services as provided for in respect of the achievement of its objectives as outlined in this Agreement.

6.8 To acquire goods and services only as provided for in the Preferential Procurement Policy Framework Act of 2000 (Act 5 of 2000) and its regulations the Broad Based Black Economic Empowerment Act of 2003 (Act 53 of 2003), Local Government: Municipal Finance Management Act of 2003 (Act 56 of 2003) and the Supply Chain Management Regulations, Supply Chain Policy of the Company or the Parent Municipality, should the Company not have adopted such Policy at the time of procurement of any goods and services.

6.9 All asset disposals by the entity must be approved by the Parent's Council in accordance with Section 90(2) of the Municipal Finance Management Act.

7. ACTIVITIES OF SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE

7.1 The activities of the Company shall, for the duration of this Agreement, be aligned to the duly adopted South Coast Tourism and Investment Enterprise Strategic Plan for the period 2022-2027, subject to the review of the entity by the parent during this period, and as may be amended from time to time and is annexed hereto as Annexure "A".

7.2 Section 86D (2) of the Systems Act shall apply and provides that a private company which is a municipal entity-

7.2.1 must restrict its activities to the purpose for which it is used by its parent municipality in terms of Section 86(E)(1)(a)

7.2.2 and has no competence to perform any activity which falls outside the functions and powered of its parent municipality contemplated by Chapter 8A

8. OWNERSHIP OF THE COMPANY

8.1 The Company is established and fully owned by the Parent Municipality in terms of Section 86C of the Systems Act, and as such holds all the shares therein.

8.2 No other party shall be a party to this agreement, or claim enforceable rights, or obligations from the parties arising from this agreement, or resulting from the Constitution of South Coast Tourism and Investment Enterprise SOC RF.

9. DUTIES OF THE PARENT MUNICIPALITY

9.1 Sections 93A and 93B of the Systems Act stipulates the following duties of the Parent Municipality with respect to the Company.

9.2 The parent municipality must:

9.2.1 Exercise any shareholder, statutory, contractual, or other rights and powers it may have in respect of the municipal entity to ensure that —

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9.2.1.1 Both the municipality and the municipal entity comply with the Systems Act, the Municipal Finance Management Act and any other applicable legislation; and

9.2.1.2. The municipal entity is managed responsibly and transparently, and meets its statutory, contractual, and other obligations as well as the provisions of its own Constitution.

9.2.2 Allow the board of directors and chief executive officer of the municipal entity to fulfill their responsibilities;

9.2.3 Establish and maintain clear channels of communication between the municipality and the municipal entity.

9.2.4 Ensure that annual performance objectives and indicators for the municipal entity are established by agreement with the municipal entity and included in the municipal entity's multi-year business plan in accordance with Section 87(5)(d) of the Municipal Finance Management Act;

9.2.5 Must monitor and annually review, as part of the municipal entity's annual budget process as set out in Section 87 of the Municipal Finance Management Act, the performance of the municipal entity against the agreed performance objectives and indicators; and

9.3 May liquidate and disestablish the municipal entity-

9.3.1 following an annual performance review if the performance of the municipal entity is unsatisfactory.

9.3.2 in the event of financial difficulties if the municipality does not impose a financial recovery plan in terms of the Municipal Finance Management Act and the municipal entity continues to experience serious or persistent financial problems; or (iii) if the municipality has terminated the services delivery agreement or other agreement it had with the municipal entity.

If the company is liquidated and/or disestablished:

9.3.2.1 take charge and possession of all assets, liabilities, rights, and obligations of the company, due to fact that it then vests in the parent municipality; and

9.3.2.2 ensure that the staff of the company be dealt with in accordance with applicable Labour Legislation.

10. POWERS AND DUTIES OF DIRECTORS OF THE ENTITY

10.1 In terms of Section 93H of the Systems Act, the board of directors of South Coast Tourism and Investment Enterprise shall:

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10.1.1 provide effective, transparent, accountable and coherent corporate governance and conduct effective oversight of the affairs of the Entity;

10.1.2 ensure that Entity comply with all applicable legislation agreements;

10.1.3 communicate openly and promptly with the parent municipality of Entity; and

10.1.4 deal with the parent municipality in good faith.

10.1.5 give effect to the Constitution of the Republic of South Africa.

10.1.6 ensure that the rights to operate an exclusive Entity Structure by the parent municipality are upheld.

10.1.7 attend its meetings punctually and regularly.

10.2 A director of the Entity must, at all times, act in accordance with the Code of Conduct for directors referred to in Section 93L of the Systems Act.

10.3 Entity shall comply with the Systems Act and ensure compliance in terms of Section 93J of the Act, that:

10.3.1 The board of directors of the Entity appoint a Chief Executive Officer (CEO) of the municipal entity.

10.3.2 The Chief Executive Officer of the Entity shall be accountable to the board of directors for the management of the municipal entity.

10.4 The board of directors of the municipal entity shall also be responsible, in consultation with the parent, to appoint all the Executive Managers and the Managers reporting directly to the Chief Executive Officer (the CEO) of the company.

10.5 The Municipal Entity is enjoined to divert as far as possible resources, time, funding and skills to the noncoastal areas within the Municipality and shall develop Entity destinations in rural and traditional areas within the Municipality areas of the District as far as may be reasonably possible, and subject to budgets, demand and desirability.

11. THE CHIEF EXECUTIVE OFFICER AND STAFF OF THE ENTITY

11.1 The Chief Executive Officer of South Coast Tourism and Investment Enterprise shall be accountable to the Board of Directors for the management of Entity .

11.2 The Chief Executive Officer as the Head of Administration of Entity is subject to the policy directions of the Board of Directors and is responsible and accountable to the Board of Directors for: -

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11.2.1 The information and development of economical, effective, efficient and accountable administrative unit: -

11.2.1.1 Equipped to carry out the task of implementing the functions of the Entity.

11.2.1.2 responsive to the needs of the community to participate in the affairs of the Entity.

11.2.1.3 to liaise with the Offices of the Municipal Managers of the Municipalities.

11.2.2 The management of the affairs of Entity in accordance with the Memorandum of Incorporation and other legislation applicable to the Company.

11.2.3 The implementation of the Company's development plans and policies of the company and also monitoring of progress with the implementation thereof;

11.2.4 The appointment of staff, other than the Managers directly accountable to the Chief Executive Officer, and subject to the Employment Equity Act No. 55 of 1998 and shall regulate;

11.2.5 The management, effective utilization and training of staff;

11.2.6 The maintenance of discipline of staff;

11.2.7 The promotion of sound labour relations and compliance by Entity with applicable Labour legislation;

11.2.8 Advising the Board of Directors of the Company;

11.2.9 Deciding from time to time the number of meetings to be held in respect of:

11.2.9.1 Board Meetings;
11.2.9.2 Entity Committees; and
11.2.9.3 any other meetings of the Company.

11.2.10 The drafting of Standing Rules for Directors and Committees

12. ACCOUNTABILITY TO THE UGU DISTRICT COMMUNITY

12.1 Both parties shall facilitate participation by the community in the affairs of Entity and shall, as far as may be reasonably possible; with further reference to Section 80(2) of the Systems Act: -

12.1.1 develop and maintain a network whereby community satisfaction or dissatisfaction with the work of Entity is assessed through its committees where practical;

12.1.2 the implementation of national and provincial legislation applicable to the functions of Entity;

12.1.3 the performance of any other function that may be assigned by the Parent;

13. MANAGEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE AGENCY

13.1 Section 57 of the Systems Act, read with the necessary amendments thereto, shall mutatis mutandis be applicable to the Chief Executive Officer and the managers directly accountable to the Chief Executive Officer.

13.2 The upper limits of the salary, allowances and other benefits of the Chief Executive Officer and Managers of the Company shall be determined by the Parent in terms of Section 89(a) of the Municipal Finance Management Act.

14. MEETINGS OF THE BOARD OF DIRECTORS

14.1 Section 93I of the Systems Act regulates the Meetings of Board of Directors which shall sit as a Committee as far as may be possible serving the interests of Entity in the District:

14.1.1 Meetings of the Board of Directors of Entity must be open to the Municipal representatives referred to in Section 93 D(1)(a)

14.1.2 Municipal representatives referred to in Section 93D(1)(a) have non-participating observer status in a meeting of the Board of Directors of the Company.

14.2 Every meeting of Directors as a Committee shall be held in the area of jurisdiction of the Parent Municipality in which the Company's registered office is for the time being situated.

15. GENERAL MEETINGS OF ENTITY

15.1 The Mayor of the Parent Municipality may at any time call or convene any meeting of the shareholders or any other General Meeting comprising the Board of Directors and the representatives of the parent municipality, in order for the Board of Directors to give account for actions taken by it.

15.2 Should such meeting be called, the Chief Executive Officer shall as far as reasonably possible, give written notice of the meeting, and an Agenda for such meeting.

16. REPRESENTATION AT GENERAL MEETINGS OF ENTITY

16.1 Save as otherwise herein provided, there shall be no less than one (1) of the representatives, mandated by the Parent Municipality to represent it at the General Meeting.

16.2 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairperson of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second casting vote.

16.3 All business that is transacted at a General Meeting, and all that is transacted at an Annual General Meeting, shall be deemed to be special business.

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16.4 The parties record that it is of paramount importance that the Directors of the Entity play a purposeful and ongoing role in the running of the Entity as stipulated in Section 93H of the Act.

16.5 Should it occur that any Director of the Company and for any reason whatsoever misses three consecutive committee meetings of the Company, or misses a cumulative total of three (3) out of any five (5) meetings of the company then:

16.5.1 The Chairperson shall forward a written communication, to be delivered by hand to such Director who shall be invited to furnish viva voce reasons at the next sitting of the committee of the Company, or if the Chairperson accepts otherwise, written reason to explain his/her ongoing absence from such meetings;

16.5.2 If no reasons are given on the date designated by the Chairperson, or if the reasons given are unacceptable to a quorum of the meeting of the representatives present; who shall evaluate such reasons; then such Director shall be reported to the Parent Municipality for intervention;

16.5.3 Following such report, the Mayor or Executive Mayor as well as the affected Director shall be notified in writing of such report and shall be furnished with a copy of the relevant minutes of the meeting.

16.6 The provisions of 16.5 set out hereinabove shall mutatis mutandis apply to the Ugu representative as contemplated in clause 16 and the same procedural steps shall apply mutatis mutandis to such representative.

17. CODE OF CONDUCT FOR DIRECTORS AND STAFF OF ENTITY

17.1 In terms of Section 93L of the Systems Act the following applies to the Directors of the Company:

17.1.1 The Code of Conduct for Councilors contained in Schedule 1 of the Systems Act applies.

17.1.2 In the application of item 14 of Schedule 1, to directors of a municipal entity that item must be regarded as providing "14 breaches of code" as found in sec 93L.

17.2 In terms of Section 93L of the Systems Act the following applies to any member of Staff (employees) of the Company:

17.2.1 The Code of Conduct for municipal staff members contained in Schedule 2 of the Systems Act applies with the applicable and necessary changes, to members of staff (employees) of the Company.

18. MUNICIPAL REPRESENTATIVES

18.1 The Parties shall comply with 93D of the Municipal Systems Act and as such the:

18.1.1 The Council of the Parent Municipality must designate a Councilor or an official of the parent Municipality, or both, as the representative or representatives of the Parent Municipality:

18.1.2 To represent the parent municipality as a non-participating observer at meetings of the board of directors of South Coast Tourism and Investment Enterprise; and

18.1.3 To attend Directors' meetings and to exercise the parent municipality's rights and responsibilities as a shareholder, together with such other councilors or officials that the council may designate as representatives.

18.1.4 Failure by any representative to attend any such meeting shall be recorded in the minutes of such meeting.

18.1.5 The official lines of communications between Entity and the Parent Municipality exist between the Chairperson of the Board of Directors of Entity and the Mayor or Executive Mayor, as the case may be, of the Parent Municipality.

18.1.6 The Mayor or executive Mayor, as the case may be, of the Parent municipality may at any time call or convene any meeting of shareholders or other general meeting comprising to board of directors of the Company concerned and the representatives of the parent municipality, in order for the board of directors to give account for actions taken by it.

18.1.7 The council of a parent municipality may determine the reporting responsibilities of a municipal representative.

18.1.8 A municipal representative must represent the parent municipality faithfully at shareholder meetings, without consideration of personal interest or gain, and shall keep the council informed of:

- how voting rights were exercised; and
- all relevant actions taken on behalf of the municipality by the representative.

18.1.9 A municipal representative:

- must act in accordance with the instructions of the council; and
- may be reimbursed for expenses in connection with his or her duties as a municipal representative but may not receive any additional compensation or salary for such duties.

19. EXISTING AGREEMENT

This agreement shall supersede any other agreements between any Entity Association, and any Municipality which falls within the District of Ugu.

20. DURATION

20.1 This service level agreement shall commence on the effective date and shall continue for a fixed period of THREE YEARS from 01 July 2022 to 30 June 2025 subject to certain annual reviews the

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Parent may wish to undertake which may affect this period, whereafter an Addendum must be negotiated between the parties.

20.2 Should any of the Parties be desirous of terminating this Agreement before the attainment of the one (1) year period, the Party wishing to terminate must provide one year written notice of its intention to terminate to the other Party. Such Notice must be delivered to the other Party's domicilium as recorded in 26 below.

21. FINANCIAL CONTRIBUTION AND CHARGES BY THE MUNICIPALITY

21.1 The South Coast Tourism and Investment Enterprise shall annually provide-

21.1.1 an Annual Business Plan linked to and taking cognizance of the Ugu District Municipality's Integrated Development Plan. This annual business plan shall be submitted to the Municipality which shall annually make a grant to the Entity as agreed to between the parties therein, as per the Funding Model (Annexure A).

21.1.2 not more than six (6) months after the end of its Financial Year, after completion of the Annual Audit, submit to the Municipal Manager of the Municipality a report on its affairs and activities of the audited Financial Year and its Audited Annual Financial Statements, which report and Financial Statements shall be tabled at the next meeting of the Municipality; and

21.1.3 before or on the date prescribed, submit a budget for the ensuing financial year and a business plan as prescribed, to the Municipal Manager, which budget and business plan shall be considered by the Municipal Council in line with its budgeting process when considering the increase referred to in clause 21.6 below.

21.2 The funds of South Coast Tourism and Investment Enterprise shall consist of –

21.2.1 Grant from District and Local Municipalities of the Ugu District, in accordance with the approved Funding Model;

21.2.2 Donations, bequests, sponsorships or contributions;

21.2.3 Subject to the KwaZulu-Natal Tourism Act of 1996, income generated so as to achieve its objects; and

21.3 When the annual business plan of South Coast Tourism and Investment Enterprise is so submitted, without limiting the generality of such report it shall incorporate therein all information which may be called for by the Municipal Manager or other authorized officials of the Municipality.

21.4 The report shall be comprehensive enough to enable the Municipality to assess whether South Coast Tourism and Investment Enterprise has fully complied with this agreement, what service levels it has maintained and generally what its performance has been.

21.5 The parties record that Ugu District Municipality has committed itself to make a financial contribution to South Coast Tourism and Investment Enterprise from its municipal budget.

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21.6 The parties therefore record that the Municipality has committed itself to a base level contribution as a Grant-in-Aid to South Coast Tourism and Investment Enterprise for the in accordance with the Funding Model. The amount will be provided for in the annual budget of the Municipality, subject to the availability of funds, any unforeseen/impending shortfalls in budgeted revenue and other unforeseeable circumstances, per annum as it applies to Municipalities.

21.7 Sponsorships of each less than R200 000.00 (Two Hundred Thousand Rand) shall form part of the ordinary income received by Entity, and not be subject to any Preferential Procurement policy and shall be treated as sponsorship funding as provided for in the KwaZulu Natal Tourism Act of 1996.

21.8 The Ugu District Municipality may charge/bill the South Coast Tourism and Investment Enterprise for any services rendered.

22. FUTURE DEVELOPMENT OF SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE

22.1 South Coast Tourism and Investment Enterprise shall, within a reasonable period:

22.2 Effect such changes as may be necessary or appropriate for it to function as a Local Community Tourism and Investment Enterprise in terms of, but not limited to the KwaZulu- Natal Tourism Act, 1996. Without limiting the generality of the requirement, it shall adopt and follow the objects set out in the said Act, and any other relevant legislation regarding Entities and the local authority

22.3 South Coast Tourism and Investment Enterprise is to conduct its activities as laid out in the Service Level Agreement, read with the Strategic Plan document as per its core business.

22.4 South Coast Tourism and Investment Enterprise shall, in the course of its daily business, and by way of the Legislation and as far as may be permitted, be entitled to procure funding by way of Sponsorships either with reference to:

22.4.1 a sponsorship panel;

22.4.2 ad hoc sponsorships.

22.5 If any doubts exist as to whether or not a sponsorship or monies received should be dealt with in terms of the MFMA, this item shall be tabled and minuted and resolved at a Board of Directors' meeting as defined herein.

M.M

23. PREMISES

Ugu South Coast Tourism and Investment Enterprise has entered into separate formal lease with Keal Property Group for the sole occupation of the premises at 16 Bisset Street Port Shepstone for a period, ending April 2023, which lease may be renewed by mutual consent.

24. AUDIT

24.1 The parties record that the books and records of South Coast Tourism and Investment Enterprise will be subject to an annual audit and the results thereof made available to the Ugu District Municipality.

24.2 For the purposes of cost efficacy, the Municipality's Chief Financial Officer, or his nominated representative may engage the services of a company that prepares the Annual Financial Statements from time to time, who shall prepare the Annual Financial Statements, and assist with the compilation of working papers in support thereof be submitted to the Auditor General in compliance with all statutory requirements.

25. PERFORMANCE EVALUATION

25.1 The parties agree that the activities of South Coast Tourism and Investment Enterprise will be monitored and evaluated.

25.2 The monitoring and evaluation shall be done in accordance with the reasonable requirements of the Municipal Manager of the Municipality, who reserves this right and who is, in any event, obliged to comply with Section 87 of the Municipal Finance Management Act. He may utilize the services of consultants or other experts for this purpose including the conducting of periodic or ongoing and/or annual market research as to the views of the public generally and the members of South Coast Tourism and Investment Enterprise in this regard.

25.3 The following reports shall be submitted to the Municipal Manager to evaluate the ongoing performance of South Coast Tourism and Investment Enterprise:

25.3.1 Audited financial statements, within sixty (60) days of South Coast Tourism and Investment Enterprise year end.

25.3.2 Mid-year Budget and Performance Assessment report.

25.3.3 A quarterly summary activity report

25.4 Board minutes from time to time shall be forwarded to the Municipal Manager.

25.5 Annual board review of company performance to be forwarded to the Municipal Manager within ninety (90) days of its year-end.

26. DOMICILIUM AND NOTICES

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26.1 The parties select their addresses as hereinbefore stated as their respective domicilia citandi et executandi for all purposes arising out of this agreement or the cancellation thereof.

26.2 Any notice sent to the domicilia citandi et executandi of a party by previous registered post or delivered there by hand shall be deemed to have been received on the fifth business day after posting or on the date of delivery, as the case may be.

26.3 Any party may, by written notice to the other, change his domicilia citandi et executandi to another physical address (not being a post office box number or poste restante) within the Republic of South Africa and such change shall become effective seven days after the giving of such notice.

26.4 All notices which may or may have to be given in terms of this agreement shall be in writing.

26.5 The Municipality's address

Postal Address:
P. O. Box 33,
Port Shepstone
4240

Telephone:
039 688 5700

Physical Address
Ugu Municipal Offices
Connor Street
Port Shepstone
4240

26.6 South Coast Tourism and Investment Enterprise's address

Postal Address:
P.O Box 570
Port Shepstone
4240

Telephone:
039 682 7944

Physical Address:
16 Bissett Street
Port Shepstone
4240

27. JUDICIAL PROCEEDINGS AND DISPUTE RESOLUTION

27.1 The parties acknowledge that with reference to interpretation of powers and obligations of the parties, and in the event of a dispute between the parties that:

27.1.1 This Service Level Agreement shall have application and;

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27.1.2 The Memorandum of Incorporation of the Company shall have application.

27.2 Should a dispute arise at any level between the parties, which cannot be resolved by intervention, of the CEO, the Municipal Manager, and/ or the directors of the Entity, then the parties acknowledge that Chapter 4 of The Intergovernmental Relations Framework Act 113 of 1995 shall have application.

28. ENTIRE AGREEMENT- NO VARIATION

28.1 Non-Variation

This agreement shall constitute the entire agreement between the parties, as to the regulation of the Municipal Entity, and no addition to or variation, consensual cancellation or novation of this Service Level Agreement and no waiver of any right arising from this Agreement or its breach or termination shall be of any force or effect unless reduced to writing and signed by all the parties or their duly authorized representatives.

29. SIGNATURES

SIGNED AT PORT SHEPSTONE ON THIS 2nd DAY OF AUGUST 2022

DR E.M.S NTOMBELA -
ON BEHALF OF UGU DISTRICT MUNICIPALITY

M. MAVUNDLA -
WITNESS

F. GOBERDHAN
WITNESS

CONFIRMED
MANAGER LEGAL SERVICES
NTOMBI MBAMBO
DATE: 02/08/2022

SIGNED AT PORT SHEPSTONE ON THIS 4TH DAY OF 4 AUGUST 2022

PHELISA MANGCU

ON BEHALF OF SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE

WITNESS D. LUCK

WITNESS SHERONA SINGH

M.M

ANNEXURE A: STRATEGIC PLAN

SERVICE LEVEL AGREEMENT

ENTERED INTO BETWEEN

RAY NKONYENI MUNICIPALITY

(Herein after referred to as **the "GRANTOR"**)

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE SOC (RF)

(Herein after referred to as **the "GRANTEE"**)

(Together herein referred to as **"the Parties"**)

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PREAMBLE

Whereas the Parties agree to enter into a service level agreement, wherein the Ray Nkonyeni Municipality (The Grantor), undertakes to make available funding (herein after referred to as The Grant) to the South Coast Tourism and Investment Enterprise (The Grantee), to undertake the implementation of the Annual Performance Plan (Annexure B)

Whereas the preamble forms part of the agreement, and its terms are binding on all parties to the agreement.

1 THE FUNDING MODEL

The board developed a funding model policy that was approved by the Political Change Management Committee (constituted by Mayors and Municipal Managers of all municipalities within Ugu District, Chairpersons of the Entities), and this funding policy proposes percentages of the equitable share that each of the family of municipalities should contribute as allocations to the entity. As per the policy, the following percentages were approved as contributions for Ray Nkonyeni Municipality: -

Municipality	**Percentage Contribution towards STCIE**
Ray Nkonyeni Municipality	1.20%

The following table shows the result of the above provision for the financial year 2022/23, guided by the 2022/23 Division of Revenue Act. A determination of the allocation will be made on the allocations depending on the Equitable Share amount for that specific year.

		2022/23		2023/24		2024/25	
Municipality	**%**	**EQS**	**Allocation**	**EQS**	**Allocation**	**EQS**	**Allocation**
Ray Nkonyeni	1.20%	260 646 000	3 127 752	280 634 000	3 367 608	302 772 000	3 633 264

The Grant allocation for SCTIE for 2022/23 from Ray Nkonyeni Municipality is R3 596 914.80 (three million, five hundred and ninety-six thousand, nine hundred and fourteen rands and eighty cents) which is R3 127 752 plus VAT of R469 162.80.

It is recorded that the transfer of the Annual Grant shall be on receipt of a valid Tax Invoice, and payable to the Entity, within seven days of the receipt of the Equitable Share allocation by the municipality.

2 DURATION

This agreement shall commence on the **effective date of July 01, 2022** and shall continue for a **fixed period of 5 (five) years**, whereafter a new agreement must be negotiated between the parties.

3 CONDITIONS OF THE GRANT

WHEREAS the GRANTEE shall have a Board of Directors, and Management Staff persons to manage and oversee the execution of the Annual Performance Plan:

IT IS THEREFORE AGREED BETWEEN THE PARTIES:

3.1 The GRANTEE accepts to undertake the execution of the Annual Business Plan (Annexure B),

3.2 The GRANTEE shall on a quarterly basis submit a Quarterly Performance Report on progress made with regards implementation of Annual Performance Plan,

3.3 The GRANTEE shall at the end of the financial year submit audited financial statements indicating expenditure on finances, once finalised by the Auditor General

3.4 The GRANTOR and Management shall work closely in the implementation of programs and shall at all times maintain amicable working relations between the two institutions. To this end the GRANTOR will nominate the Head of Local Economic Development to sit as an Ex-Officio Member on the Board of SCTIE.

3.5 The GRANTEE shall utilize the GRANT only for the purpose as in ANNEXURE B. Where the GRANTOR identifies a separate project/task to be completed apart from

that that is indicated in the Annual Performance, a separate agreement will be entered into, with the required funding for it.

3.6 The GRANTOR shall ensure that the ANNEXURE B is completed by the GRANTEE and implementation thereof shall be within the parameters of the Annual Grant Where this amount is exceeded the Grantee shall be wholly responsible for additional costs and Ray Nkonyeni Municipality will be absolved of any obligations whatsoever.

3.7 The GRANTEE shall submit to the GRANTOR via the Ex-Officio Member representing the GRANTOR on the Board of Directors financial management accounts and progress reports on the Annual Performance Plan

3.8 The GRANTEE shall immediately notify the GRANTOR in writing if the GRANTEE finds that it is incapable of executing the Annual Plan,

3.9 The GRANTEE shall use this GRANT to benefit the bonafide residents of the Ugu District Municipality,

3.10 The Grantee agrees that the procurement of service providers will be an open and transparent process and where possible consideration be given to previously disadvantaged enterprises but without compromising expected deliverables and quality, as per the entity Supply Chain Management Policy.

3.11 The GRANTEE shall align its programs with the Integrated Development Plan and the Economic Plan of the Ugu District family of municipalities, and also Provincial and National Priorities.

4 NON-ASSIGNMENT

Neither the GRANTOR nor the GRANTEE shall assign or transfer or any interest or obligation in terms of this Agreement without the prior approval of the other party.

5 NON-VARIATION

This agreement shall not be varied or added to, except by means of a further written Agreement between the parties.

6 SUPPORT

The Parties undertake at all times to do all such things, perform all such actions and take all such steps, and to procure the doing of all the things, the performance of all such actions, and taking of all such steps as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms and conditions and/or import of this Agreement

7 BREACH

In the event of any Party ("Defaulting Party") committing a breach of any of the terms of this agreement, the Party ("Aggrieved Party") is obliged to refer such breach (Dispute) in terms of Section 40 and 41 of IRFA.

8 DISPUTE RESOLUTION

8.1 In the event that, there being any dispute or differences between the Parties declared as defined in terms of Section 41 of the IRFA arising out of this Agreement, the said dispute or differences shall be dealt with as outlined in Section 42 of the IRFA.

8.2 The Parties agree that the declaration by a Party to the dispute in terms of clause 8.1 is to be deemed to be a legal process for the purpose of interrupting the extinctive prescription in terms of the Prescription Act, 1969;

8.3 This clause 8 will continue binding on the parties not withstanding any termination or cancellation of the Agreement.

9 DOMICILIUM

(1) The GRANTOR chooses the following physical address as *its domicilium citanndi et executandi* -

Ray Nkonyeni Municipality

10 Connor Street,

Port Shepstone,

4240

(2) The GRANTEE chooses the following physical address as its domicilium citandi et executandi –

South Coast Tourism & Investment Enterprise SOC (RF)

16 Bisset Street

Port Shepstone

4240

10 SIGNATURE

10.1 This Agreement is signed by the Parties on the dates and at the places indicated below;

10.2 This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts;

10.3 The persons signing this Agreement in a representative capacity warrant their authority to do so.

10.4 The Parties record that it is not required for this Agreement to be valid and enforceable that a Party shall initial the pages of this Agreement and/or have its signature of this Agreement verified by a witness.

THUS, DONE and SIGNED for and on behalf of the GRANTOR at PORT SHEPSTONE on this day 14TH of MARCH 2023 in the presence of the undersigned witnesses.

..... AS WITNESS 1: .....

Name: KJ ZUMA

2:.....

THUS, DONE and SIGNED for and on behalf of the GRANTEE at PORT SHEPSTONE on this day 23 of FEBRUARY of _____ 2023 in the presence of the undersigned witnesses.

..... AS WITNESS 1: .....

Ms. Phelisa Mangcu

CHIEF EXECUTIVE OFFICER

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE

2.....

SERVICE LEVEL AGREEMENT

ENTERED INTO BETWEEN

UMDONI LOCAL MUNICIPALITY

(Herein after referred to as **the "GRANTOR")**

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE SOC (RF)

(Herein after referred to as **the "GRANTEE")**

(Together herein referred to as **"the Parties"**)

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10 SIGNATURE 5

PREAMBLE

Whereas the Parties agree to enter into a service level agreement, wherein the Umdoni Local Municipality (The Grantor), undertakes to make available funding (herein after referred to as The Grant) to the South Coast Tourism and Investment Enterprise (The Grantee), to undertake the implementation of the Annual Performance Plan (Annexure B)

1 THE FUNDING MODEL

The board developed a funding model policy that was approved by the Political Change Management Committee (constituted by Mayors and Municipal Managers of all municipalities within Ugu District, Chairpersons of the Entities), and this funding policy proposes percentages of the equitable share that each of the family of municipalities should contribute as allocations to the entity. As per the policy, the following percentages were approved as contributions for Umdoni Local Municipality: -

Municipality	**Percentage Contribution towards STCIE**
Umdoni Local Municipality	1.20%

The following table shows the result of the above provision for the financial year 2022/23, guided by the 2022/23 Division of Revenue Act. A determination of the allocation will be made on the allocations depending on the Equitable Share amount for that specific year.

		2022/23		2023/24		2024/25	
Municipality	**%**	**EQS**	**Allocation**	**EQS**	**Allocation**	**EQS**	**Allocation**
uMdoni	1.20%	162 218 000	1 946 616	172 764 000	2 073 168	184 404 000	2 212 848

The Grant allocation for SCTIE for 2022/23 from Umdoni Local Municipality is R2 238 608.40 (two million, two hundred and thirty-eight thousand six hundred and eight rands, forty cents) which is R1 858 344 plus VAT of R278 751.60.

It is recorded that the transfer of the Annual Grant shall be on receipt of a valid Tax Invoice, and payable to the Entity, within seven days of the receipt of the Equitable Share allocation by the municipality.

2 DURATION

This agreement shall commence on the **effective date of July 01, 2022** and shall continue for a **fixed period of 5 (five) years**, whereafter a new agreement must be negotiated between the parties.

3 CONDITIONS OF THE GRANT

WHEREAS the GRANTEE shall have a Board of Directors, and Management Staff persons to manage and oversee the execution of the Annual Performance Plan in relation to:

IT IS THEREFORE AGREED BETWEEN THE PARTIES:

3.1 The GRANTEE accepts to undertake the execution of the Annual Business Plan (Annexure B),

3.2 The GRANTEE shall on a quarterly basis submit a Quarterly Performance Report on progress made with regards implementation of Annual Performance Plan,

3.3 The GRANTEE shall at the end of the financial year submit audited financial statements indicating expenditure on finances, once finalised by the Auditor General

3.4 The GRANTOR and Management shall work closely in the implementation of programs and shall at all times maintain amicable working relations between the two institutions. To this end the GRANTOR will nominate the Head of Local Economic Development to sit as an Ex-Officio Member on the Board of SCTIE.

3.5 The GRANTEE shall utilize the GRANT only for the purpose as in ANNEXURE B. Where the GRANTOR identifies a separate project/task to be completed apart from

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that that is indicated in the Annual Performance, a separate agreement will be entered into, with the required funding for it.

3.6 The GRANTOR shall ensure that the ANNEXURE B is completed by the GRANTEE and implementation thereof shall be within the parameters of the Annual Grant Where this amount is exceeded the Grantee shall be wholly responsible for additional costs and Umdoni Local Municipality will be absolved of any obligations whatsoever.

3.7 The GRANTEE shall submit to the GRANTOR via the Ex-Officio Member representing the GRANTOR on the Board of Directors financial management accounts and progress reports on the Annual Performance Plan

3.8 The GRANTEE shall immediately notify the GRANTOR in writing if the GRANTEE finds that it is incapable of executing the Annual Plan,

3.9 The GRANTEE shall use this GRANT to benefit the bonafide residents of the Umdoni Local Municipality,

3.10 The Grantee agrees that the procurement of service providers will be an open and transparent process and where possible consideration be given to previously disadvantaged enterprises but without compromising expected deliverables and quality, as per the entity Supply Chain Management Policy.

3.11 The GRANTEE shall align its programs with the Integrated Development Plan and the Economic Plan of the Ugu District family of municipalities, and also Provincial and National Priorities.

4 NON-ASSIGNMENT

Neither the GRANTOR nor the GRANTEE shall assign or transfer or any interest or obligation in terms of this Agreement without the prior approval of the other party.

5 NON-VARIATION

This agreement shall not be varied or added to, except by means of a further written Agreement between the parties.

6 SUPPORT

The Parties undertake at all times to do all such things, perform all such actions and take all such steps, and to procure the doing of all the things, the performance of all such actions, and taking of all such steps as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms and conditions and/or import of this Agreement

7 BREACH

In the event of any Party ("Defaulting Party") committing a breach of any of the terms of this agreement, the Party ("Aggrieved Party") is obliged to refer such breach (Dispute) in terms of Section 40 and 41 of IRFA.

8 DISPUTE RESOLUTION

8.1 In the event that, there being any dispute or differences between the Parties declared as defined in terms of Section 41 of the IRFA arising out of this Agreement, the said dispute or differences shall be dealt with as outlined in Section 42 of the IRFA.

8.2 The Parties agree that the declaration by a Party to the dispute in terms of clause 8.1 is to be deemed to be a legal process for the purpose of interrupting the extinctive prescription in terms of the Prescription Act, 1969;

8.3 This clause 8 will continue binding on the parties not withstanding any termination or cancellation of the Agreement.

9 DOMICILIUM

(1) The GRANTOR chooses the following physical address as *its domicilium citanndi et executandi* -

Umdoni Local Municipality

Williamson Street

Scottburgh, 4180

(2) The GRANTEE chooses the following physical address as its domicilium citandi et executandi –

South Coast Tourism & Investment Enterprise SOC (RF)

16 Bisset Street

Port Shepstone

4240

10 SIGNATURE

10.1 This Agreement is signed by the Parties on the dates and at the places indicated below;

10.2 This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts;

10.3 The persons signing this Agreement in a representative capacity warrant their authority to do so.

10.4 The Parties record that it is not required for this Agreement to be valid and enforceable that a Party shall initial the pages of this Agreement and/or have its signature of this Agreement verified by a witness.

THUS, DONE and SIGNED for and on behalf of the GRANTOR at SCOTTBURGH

on this day 18 of APRIL 2023 in the presence of the undersigned witnesses.

..... AS WITNESS 1: .....

Name: TUMISILE NDLELA

2: NEVILLE SURROOBHALEE

THUS, DONE and SIGNED for and on behalf of the GRANTEE at PORT SHEPSTONE

on this day 02 of SEPTEMBER of 2022 2022 in the presence of the undersigned witnesses.

..... AS WITNESS 1: .....

Ms. Phelisa Mangcu

CHIEF EXECUTIVE OFFICER

SCTIE

2.....

SERVICE LEVEL AGREEMENT

ENTERED INTO BETWEEN

UMZUMBE LOCAL MUNICIPALITY

(Herein after referred to as the "GRANTOR")

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE SOC (RF)

(Herein after referred to as the "GRANTEE")

(Together herein referred to as "the Parties")

B.S. T.P. V.I

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10 SIGNATURE 5

PREAMBLE

Whereas the Parties agree to enter into a service level agreement, wherein the Umzumbe Local Municipality (The Grantor), undertakes to make available funding (herein after referred to as The Grant) to the South Coast Tourism and Investment Enterprise (The Grantee), to undertake the implementation of the Annual Performance Plan (Annexure B)

1 THE FUNDING MODEL

The board developed a funding model policy that was approved by the Political Change Management Committee (constituted by Mayors and Municipal Managers of all municipalities within Ugu District, Chairpersons of the Entities), and this funding policy proposes percentages of the equitable share that each of the family of municipalities should contribute as allocations to the entity. As per the policy, the following percentages were approved as contributions for Umzumbe Local Municipality: -

Municipality	**Percentage Contribution towards STCIE**
Umzumbe Local Municipality	1.20%

The following table shows the result of the above provision for the financial year 2022/23, guided by the 2022/23 Division of Revenue Act. A determination of the allocation will be made on the allocations depending on the Equitable Share amount for that specific year.

V.I B.S. T.P.

		2022/23		2023/24		2024/25	
Municipality	**%**	**EQS**	**Allocation**	**EQS**	**Allocation**	**EQS**	**Allocation**
uMzumbe	1.20%	154 862 000	1 858 344	162 624 000	1 951 488	171 055 000	2 052 660

The Grant allocation for SCTIE for 2022/23 from Umzumbe Local Municipality is R2 137 095.60 (two million, one hundred and thirty-seven thousand and ninety-five rand, sixty cents) which is R1 858 344 plus VAT of R278 751.60.

It is recorded that the transfer of the Annual Grant shall be on receipt of a valid Tax Invoice, and payable to the Entity, within seven days of the receipt of the Equitable Share allocation by the municipality.

2 DURATION

This agreement shall commence on the **effective date of July 01, 2022** and shall continue for a **fixed period of 5 (five) years**, whereafter a new agreement must be negotiated between the parties.

3 CONDITIONS OF THE GRANT

WHEREAS the GRANTEE shall have a Board of Directors, and Management Staff persons to manage and oversee the execution of the Annual Performance Plan:

IT IS THEREFORE AGREED BETWEEN THE PARTIES:

3.1 The GRANTEE accepts to undertake the execution of the Annual Business Plan (Annexure B),

3.2 The GRANTEE shall on a quarterly basis submit a Quarterly Performance Report on progress made with regards implementation of Annual Performance Plan,

3.3 The GRANTEE shall at the end of the financial year submit audited financial statements indicating expenditure on finances, once finalised by the Auditor General

3.4 The GRANTOR and Management shall work closely in the implementation of programs and shall at all times maintain amicable working relations between the two institutions. To this end the GRANTOR will nominate the Head of Local Economic Development to sit as an Ex-Officio Member on the Board of SCTIE.

3.5 The GRANTEE shall utilize the GRANT only for the purpose as in ANNEXURE B. Where the GRANTOR identifies a separate project/task to be completed apart from

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that that is indicated in the Annual Performance, a separate agreement will be entered into, with the required funding for it.

3.6 The GRANTOR shall ensure that the ANNEXURE B is completed by the GRANTEE and implementation thereof shall be within the parameters of the Annual Grant Where this amount is exceeded the Grantee shall be wholly responsible for additional costs and Umzumbe Local Municipality will be absolved of any obligations whatsoever.

3.7 The GRANTEE shall submit to the GRANTOR via the Ex-Officio Member representing the GRANTOR on the Board of Directors financial management accounts and progress reports on the Annual Performance Plan

3.8 The GRANTEE shall immediately notify the GRANTOR in writing if the GRANTEE finds that it is incapable of executing the Annual Plan,

3.9 The GRANTEE shall use this GRANT to benefit the bonafide residents of the Umzumbe Local Municipality,

3.10 The Grantee agrees that the procurement of service providers will be an open and transparent process and where possible consideration be given to previously disadvantaged enterprises but without compromising expected deliverables and quality, as per the entity Supply Chain Management Policy.

3.11 The GRANTEE shall align its programs with the Integrated Development Plan and the Economic Plan of the Ugu District family of municipalities, and also Provincial and National Priorities.

4 NON-ASSIGNMENT

Neither the GRANTOR nor the GRANTEE shall assign or transfer or any interest or obligation in terms of this Agreement without the prior approval of the other party.

5 NON-VARIATION

This agreement shall not be varied or added to, except by means of a further written Agreement between the parties.

6 SUPPORT

The Parties undertake at all times to do all such things, perform all such actions and take all such steps, and to procure the doing of all the things, the performance of all such actions, and taking of all such steps as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms and conditions and/or import of this Agreement

B.S. T.P. V.I.

7 BREACH

In the event of any Party ("Defaulting Party") committing a breach of any of the terms of this agreement, the Party ("Aggrieved Party") is obliged to refer such breach (Dispute) in terms of Section 40 and 41 of IRFA.

8 DISPUTE RESOLUTION

8.1 In the event that, there being any dispute or differences between the Parties declared as defined in terms of Section 41 of the IRFA arising out of this Agreement, the said dispute or differences shall be dealt with as outlined in Section 42 of the IRFA.

8.2 The Parties agree that the declaration by a Party to the dispute in terms of clause 8.1 is to be deemed to be a legal process for the purpose of interrupting the extinctive prescription in terms of the Prescription Act, 1969;

8.3 This clause 8 will continue binding on the parties not withstanding any termination or cancellation of the Agreement.

9 DOMICILIUM

(1) The GRANTOR chooses the following physical address as *its domicilium citanndi et executandi* -

Umzumbe Local Municipality

Mathulini MPCC

Sipofu Road,

Umthwalume,

4220

(2) The GRANTEE chooses the following physical address as its domicilium citandi et executandi –

South Coast Tourism & Investment Enterprise SOC (RF)

16 Bisset Street

Port Shepstone

4240

10 SIGNATURE

10.1 This Agreement is signed by the Parties on the dates and at the places indicated below;

10.2 This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts;

6.5.
T.P
U.I

10.3 The persons signing this Agreement in a representative capacity warrant their authority to do so.

10.4 The Parties record that it is not required for this Agreement to be valid and enforceable that a Party shall initial the pages of this Agreement and/or have its signature of this Agreement verified by a witness.

THUS, DONE and SIGNED for and on behalf of the GRANTOR at UMZUMBE LM.

on this day 15 of MARCH 2022 in the presence of the undersigned witnesses.

..... AS WITNESS 1: .....

NAME: TP CELE

2: .....

THUS, DONE and SIGNED for and on behalf of the GRANTEE at PORT SHEPSTONE

on this day 02 of SEPTEMBER of 2022 2022 in the presence of the undersigned witnesses.

..... AS WITNESS 1: .....

Ms. Phelisa Mangcu

CHIEF EXECUTIVE OFFICER

SCTIE

2. .....

SERVICE LEVEL AGREEMENT

ENTERED INTO BETWEEN

UMUZIWABANTU LOCAL MUNICIPALITY

(Herein after referred to as **the "GRANTOR")**

SOUTH COAST TOURISM AND INVESTMENT ENTERPRISE SOC (RF)

(Herein after referred to as **the "GRANTEE")**

(Together herein referred to as **"the Parties")**

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PREAMBLE

Whereas the Parties agree to enter into a service level agreement, wherein the Umuziwabantu Local Municipality (The Grantor), undertakes to make available funding (herein after referred to as The Grant) to the South Coast Tourism and Investment Enterprise (The Grantee), to undertake the implementation of the Annual Performance Plan (Annexure B)

1 THE FUNDING MODEL

The board developed a funding model policy that was approved by the Political Change Management Committee (constituted by Mayors and Municipal Managers of all municipalities within Ugu District, Chairpersons of the Entities), and this funding policy proposes percentages of the equitable share that each of the family of municipalities should contribute as allocations to the entity. As per the policy, the following percentages were approved as contributions for Umuziwabantu Local Municipality: -

Municipality	**Percentage Contribution towards STCIE**
Umuziwabantu Local Municipality	1.20%

The following table shows the result of the above provision for the financial year 2022/23, guided by the 2022/23 Division of Revenue Act. A determination of the allocation will be made on the allocations depending on the Equitable Share amount for that specific year.

B.S.

		2022/23		2023/24		2024/25	
Municipality	**%**	**EQS**	**Allocation**	**EQS**	**Allocation**	**EQS**	**Allocation**
uMuziwabantu	1.20%	110 541 000	1 326 492	116 678 000	1 400 136	123 412 000	1 480 944

The Grant allocation for SCTIE for 2022/23 from Umuziwabantu Local Municipality is R1 525 465.80 (one million, five hundred and twenty-five thousand, four hundred and sixty-five rands and eighty cents) which is R1 326 492 plus VAT of R198 973.80.

It is recorded that the transfer of the Annual Grant shall be on receipt of a valid Tax Invoice, and payable to the Entity, within seven days of the receipt of the Equitable Share allocation by the municipality.

2 DURATION

This agreement shall commence on the **effective date of July 01, 2022** and shall continue for a **fixed period of 5 (five) years**, whereafter a new agreement must be negotiated between the parties.

3 CONDITIONS OF THE GRANT

WHEREAS the GRANTEE shall have a Board of Directors, and Management Staff persons to manage and oversee the execution of the Annual Performance Plan:

IT IS THEREFORE AGREED BETWEEN THE PARTIES:

3.1 The GRANTEE accepts to undertake the execution of the Annual Business Plan (Annexure B),

3.2 The GRANTEE shall on a quarterly basis submit a Quarterly Performance Report on progress made with regards implementation of Annual Performance Plan,

3.3 The GRANTEE shall at the end of the financial year submit audited financial statements indicating expenditure on finances, once finalised by the Auditor General

3.4 The GRANTOR and Management shall work closely in the implementation of programs and shall at all times maintain amicable working relations between the two institutions. To this end the GRANTOR will nominate the Head of Local Economic Development to sit as an Ex-Officio Member on the Board of SCTIE.

3.5 The GRANTEE shall utilize the GRANT only for the purpose as in ANNEXURE B. Where the GRANTOR identifies a separate project/task to be completed apart from

B.S.

that that is indicated in the Annual Performance, a separate agreement will be entered into, with the required funding for it.

3.6 The GRANTOR shall ensure that the ANNEXURE B is completed by the GRANTEE and implementation thereof shall be within the parameters of the Annual Grant Where this amount is exceeded the Grantee shall be wholly responsible for additional costs and Umuziwabantu Local Municipality will be absolved of any obligations whatsoever.

3.7 The GRANTEE shall submit to the GRANTOR via the Ex-Officio Member representing the GRANTOR on the Board of Directors financial management accounts and progress reports on the Annual Performance Plan

3.8 The GRANTEE shall immediately notify the GRANTOR in writing if the GRANTEE finds that it is incapable of executing the Annual Plan,

3.9 The GRANTEE shall use this GRANT to benefit the bonafide residents of the Umuziwabantu Local Municipality,

3.10 The Grantee agrees that the procurement of service providers will be an open and transparent process and where possible consideration be given to previously disadvantaged enterprises but without compromising expected deliverables and quality, as per the entity Supply Chain Management Policy.

3.11 The GRANTEE shall align its programs with the Integrated Development Plan and the Economic Plan of the Ugu District family of municipalities, and also Provincial and National Priorities.

4 NON-ASSIGNMENT

Neither the GRANTOR nor the GRANTEE shall assign or transfer or any interest or obligation in terms of this Agreement without the prior approval of the other party.

5 NON-VARIATION

This agreement shall not be varied or added to, except by means of a further written Agreement between the parties.

6 SUPPORT

The Parties undertake at all times to do all such things, perform all such actions and take all such steps, and to procure the doing of all the things, the performance of all such actions, and taking of all such steps as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms and conditions and/or import of this Agreement

B.S.

7 BREACH

In the event of any Party ("Defaulting Party") committing a breach of any of the terms of this agreement, the Party ("Aggrieved Party") is obliged to refer such breach (Dispute) in terms of Section 40 and 41 of IRFA.

8 DISPUTE RESOLUTION

8.1 In the event that, there being any dispute or differences between the Parties declared as defined in terms of Section 41 of the IRFA arising out of this Agreement, the said dispute or differences shall be dealt with as outlined in Section 42 of the IRFA.

8.2 The Parties agree that the declaration by a Party to the dispute in terms of clause 8.1 is to be deemed to be a legal process for the purpose of interrupting the extinctive prescription in terms of the Prescription Act, 1969;

8.3 This clause 8 will continue binding on the parties not withstanding any termination or cancellation of the Agreement.

9 DOMICILIUM

(1) The GRANTOR chooses the following physical address as *its domicilium citanndi et executandi* -

Umuziwabantu Local Municipality
Murchison Street,
Harding,
4680

(2) The GRANTEE chooses the following physical address as its domicilium citandi et executandi –

South Coast Tourism & Investment Enterprise SOC (RF)
16 Bisset Street
Port Shepstone
4240

10 SIGNATURE

10.1 This Agreement is signed by the Parties on the dates and at the places indicated below;

10.2 This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts;

10.3 The persons signing this Agreement in a representative capacity warrant their authority to do so.

10.4 The Parties record that it is not required for this Agreement to be valid and enforceable that a Party shall initial the pages of this Agreement and/or have its signature of this Agreement verified by a witness.

THUS, DONE and SIGNED for and on behalf of the GRANTOR at HARDING on this day 02 of SEPTEMBER 2022 in the presence of the undersigned witnesses.

..... AS WITNESS 1: .....

NAME WEST GRIMEDE

2: .....

THUS, DONE and SIGNED for and on behalf of the GRANTEE at PORT SHEPSTONE on this day 02 of SEPTEMBER of 2022 2022 in the presence of the undersigned witnesses.

..... AS WITNESS 1: .....

Ms. Phelisa Mangcu

CHIEF EXECUTIVE OFFICER

SCTIE

2.....

South Coast Tourism & Investment Enterprise SOC (RF)
Address 16 Bisset Street, Port Shepstone,
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SOUTH COAST TOURISM & INVESTMENT ENTERPRISE(SCTIE)

KZN South Coast Investment Framework (KZNSCIF)

Approved by the Board 24 April 2025

DOCUMENT PRESENTATION

Document title:	**KZN SOUTH COAST INVESTMENT FRAMEWORK** **FEBRUARY 2025**
Prepared for:	**SOUTH COAST TOURISM & INVESTMENT ENTERPRISES (SCTIE)**
Contact details:	**South Coast Tourism & Investment Enterprises (SCTIE)** 16 Bisset Street Port Shepstone Tel: +27 39 682 7944 Email: info@sctie.co.za
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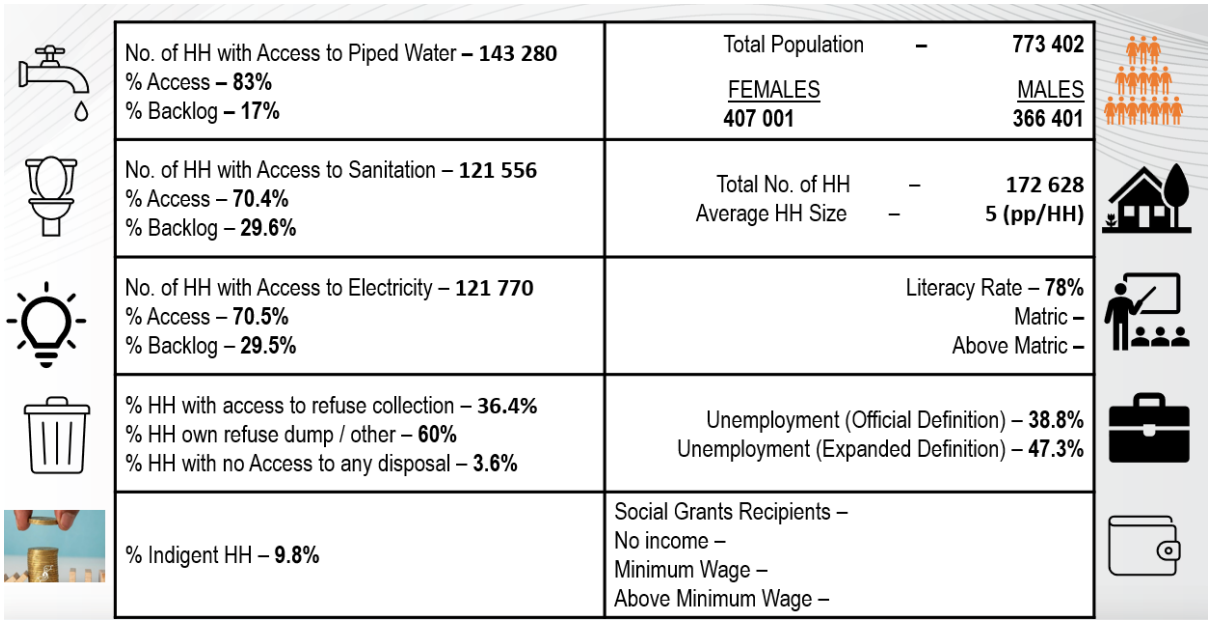
SECTION 1. INTRODUCTION

The Ugu Investment Framework (UIF) is a key instrument in the planning and management of financial investment in the Ugu District Municipality especially on the ***Eastern Seaboard Development*** initiative. It presents the framework required to provide sustainable investment for all people, businesses and industries within the means of the District's economy and the capacity of the financial resources.

1.1 PROBLEM STATEMENT

The following figure presents an overview of the Ugu District's development indicators and access to basic services.

Figure 1 Ugu Development Indicators



Source: Ugu District One plan Vision 2042

Based on the preceding figure, the District Municipality will invest its funds according to what is permitted by statute and regulation and also for optimal possible returns. The investment of funds in various projects is done to ensure that the optimal amount of cash is invested at all times to ensure that the current triple challenges of the District Municipality (poverty, inequality and unemployment) are fully addressed.

An Investment Framework seeks to answer the following questions:

- How much infrastructure does the municipality need, where (spatially) and of what type?
- When will the infrastructure be required over the 5-year timeline?
- How much will it cost to create/implement versus on-going maintenance and operations?
- What impact will it have on financial viability going forward?
- How will the required infrastructure be funded?

1.2 PURPOSE

1. To establish a framework for the investment of funds.
2. To undertake the investment of funds not immediately required for operational purposes in a prudent manner.
3. To ensure the safety of principal (capital value), whilst managing liquidity requirements to meet cash flow needs.
4. To provide the highest investment returns at minimum risk, within the parameters of authorised instruments.
5. To ensure diversification of permitted investments.
6. To ensure compliance with all legislation governing the investment of funds

1.3 OBJECTIVES

An Investment Framework is a consolidated, high-level view of infrastructure investment needs in an entity over the long term that considers not only infrastructure needs but also how these needs can be financed and what impact the required investment in infrastructure will have on the financial viability of the organisation going forward.

In this regard, the main objectives of an investment framework include:

- To ensure that priorities identified in the spatial development framework are translated into capital programmes;
- To promote long-term infrastructure planning;
- To promote infrastructure planning that follows a spatially targeted approach and is better integrated across sectors and spheres; and

- To promote a more integrated planning approach within municipalities that brings together technical, financial and planning expertise.

The investment process requires the daily compilation of all income anticipated to be received from all sources and the expenditure payments anticipated to be charged to the Bank account as a result of the issuance of all cheques and electronic fund payments. The Guidelines are a necessary instrument to ensure that in the course of making investments, the market, interest rate and credit risk are prudently managed and there is preservation and safety of investments.

1.4 THE RELEVANT LEGISLATION AND REGULATIONS

The relevant legislation and regulations in terms of which investment decisions are governed are:

- Local Government Municipal Systems Act 32 of 2000.
- Local Government Municipal Finance Management Act No. 56 of 2003.
- Municipal Investment Regulations (Government Gazette No. 26945 dated 29 October 2004) which is applicable to all Municipalities and Municipal Entities and is effective from 1 March 2005.

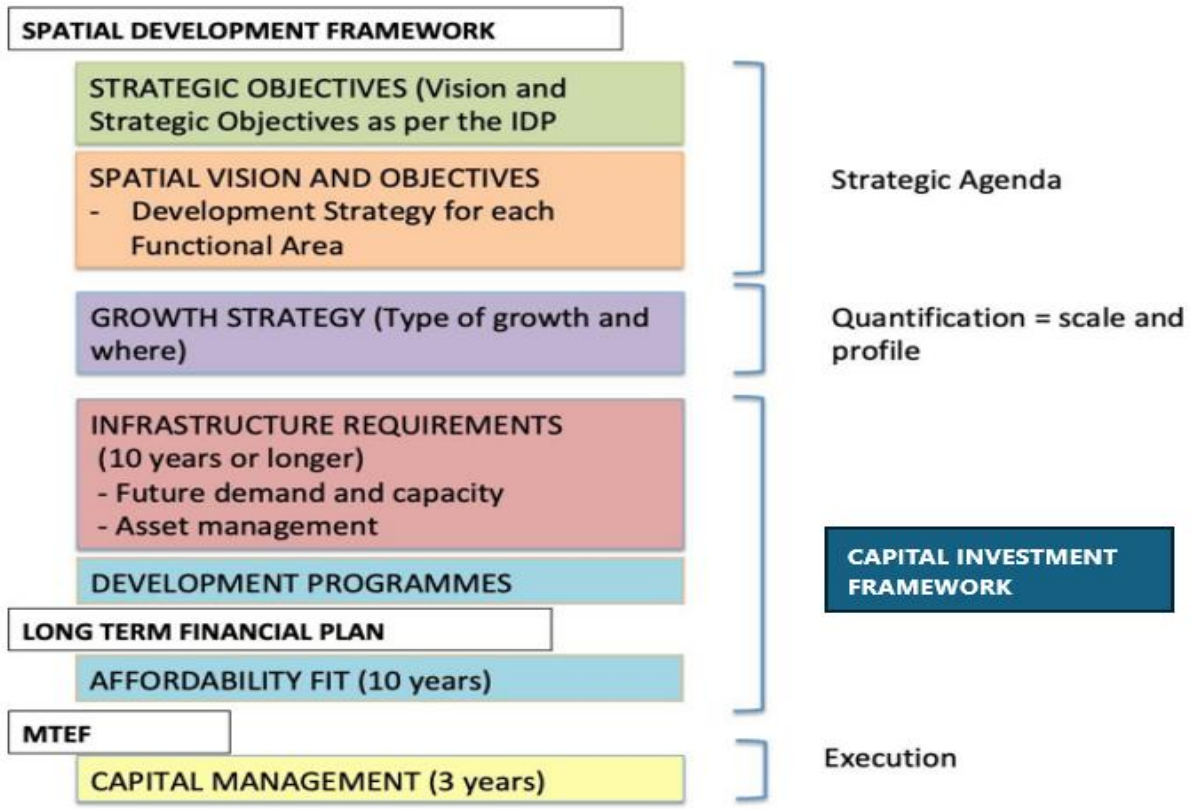
SECTION 2. INVESTMENT FRAMEWORK ALIGNMENT

The following figure reflects the understanding of the context of the Ugu Investment Framework. The figure illustrates how the main strategic components relate to each other and how the political objectives, the spatial objectives and the areas' growth strategy inform the Investment Framework.

It is important to clarify the term "Growth Strategy", which should not be confused with a Municipality's Growth and Development Strategy that captures the long term strategic social, economic and environmental aspirations of the Municipality. The Growth Strategy here refers to the quantification of the Spatial Development Framework from a population growth point of view, which includes a detailed spatial analysis of the demography of the municipal population as well as economic growth trends. It must demonstrate the anticipated population and economic growth and translate this growth it into a land budget indicating the demand for residential land (quantified for different typologies and different income categories) and land for other land uses (e.g. commercial, industrial, institutional etc.). The Growth Strategy will

link space (location) to time and numbers (as per the SDF) in order to facilitate well-informed and aligned infrastructure planning and decision-making.

Figure 2. Investment Framework Alignment



Source: Strategic Alignment (**CF Ehlers, 2018**)

2.1 THE INVESTMENT FRAMEWORK WITH OTHER MUNICIPAL PLANNING PROCESSES

The Investment Framework is an integral part of the SDF as per SPLUMA, and has several important characteristics that distinguishes it from other municipal plans, most notably:

- It is a comprehensive and integrated plan that brings together the investment needs of all sectors that fall within the mandate of the District Municipality;
- It supports the principle that strategic plans form the basis of budgeting in a public entity ("strategy-led budgeting);
- It looks at the long term, at least 5 to 10 years;
- It is programme-based with quantified targets;

- It considers the affordability of infrastructure investments, both by looking at what can be financed from available capital finance sources and by considering the impact of infrastructure investment on an on-going financial viability basis;
- It guides sector plans;
- It ensures evidence-led planning for the SDF and ultimately for the IDP;
- It is the outcome of an iterative process where the Long-Term Financial Plan and the Infrastructure needs are reviewed on an annual basis as and when new information becomes available.

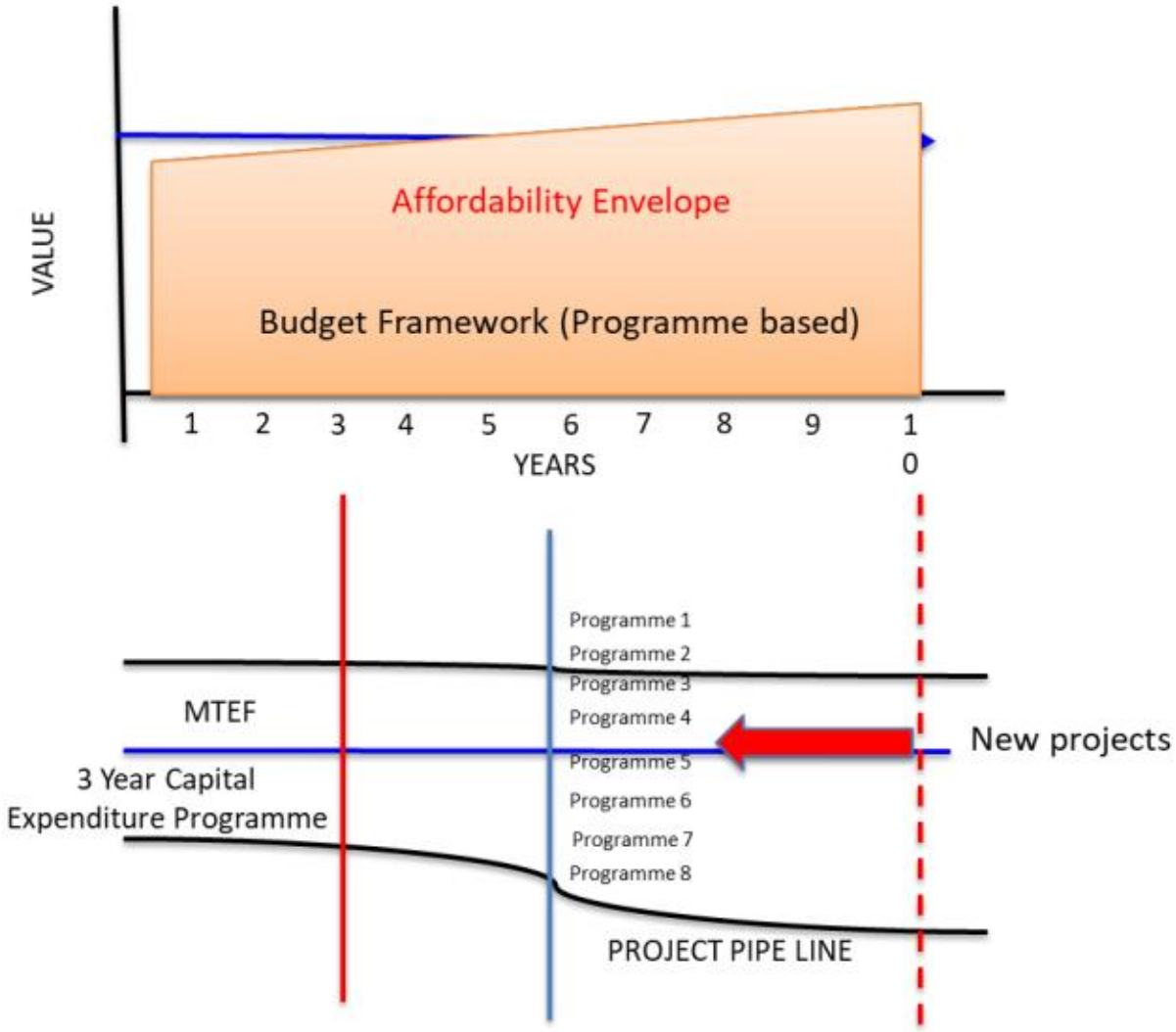
The Investment Framework thus sets an 'affordability envelope' for capital investment and guide the conceptualization of appropriate projects that support the growth and development of the district. It will also be useful for engagement with stakeholders during the Integrated Development Planning process.

2.2 ALIGNMENT OF THE INVESTMENT FRAMEWORK WITH MUNICIPAL SECTOR PLANS

Sector plans refer to the various master plans for each of the engineering/technical services provided by the District Municipality. The Investment Framework contains development programmes that are aligned with an overall 'affordability envelope' that is derived from the Long-Term Financial Plan. These "budget-fit" development programmes will then serve as an indicator for sector plans. In other words, the Investment Framework indicates how much the District Municipality can afford to spend on infrastructure per development programme over the long term. Sector plans must then align and negotiate their respective infrastructure investment programmes and make choices about what infrastructure projects to push forward towards the medium or short term (3-year budgeting cycle) through the project pipeline.

The figure below illustrates how the longer term affordability envelope (derived from a Long Term Financial Plan), results in identifying capital investment programmes that fit the affordability envelope. These programmes provide the broader framework in which the sectors can conceptualize and initiate specific projects. Projects that mature through the project pipeline and pass all the project readiness criteria are then eligible for consideration during the 3-year budget cycle and to be reflected in the 3-year Capital Expenditure Framework. These projects will then make up the Strategic Development Budget Implementation Programme (SDBIP) for the municipality which is a 12-month budget broken up into quarterly targets.

Figure 3. Alignment of the Investment Framework with Municipal Sector Plans



Source: Programme Approach and Project Pipeline (**CF Ehlers, 2018**)

In comparison to other municipal plans, the Investment Framework is an iterative model that is reviewed regularly as more information becomes available from either the financial modelling side (declining revenue or increase in specific cost items) or from the technical side with project information changing as projects evolve and project timelines change.

While it does consider the deadlines for meeting key targets (for example, backlogs must be eradicated by a target year, or a specific target for the renewal of infrastructure must be achieved over a certain time-period), the timing of the project may change. The Investment Framework may for example state that "We need to increase the capacity of our water treatment works by 40 Mega litres/day over the next 10 years, or by 2 Mega litres/day on average per annum".

SECTION 3. INVESTMENT IMPLEMENTATION MODEL

3.1 INVESTMENT IMPLEMENTATION FLOW

The Investment model consists of sourcing, promoting, communicating with and attracting potential investors in an attempt to influence them towards investing in our location; to facilitate and maintain new and existing investor relations; to influence the establishment of new investment; and the retention and expansion of existing business. It can be seen that investment promotion and facilitation involves 3 main, interrelated areas of intervention. These include:

a) Investor promotion;
b) Investor facilitation; and
c) Investor aftercare.

It must be noted that this strategy not only addresses investment promotion but also active trade promotion.

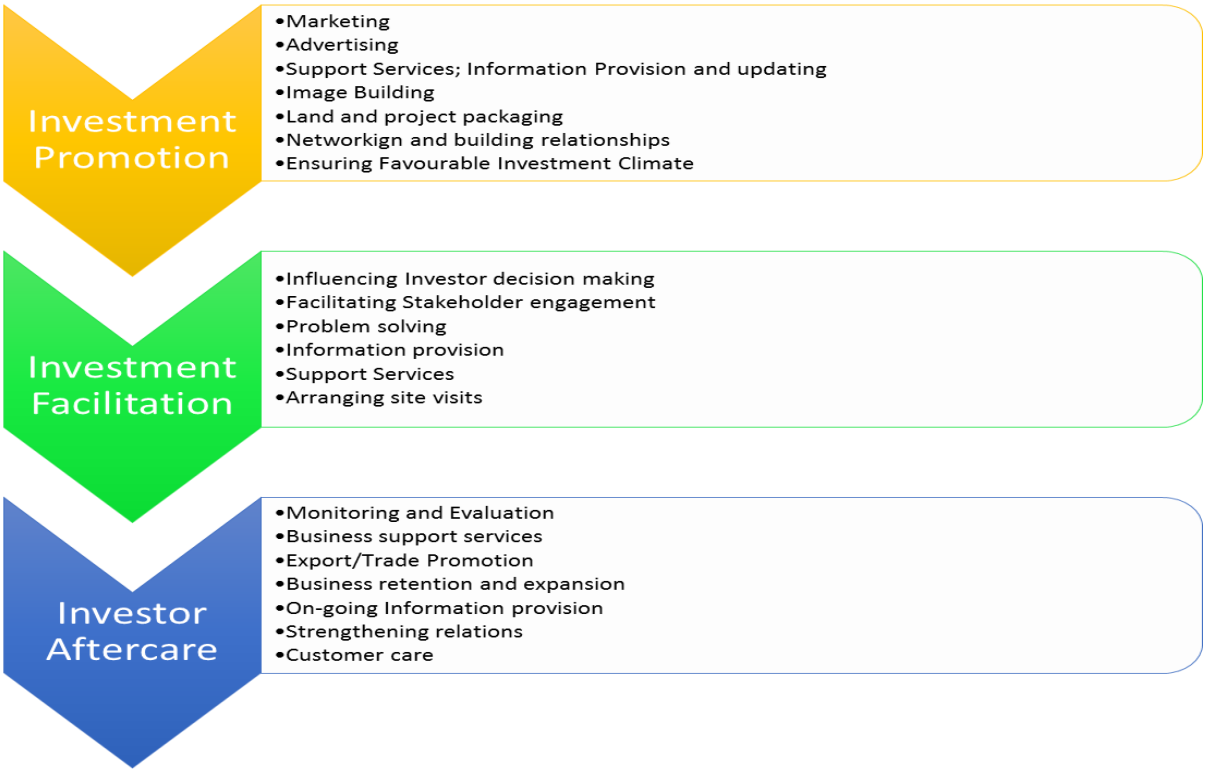
Figure 4 Investment climate lifecycle



Source: (World Bank Group, Investment Climate)

The preceding figure illustrates the investment promotion and facilitation climate lifecycle. Therefore, while there is a definite start to the process (investment promotion), the process is on-going and never ends. The figure below illustrates the key intervention areas with a broad understanding of the key activities that are undertaken at each stage. The process is referred to as a 'cycle' as certain activities are interrelated and continuous. The activities and stages described are all undertaken by the investment promotion agency and intermediaries which provides a **one-stop-shop** for all investors and investor needs.

Figure 5 Investment promotion and facilitation key intervention areas



3.2 THE FIVE CASE MODEL (5CM)

3.2.1 THE FIVE CASE MODEL (5CM) BACKGROUND

The Five Case Model (5CM) is used to develop business cases using a framework of five dimensions, and provides decision-makers and stakeholders with a process for structured thinking and planning, giving confidence that the project:

- Provides a strategic fit in the broad context of the national and local infrastructure systems and is aligned with high-level strategic aims. This dimension confirms the strategic need for the investment and resulting services.
- Will maximise public value to society through the selection of the optimal combination of components, products and related activities. This dimension focuses on options appraisal and the identification of the preferred option.
- Is commercially viable and attractive to the supply side and can be practically delivered by the market. This dimension focuses on the development and procurement of the potential 'Deal'.
- Is affordable and is fundable over time. This dimension focuses on the wholelife costs of the proposed deal.
- Can be delivered successfully by the organisation and its partners, and that the required resources, capacity and capability for managing and delivering the project are in place or can be developed. This dimension focuses on the implementation arrangements for the proposal.

3.2.2 THE FIVE CASE MODEL (5CM) DIMENSIONS

As presented in the following table, investment implemented using the 5CM methodology look at a project from five key dimensions: strategic, economic, commercial, financial and management.

Each of these interrelated dimensions provide a 'Case'

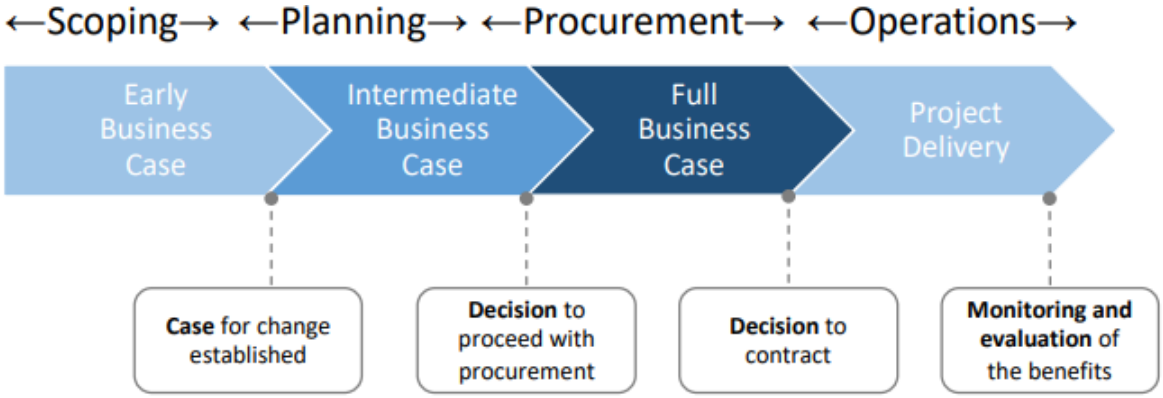
DIMENSIONS	DESCRIPTIONS
Strategic dimension of an investment	The Strategic dimension describes why the project is necessary. It provides the rationale for the project, and the strategic fit with wider policy and strategies, and aligns the project with national infrastructure plans and national and local infrastructure systems. It sets the project's scope and boundaries and describes clear project objectives and the outputs required to deliver those objectives. The Strategic dimension considers environmental and social risks and opportunities and the project's alignment with national and global goals,

DIMENSIONS	DESCRIPTIONS
Economic dimension of an investment	The Economic dimension determines how the project will deliver the economic, social, and environmental objectives, while achieving the most value for money for society, or 'public value', from the investment. It demonstrates that a wide range of options for developing the project has been considered, the longlist, which is later refined to a shortlist, and eventually a 'preferred option' is identified using cost-benefit analysis. The analysis includes financial and non-financial benefits and risks, and considers the sustainability of different options against environmental, social, and governance criteria.
Commercial dimension of an investment	The Commercial dimension demonstrates that the project is commercially viable. It sets out the proposed contractual structure, the procurement strategy, and the allocation of risks and responsibilities to those parties that can manage them most effectively.
Financial dimension of an investment	The Financial dimension demonstrates that capital investment and operating costs are affordable from public and/or private resources, and that sufficient allowance has been made for risk management, monitoring and unexpected events. It considers possible sources of finance, suitability of the project for financing, and affordability of options. This includes any expected income which the government may generate from the project
Management dimension of an investment	The Management dimension describes the project delivery team and demonstrates it has the right skills and experience, appropriate governance, and a realistic project delivery plan. It should include plans for stakeholder engagement, risk management, benefits realisation, and monitoring and reporting

3.2.3 THE FIVE CASE MODEL (5CM) PROCESS

The 5CM methodology offers both a framework for thinking and a tool to plan, develop and deliver sustainable projects. Under this methodology, investments or business cases are developed through the three stages (early business case: scoping stage, full business case: delivery stage, and intermediate business case: detailed planning stage) As presented in the following diagram and explained thereafter.

Figure 6: Stages of a project's business case development



Source: HM Treasury, Welsh Government& UK Office of Government Commerce, 2021

Stages	Descriptions
Early Business Case: scoping stage	**Strategic Case**: provides the rationale for the project, evidences the strategic fit, defines the project objectives using SMART criteria, and outlines the potential scope for the project. **Economic Case**: appraises a wide range of possible option choices – the longlist – and then applies the options filter to refine these to a shortlist. Provides high level estimates of costs and benefits for the shortlisted options including optimism bias, based on any applicable feasibility studies, and identifies a 'Preferred Approach'. **Commercial Case:** gives initial thought to the potential commercial and procurement arrangements for the preferred approach. **Financial Case:** provides indicative whole-life costs (capital plus operating costs) for the preferred approach and considers potential

Stages	Descriptions
	funding and financing options. **Management Case**: gives initial thought to delivery arrangements, and the capacity and capability resources required for the preferred approach. Assurance reviews are done during the early stage, and approval is sought from the relevant authority to proceed to the next stage
Intermediate Business Case: detailed planning stage	**Strategic Case:** revisits the project rationale, strategic fit, and objectives, and updates the potential scope accordingly. **Economic Case**: revisits the longlist of project options, subjects the shortlisted options to detailed cost benefit analysis (CBA) using best estimates for costs and benefits, including risk values from Environmental Social Impact Assessments (ESIA) and technical studies. Identifies the Preferred Option (the option that is likely to offer optimal economic, social and environmental value in relation to its costs, including risk – 'public value'). **Commercial Case**: sets out the service requirements and outputs for the procurement, including potential arrangements for the allocation of risk between the contracting parties. Provides analysis of the associated charging arrangements and contractual arrangements for the potential deal between the public sector and supply side partners. Engages the market to understand the likely response from suppliers, and any procurement risks. Drafts the procurement plan, and engages with any potential funding or project partners. **Financial Case:** provides best estimates of the whole-life costs (capital plus operating costs, including project contingency) for the preferred option, and describes how the project will be funded and financed in practice. Confirms the sources of funding and finance, and tests affordability of the project. **Management Case**: details the expected project management

Stages	Descriptions
	arrangements, including governance, roles and responsibilities, project implementation approach and required resources, and the assurance and evaluation plans. Finalises the project implementation planning for: stakeholder engagement, change management, benefits realisation, and risk management.
Full Business Case: delivery stage	**Strategic Case:** confirms the project rationale, strategic fit, objectives, and the agreed scope. **Economic Case**: confirms the wide range of possible option choices (longlist) and reviews the shortlist with the inclusion of supplier bids for the preferred option, together with associated whole-life costs. A recommended supplier is identified based on the offer that is likely provide the most advantageous economic, social and environmental value in relation to its costs, including the transfer of risk. **Commercial Case**: documents the procurement process. Sets out the agreed service requirements and outputs for the procurement, including negotiated arrangements for the allocation of risk between the parties. It describes the agreed charging arrangements and contractual arrangements for the deal between the public sector and appointed supplier(s). **Financial Case**: provides agreed contract costs together with associated public sector costs and describes how the whole-life costs (capital plus operating costs, including project contingency) will be funded and financed, as agreed and expected. **Management Case**: details the agreed project management arrangements, including governance, roles and responsibilities, the project implementation approach and required resources including for benefits realisation, and the assurance and evaluation plans.

SECTION 4. INSTITUTIONAL FRAMEWORK

This section examines the institutional arrangements that would best facilitate investment implementation within the Ugu District Municipality. It should be indicated that without a clear institutional framework in place, investment projects will be implemented in an uncoordinated fashion that might sometimes lead to duplication and a waste of scarce resources.

4.1 MAIN INSTITUTIONS

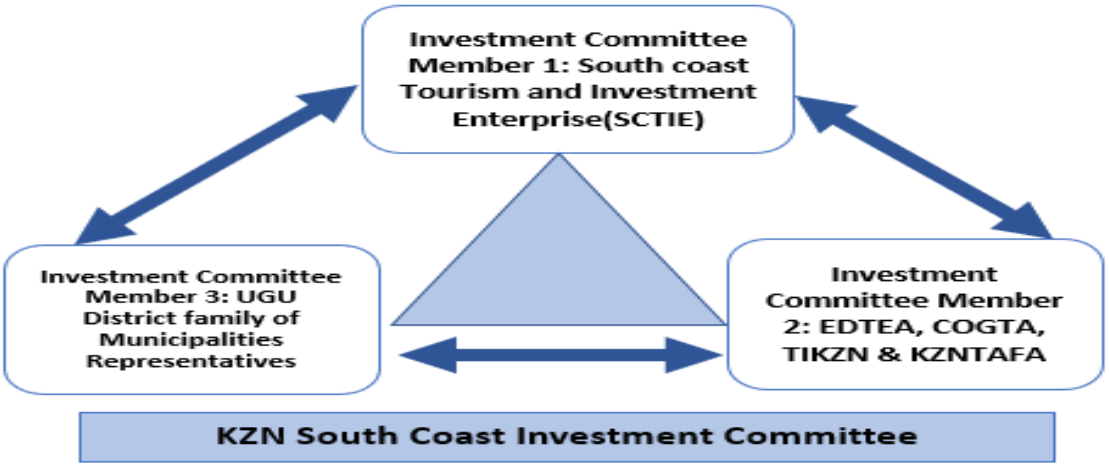
Ugu District Municipality through the South Coast Tourism & Investment Enterprises (SCTIE) is responsible for the implementation of all the suggested projects; however, other stakeholders both public and private will need to support the District Municipality in this process. Therefore, the following suggested institutional framework is crucial for an optimal investment implementation within the District Municipality.

4.1.1 INVESTMENT COMMITTEE

There is a need for the formation of the investment committee in Ugu District to oversee all district -wide investment activities. The committee will be made of the following stakeholders:

- South Coast Tourism & Investment Enterprises (SCTIE),
- Representatives from both district and local Municipalities; and
- Members from the Provincial government (COGTA, DOT, DPW, DARD, EDTEA, DSAC, DME, DOL, etc.) and public entities (SALGA AND EDTEA entities)

Figure 7: Investment Committee



Source: Author

4.1.1.1 Roles and Responsibilities of Investment Committee

The Investment Committee of a Development Agency(SCTIE) for municipalities plays a crucial role in overseeing investment activities, ensuring that the agency's resources are allocated in a way that aligns with its goals and objectives. The committee typically oversees financial decisions related to the agency's development projects, guiding and advising on the proper allocation of funds. Below is a general outline of the roles and responsibilities, followed by a suggested flowchart.

Roles and Responsibilities of the Investment Committee:

4.1.1.1.1 Strategic Planning and Guidance:

- Align investment decisions with the development goals and priorities of the municipality.
- Review long-term development plans and ensure that investments contribute to sustainable growth and community well-being.

4.1.1.1.2 Investment Selection and Prioritization:

Evaluate and select investment proposals (e.g., infrastructure, public services, housing projects).

Prioritize projects based on factors like feasibility, return on investment (ROI), community impact, and alignment with strategic goals.

4.1.1.1.3 Risk Assessment and Mitigation:

Assess the financial, social, and environmental risks associated with proposed investments.

Recommend risk mitigation strategies to ensure the successful execution of investments.

4.1.1.1.4 Monitoring and Evaluation:

Monitor the progress of approved investments and projects.

Evaluate the outcomes of completed investments and provide recommendations for future investments based on past performance.

4.1.1.1.5 Financial Oversight:

Ensure that investments adhere to the agency's financial guidelines, budgets, and legal frameworks.

Approve the funding allocations for various projects and monitor financial performance.

4.1.1.1.6 Policy Development and Review:

Develop, review, and update policies related to investment strategies and risk management.

Advise on the development of fiscal policies that ensure the agency's sustainability and growth.

4.1.1.1.7 Reporting and Accountability:

Provide regular reports to stakeholders, including municipal authorities and government agencies, on the performance of investments.

Ensure transparency and accountability in the investment process.

4.1.1.1.8 Stakeholder Consultation:

Consult with local communities, municipal leaders, and other stakeholders to understand their needs and ensure investments reflect the priorities of the community.

Engage with external experts or consultants as needed for specialized advice.

4.1.1.1.9 Compliance and Governance:

Ensure that all investments comply with legal, regulatory, and governance standards.

Oversee the implementation of ethical and responsible investment practices

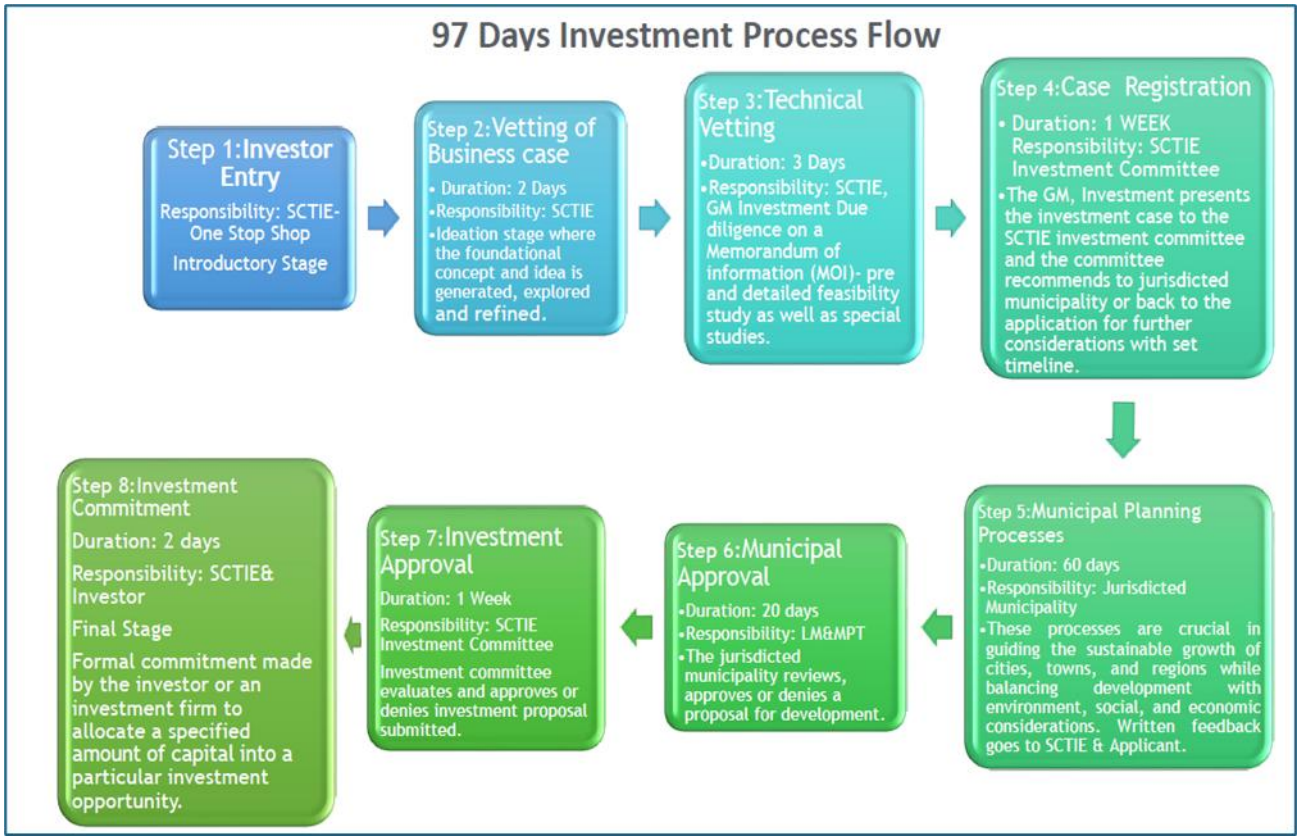
4.1.2 INVESTMENT SUPPORTING STAKEHOLDERS

Investment supporting stakeholders: there is a need for many more other external stakeholders to be involved in the implementation of various investment projects. Some of them include

- National Government including national SOE's
- Provincial government including provincial SOE's
- Local Government(other DDA's when it is deemed necessary)
- consultants to undertake various feasibility studies, as well as some potential funders

4.2 STANDARD OPERATIONS PROCEDURES

4.2.1 97 Days Investment Process Flow



Source: Author

4.2.2 APPROACH TO INVESTMENTS

- The responsibility and risk arising from any investment transaction vests in the relevant Municipal Entity.
- All investments must be made in the name of South Coat Tourism and Investment Enterprise(SCTIE).
- Investments may not be undertaken with a view to speculation.
- The preservation and safety of investments is the foremost objective of the investment programme. To attain this objective, diversification is required to ensure that the Chief Financial Officer prudently manages market, interest rate and credit risk.
- Investment shall be made with care, skill, prudence and diligence. The approach must be that of a prudent person acting in a like capacity and familiar with investment matters.
- The Investment portfolio must remain sufficiently liquid to enable the SCTIE to meet all operating requirements that may be reasonably anticipated.

- The investments shall be structured to obtain the optimal possible returns, taking into account investment risk constraints, cash flow needs and the parameters determined for authorised investments.

4.2.2 AUTHORISED INVESTMENTS

- The strategy should be to incorporate a wide range of potential investment options available in the market within the confines of the District Municipal Investment Regulations and target appropriate investments given the need for liquidity, safety , and the need for investment diversification.
- Cash flow forecasting and an Investment Plan are utilised to ascertain the available amount of funds for investment and the time period or duration for which it is appropriate to invest these funds.
- Strict investment ethics must be adhered to and investments made in terms of this framework without external and internal interference or inducements of any sort.

4.2.3 RESPONSIBILITY OF INVESTMENT OFFICIALS

- Investment officials must conduct their duties in a prudent manner and must be familiar with the investment matters.
- There must be full adherence to the written procedures and these guidelines.
- Officials must exercise due diligence.
- All reports must be prepared timeously.
- There must be strict compliance with all legislation.

4.2.4 INTERNAL CONTROL PROCEDURES

- The internal control procedures involve Internal Audit and the Auditor General reviewing and testing the systems of the Investments Department on a regular basis to prevent losses arising from fraud, misrepresentations, error, conflict of interest or imprudent action, a system of internal controls governs the administration and management of the Investment portfolio.
- Controls deemed most important include:
    - Control of collusion, separation of duties.
    - Custodial safekeeping.
    - Checking and verification by senior officials of all investment transactions.

- Documentation of transactions and strategies.
- Code of ethics and standards.
- Strict adherence to Investment Framework Policy and Guidelines.
- Limits placed on investments by the various officials.
- Procedure manuals.
- Development of Terms of reference (ToR)
- Establishment of investment Committee
- Monthly reporting to Committee of all investments.
- Exercise strict compliance with all legislation.

4.2.5 REPORTING AND MONITORING REQUIREMENTS

Regular reporting mechanisms are in place in order to assess the performance of the investment portfolio and to ensure that the investments comply with policy objectives, guidelines, applicable laws and regulations. Cycles of reporting and monitoring include the following:

- Daily activities assessment
- Weekly activities control
- Quarterly activities assessment
- Annual activities report

ANNEXURE 1: DISTRICT PRIORITY PROJECTS

No	Project Name	Project description	Municipality	Total Cost
1	Upgrade of Umbango Waste Water Treatment Works	Upgrade of Existing Bulk Infrastructure	Ray Nkonyeni	R7 717 584,00
2	Upgrade of Melville Waste Water Treatment Works	Upgrade of Waste Water Treatment Works	Ray Nkonyeni	
3	South Coast Pipeline 2b- Kelso to Malangeni	The South Coast Pipeline (SCP) Project was initiated to extend the supply of water to the South Coast Region. The project is implemented in a phased approach, with Phase 1 and Phase 2a completed.	Umdoni	R216 095 400,77
4	South Coast Pipeline Phase 3	Supply of potable water to the South Coast Region via a single bulk water pipeline allowing many of the smaller water treatment plants in the region to be decommissioned but would also provide a sustainable source of water to the area. Potable water could then be supplied up or down the coastal zone from as far north as Amanzimtoti to as far south as Hibberdene.	Umdoni	R794 144 161,00
5	Lovu Raw Water Augmentation Pipeline	Interim, augmentation scheme to supply an additional 8 Mℓ/d raw water from the Lovu River to the Amanzimtoti WTP to mitigate the potential need for restrictions as demand increases.	Ray Nkonyeni	R73 182 309,22
6	Margate Airport Upgrade	Upgrading of Terminal Building, Parking Areas, Runway, Taxiway and Development of Commercial Precinct	Ray Nkonyeni	R285 000 000,00
7	Port Shepstone Technology Hub (Internal Infrastrucure)	Installation of new infrastructural services with emphasis to green economy (water, waste and energy conservation and recyling) leading to any development.	Ray Nkonyeni	R61 000 000,00
8	Port Shepstone Technology Hub (Innovatin Centre)	Parking for performing Arts Theatre and Open/Public Area and One-Stop Shop Government Services Block	Ray Nkonyeni	R55 000 000,00
9	RNM (Hibberdene, Port Shepstone & Port Edward) Small Craft Harbours	Creation of Small Craft Harbours in line with Operation Phakisa inclusive of Boat Launching Site, Fisheries and related facilities	Ray Nkonyeni	R1 041 000 000,00
10	Port Shepstone Government Complex	Development of a One-Stop Shop Government Precinct in Port Shepstone	Ray Nkonyeni	R500 000 000,00

No	Project Name	Project description	Municipality	Total Cost
11	St Michaels to Margate Promenade	Creation of the Beachfront Promenade with walking, running pathways. Construction of paving, aesthetic lighting, parking areas upgrading of adjacent roads and environmentally friendly landscaping	Ray Nkonyeni	R91 000 000,00
12	South Coast Regional Conferencing	Construction of Conference facility to attract investment throught events. Construction of Restaurant and Boardroom Facilities	Ray Nkonyeni	R150 000 000,00
13	Port Shepstone Beachfront Redevelopment	Creation of a new mixed-use beachfront development with a prominent Public Art features. Construction of Artist Workshops and Craft Centre, Open air space area, kids play are and restaurant with a potential for beach hotel apartments.	Ray Nkonyeni	R180 000 000,00
14	Turton Beach Development	Construction of a 4km long access road to the beach as well as designated parking areas, Lifeguard's tower, informal traders and beach recreational facilities.	Umzumbe	R60 000 000,00
15	Ifafa Industrial Park	Greenfield industrial park is planned adjacent the N2 / Ifafa interchange to provide light industrial premises to would be investors within a 50-kilometre radius to the Durban harbour. Ugu South Coast Development Agency is currently at a stage of concluding both EIA and rezoning which will then enable the construction of platforms. An amount of R400 000 is needed to conclude the EIA and rezoning and R210m for the earthworks and platforms post rezoning. An estimated 250 jobs would be created during construction excluding the multi-plier effects during operations.	Umdoni	R120 000 000,00
16	uMkhomazi Water Project	The project involves the construction of a new dam on the uMkhomazi River and associated infrastructure, raw water conveyance infrastructure (tunnel and pipeline) to the uMlaza River valley including a balancing dam, and a water treatment works in the uMlaza River valley with a gravity pipeline to the Umgeni Water bulk distribution system. Once completely developed phase 1 and phase 2 will be the largest water transfer scheme in South Africa.	Umdoni	R23 000 000 000,00
17	Bulk Water Infrastructure uMthamvuma Upgrade	Phase 2, Prelim design and BP Prep. Upgrading of Raw Water abstraction, pumpstation, bulk pipelines, water treatment works & off-channel storage dam.	Ray Nkonyeni	R332 322 712,00
18	Bulk Water Infrastructure Harding-Weza Bulk Regional Scheme	Preliminary Design & BP Prep Stage. Construction of Weza Dam, Weza WTW, bulk pipelines, pumpstations and storage.	uMuziwabantu	R1 051 088 848,00

No	Project Name	Project description	Municipality	Total Cost
19	Rehabilitation and Development of Railway Lines	The railway line between Durban and Port Shepstone is vital to the proposed Industrial Development in the Ugu district. The rehabilitation and its maintenance remain the primary responsibility of Transnet. There is also a PRASA proposal to develop a south coast rail corridor which will cover KZN, Eastern Cape and Western Cape which is subject to a feasibility to be done.	Umdoni, Umzumbe, Ray Nkonyeni & Umuziwabantu	R0,00
20	Renewable Energy	Project to ensure energy security across the district: solar, on and off shore wind, biofuel, hydro. Aim is to have energy security as the competitive advantage of the district.	Umdoni, Umzumbe, Ray Nkonyeni & Umuziwabantu	R0,00
21	Industrial Parks Revitalisation and Development	One industrial park (for inc production of goods and services) per LM focus: either revitalise or develop new one	District Wide	R0.00
22	Smart Circular Economy Waste Management	District wide smart waste circular economy	District Wide	R0.00
23	Scottburgh beachfront development	Scottburgh beachfront redevelopment into an iconic mixed-use node. The project at full scale will create in excess of 300 permanent jobs excluding the multiplier effects of attracting high-end tourists into the municipality	Umdoni	R20 000 000,00
24	Renishaw Property Development	Mixed Used property development. Renishaw Coastal Precinct will consist of five interconnected nodes, bringing massive socio-economic benefits to local communities – and to the country. The entire precinct is expected to bring around 2 500 residential options to the KZN Mid-South Coast, accommodating roughly 7 500 people, and creating thousands of job opportunities along the way	Umdoni	R10 000 000 000,00
25	Umdoni Point Property Development	Mixed Used property development that boast of 950 residential units, Commercial Node, Storage Units, Paddle Courts, Bowling Ring, Archery Range, Adventure Tourism, Salt and Freshwater Fishing, and Gym	Umdoni	R5 000 000 000,00
26	Harding Intergrated Residential Development Project	Intergrated Residential Development Project consisting of 553 (343 serviced sites, 210 community residential unites	Umuziwabantu	R4 689 993,00
27	Smart Connectivity Broadband and Connectivity Roll Out	Various initiatives but not consolidated for an integrated approach. Pockets within LMs. Need for consolidated, integrated approach.	Umdoni, Umzumbe, Ray Nkonyeni & Umuziwabantu	R0,00
28	Mnafu N2 Interchange	On and Off Ramp linking Turton Communities, regional, provincial and National Tourist to the Turton Beach, D954 Corridor and the Turton Development Node	Umzumbe	R90 000 000,00

No	Project Name	Project description	Municipality	Total Cost
29	Bulk Water Infrastructure St Helens Rock Upgrade & Umzimkhulu permanent berm	Phase II Prelim design & BP prep stage. Bulk Water Permanent Concrete Salt Containment Berm & Upgrade of St Helens Rock Raw Water Abstraction, Pump Station and Bulk Pipelines (Phase 2).	Ray Nkonyeni & Umzumbe	R14 490 941,00
30	Waterborne Upgrade Margate Waterborne Sanitation Upgrade	Phase II Prelim design & BP prep stage. Bulk Water Permanent Concrete Salt Containment Berm & Upgrade of St Helens Rock Raw Water Abstraction, Pump Station and Bulk Pipelines (Phase 2).	Ray Nkonyeni	R109 482 118,00
31	Waterborne Upgrade Uvongo Waterborne Sanitation Upgrade	Phase II Prelim design & BP prep stage. Bulk Water Permanent Concrete Salt Containment Berm & Upgrade of St Helens Rock Raw Water Abstraction, Pump Station and Bulk Pipelines (Phase 2).	Ray Nkonyeni	R0,00
32	Kokstad Interchange	Kokstad Interchange - Supervision and Construction Tender	uMuziwabantu	R600 000 000,00
33	Compulsory Truckstop at Wilsons Cutting	Construction of a Compulsory Truckstop at Wilsons Cutting on National Route 2 Section 21 (km 106.6) to Section 22 (km 0.4)	Ray Nkonyeni	R120 000 000,00

ANNEXURE 2: DISTRICT ALL PROJECTS

No	Project Name	Project description	Municipality	Total Cost
	Port Shepstone Technology Hub (Internal Infrastructure)	Installation of new infrastructural services with emphasis to green economy (water, waste and energy conservation and recyling) leading to any development.	Ray Nkonyeni	R61 000 000,00
	Port Shepstone Technology Hub (Innovatin Centre)	Parking for performing Arts Theatre and Open/Public Area and One-Stop Shop Government Services Block	Ray Nkonyeni	R55 000 000,00
	Rehabilitation and development of railway lines	Freight and Passenger rail from north to south and east to west and tourism steam train.	District wide	
	Renewable Energy	Project to ensure energy security across the district: solar, on and off shore wind, biofuel, hydro. Aim is to have energy security as the competitive advantage of the district.	District Wide	
	Upgrade Uvongo Waterborne Sanitation	Upgrading Uvongo from septic tanks to waterborne sewage	Ray Nkonyeni	
	Industrial Parks Revitalisation and Development	One industrial park (for inc production of goods and services) per LM focus: either revitalise or develop new one	District Wide	
	Remove		uMuziwabantu	
	Smart Circular Economy Waste Management	District wide smart waste circular economy	District Wide	
	Turton Town Development		Umzumbe	
	Harding Agricultural College		Unknown	
	Land Audit and New Township		Unknown	
	Ray Nkonyeni Special Economic Zone		Ray Nkonyeni	
	South Coast Pipeline 2b- Kelso to Malangeni	Section 11.7.3 (a) in UW IMP 2024/2025	Umdoni	R216 095 400,77

	uMkhomazi Water Project	The project involves the construction of a new dam on the uMkhomazi River and associated infrastructure, raw water conveyance infrastructure (tunnel and pipeline) to the uMlaza River valley including a balancing dam, and a water treatment works in the uMlaza River valley with a gravity pipeline to the Umgeni Water bulk distribution system. Once completely developed phase 1 and phase 2 will be the largest water transfer scheme in South Africa at an estimated total cost at completion of approximately R 23 billion.	Umdoni	R23 000 000 000,00
	Ifafa Industrial Park		Umdoni	R120 000 000,00
	Lovu Raw Water Augmentation Pipeline	Section 11.7.3 (e) in UW IMP 2024/2025	Ray Nkonyeni	R73 182 309,22
	South Coast Pipeline Phase 3	Section 11.7.3 (d) in UW IMP 2023/2024	Umdoni	R794 144 161,00
	Kwaxolo Water Supply - Bulk Supply (AFA) MIS 229750		Ray Nkonyeni	
	Harding Sanitation Scheme: Phase 3 (AFA) MIS 266188		uMuziwabantu	
	Umzinto Slum Clearance: Farm Isonti Low cost Housing Water and Sanitation Scheme		Umdoni	
	Malangeni Low Cost Housing Project Stage 2		Umdoni	
	Pennington Waterborne Sanitation Project-Provision of Bulk Sewer & Reticulation Infrastructure - Phase 3	Waterborne system implemented from septic tanks and related upgrades	Umdoni	
	Opex Water Services -WS/PMU (PMU Fees - Top Slice)		Undefined	
	Water Pipeline Replacement - Phase 2		Undefined	

	Mistake Farm Supply Scheme		Umdoni	
	KwaLembe Water Supply Scheme Extension		Umdoni	
	Margate Sanitation: Margate Pump Station 3A	Sanitation Upgrade of Pump and pipes	Ray Nkonyeni	
	Water Services Laboratory and Backwash Water Recovery Facility	Laboratory upgrade and accreditation	District Wide	
	Umzinto Waste Water Treatment Works	WWTW Upgrade	Umdoni	
	Mkholombe Waterborne Sanitation	Waterborn system implementation	Ray Nkonyeni	
	Mthamvuna Abstraction and Water Treatment Upgrade (Planning)		Undefined	
	Infrastructure Asset Management		District Wide	
	Repairs & Maintenance of Water Infrastructure- clarify project description		District Wide	
	Repairs & Maintenance of Sanitation Infrastructure - clarify project description		District Wide	
	Umdoni South Bulk Water Augmentation		Umdoni	
	Umzimkhulu Bulk Water Augmentation Scheme - Phase 2		Umzimkhulu	
	Harding Weza Bulk Regional Scheme		uMuziwabantu	

	Vulamehlo Cross-Border Water Supply Scheme -		Umzumbe	
	Margate Sanitation and Sewer Reticulation		Ray Nkonyeni	
	Park Rynie Sanitation Phase 2 & Sewer Reticulation		Umdoni	
	Upgrade of Umbango Waste Water Treatment Works		Ray Nkonyeni	
	Upgrade of Melville Waste Water Treatment Works		Ray Nkonyeni	
	Kwalatshoda Water & Sanitation		Ray Nkonyeni	
	Upgrade of Greenfields Waterborne Sanitation and Sewer Reticulation		Umuziwabantu	
	Upgrade of Mazakhele and Harding Sanitation Phase-3 Waterborne Sanitation and Sewer Reticulation		uMuziwabantu	
	Upgrading of Bulk Water Supply from Bhobhoyi WTW to Umzimkhulu Reservoirs		Umzimkhulu	
	Upgrading of of Umzimkhulu Northern Systems Bulk Water Supply		Umzimkhulu	
	Drilling of New Boreholes and Refurbishment of Existing		District Wide	

	Boreholes and Spring Protection Systems			
	Upgrading of uMthamvuna to Port Edward Bulk Water Supply		Ray Nkonyeni	
	Upgrading of Marburg and Merlewood Bulk Water Supply		Ray Nkonyeni	
	Upgrading of Willowglen Water Pump Station, Bulk Water Pipelines and Storage Reservoir(s) at Amahlongwa		Umdoni	
	Bulk Water Infrastructure and Water Reticulation Pipes with communal stand pipes at KwaMgayi		Umzumbe	
	Upgrade of Scottburgh (South, Central & Freeland Park) Bulk Waterborne Sanitation and Sewer Reticulation System		Umdoni	
	Upgrade of kwaDweshula Bulk water infrastructure and Water Reticulation		Ray Nkonyeni	
	Upgrading of KwaNyuswa Phase 2 Bulk Water Supply System and Water Reticulation		Ray Nkonyeni	
	Upgrading of KwaMbotho Water Supply System		Umuziwabantu	
	Upgrading of KwaFodo Water Supply System		Umuziwabantu	

	Upgrading of Umzinto (Umzinto Heights, Nkonka & Hazelwood) Buk Water Supply Infrastructure and Storage Reservoirs		Umdoni	
	Upgrading of Hlokozi Water Treatmemt Works and Refurbishment of Existing Infrastructure		Umzumbe	
	Upgrading of KwaHlongwa		Umdoni	
	Water Treatment Works and Refurbishment of Existing Infrastructure		District Wide	
	Upgrading of Bulk Water Supply Infrastructure on the KwaNositha and Game Reserve Systems		Ray Nkonyeni	
	Upgrading of Bulk Water Infrastructure, Storage Reservoir and Water Reticulation at Amandawe and KwaCele Systems		Umdoni	
	Umzinto Waste Water Treatment Works and Outfall Sewers Upgrade and Rehabilitation		Umdoni	
	Upgrading of Assisi Water Treatment Works and Refurbishment of Existing Infrastructure		Umzumbe	

	Mhlabashane Bulk Water Supply Scheme Phase 2		Umzumbe	R851 503 406,00
	Harding-Weza Emergency Scheme		uMuziwabantu	R68 000 000,00
	Lower Umkhomazi Bulk Water Supply Scheme		Umdoni	R4 927 403 692,69
	DRAIN CLEANING AND VERGE MAINTENANCE ON P22-1 & P22-2		Umdoni	R800 000,00
	PURCHASE OF BLACKTOP PATCHING		Ray Nkonyeni	R1 000 000,00
	BLACKTOP PATCHING ON P73, P74, P3-1		Umzumbe	R1 000 000,00
	Drain cleaning and verge maintenance on P3-1		Umdoni	R700 000,00
	Drain Cleaning and verge manitenance on P188 FROM KM 0.00 TO KM 05.04		Umdoni	R700 000,00
	Blading of P77,P529,D13, D1068, D691 and other Various roads		Umdoni	R500 000,00
	Blading of D1112, D1038, D145, D335, D974 and other Various roads		Umdoni	R500 000,00
	Blading of D929,928, D1054,D939 and Other Various Roads		Umzumbe	R500 000,00

	Blading of D1050, D455, D928, D941, L1820 and Other Various Roads		Umzumbe	R500 000,00
	Drain Cleaning and Verge Maintenance for Road P3-1		Umzumbe	R800 000,00
	Drain cleaning and Verge Mintenance on P77		Umzumbe	R700 000,00
	Drain Cleaning and Verge Maintenance for Road P74,P3-1, D954		Umzumbe	R700 000,00
	Drain cleaning and Verge maintenance on P75-1		Umzumbe	R700 000,00
	Guardrail Installation and Repairs on Road P22-1, P22-2, P3-1, P197-3, P75-2, P954 and Other Various Roads		Umdoni	R800 000,00
	Road marking on P3-1,P188, P954, P197-3, P3-1 and Other Various Roads		Umdoni	R500 000,00
	Road marking on P3-1,P395,P55,P200, P61, P59 and Other Various Roads		Ray Nkonyeni	R500 000,00
	Purchase of Guardrail Material		Umzumbe	R500 000,00
	Guardrail Installation and Repairs on Road P3-1, P200, P395, P61, P58, P59 and Other various Road		Ray Nkonyeni	R786 196,00
	Blading of D250, D2121, D121, L2737, L2780 and Other Various Roads		Umuziwabantu	R500 000,00

	Blading of D20,D1045 and Other Various Road		Umuziwabantu	R500 000,00
	Drain cleaning and verge Maintenance on P61		Ray Nkonyeni	R700 000,00
	Drain cleaning and verge Maintenance on P58		Umuziwabantu	R700 000,00
	Betterment and regravelling on D951		Ray Nkonyeni	R2 200 000,00
	Blading of D1092,D335 and Other Various Roads		Ray Nkonyeni	R500 000,00
	Blading of D201, D251, D365, D861, D901 and Other Various Roads		Ray Nkonyeni	R500 000,00
	Bridge Joints Repairs on P3-1, P395 and other Various Roads		Ray Nkonyeni	R1 000 000,00
	Betterment and regravelling on D1098		Ray Nkonyeni	R2 200 000,00
	Betterment and regravelling on D947		Ray Nkonyeni	R2 200 000,00
	Betterment and regravelling on D203		Ray Nkonyeni	R2 200 000,00
	Betterment and regravelling on D926		Umuziwabantu	R2 200 000,00
	Betterment and regravelling on D1100		Umuziwabantu	R2 400 000,00
	Betterment and regravelling on P327		Umuziwabantu	R2 200 000,00
	Betterment and regravelling on D2472		Ray Nkonyeni	R2 200 000,00
	Betterment and regravelling on D901		Umuziwabantu	R2 200 000,00

	Betterment and regravelling on D861		Ray Nkonyeni	R2 200 000,00
	BLACKTOP PATCHING ON P3-1		Umzumbe	R1 000 000,00
	BLACKTOP PATCHING ON P68-1		Umzumbe	R1 000 000,00
	BLACKTOP PATCHING ON D954		Umzumbe	R1 000 000,00
	BLACKTOP PATCHING ON P22-2		Umdoni	R1 000 000,00
	BLACKTOP PATCHING ON P75-1, P75-2, P3-1		Umdoni	R1 000 000,00
	BLACKTOP PATCHING ON P732		Umdoni	R1 000 000,00
	BLACKTOP PATCHING ON P59, P58		Umuziwabantu	R1 000 000,00
	BLACKTOP PATCHING ON P22-1		Umuziwabantu	R1 000 000,00
	BLACKTOP PATCHING ON P61		Umuziwabantu	R1 000 000,00
	BLACKTOP PATCHING ON P284		Ray Nkonyeni	R1 000 000,00
	BLACKTOP PATCHING ON P202, P395, P55		Ray Nkonyeni	R1 000 000,00
	Blading of D904, D947, L2500, L2550, L1815 and Other Various Roads		Ray Nkonyeni	R500 000,00
	Blading of P55, P383, P262, L2445 and Other Various Roads		Ray Nkonyeni	R500 000,00
	Drain cleaning and verge mintenance on P284 (From Km 0,00 to Km 37,80)		Ray Nkonyeni	R700 000,00
	Handrail Replacement and Repairs on P3-1,P395,P68-2 and other various roads		Ray Nkonyeni	R1 000 000,00
	BLACKTOP PATCHING ON P3-1		Ray Nkonyeni	R1 000 000,00
	BLACKTOP PATCHING ON P200, P310		Ray Nkonyeni	R1 000 000,00

	BLACKTOP PATCHING ON P520		Ray Nkonyeni	R1 000 000,00
	BLACKTOP PATCHING ON P286, P344,P196		Ray Nkonyeni	R1 000 000,00
	BLACKTOP PATCHING ON P68-2		Ray Nkonyeni	R1 000 000,00
	BLACKTOP PATCHING ON P3-1		Ray Nkonyeni	R1 000 000,00
	BLACKTOP PATCHING ON P262		Ray Nkonyeni	R1 000 000,00
	Zibambele Contractors 3 million balance salaries with 5% increment		Ray Nkonyeni	R42 115 345,00
	Zibambele Tools		Ray Nkonyeni	R2 000 000,00
	Maintenance Administration		Ray Nkonyeni	R0,00
	Maintenance Administration		Ray Nkonyeni	R0,00
	Maintenance Administration		Ray Nkonyeni	R0,00
	Maintenance Administration		Ray Nkonyeni	R0,00
	Mechanical		Ray Nkonyeni	R7 700 000,00
	Drain Cleaning and verge maintenance on P68-1		Umzumbe	R700 000,00
	Drain Cleaning and verge manitenance on P75-2		Umdoni	R700 000,00
	Drain Cleaning and Verge maintenance on P197/3 (KM 23.00 TO KM 44.00)		Umdoni	R700 000,00
	Drain cleaning and verge maintenance on P69 and P310 contract 1		Ray Nkonyeni	R700 000,00
	Drain Cleaning and Verge Maintenance on P395		Ray Nkonyeni	R800 000,00
	Drain Cleaning and Verge Maintenance on P59		Ray Nkonyeni	R700 000,00

	Drain Cleaning and Verge Maintenance for Road P284		Ray Nkonyeni	R700 000,00
	Drain Cleaning and Verge Maintenance for Road P464		Ray Nkonyeni	R700 000,00
	Drain Cleaning and Verge Maintenance for Road P68-2		Ray Nkonyeni	R700 000,00
	Drain Cleaning and Verge Maintenance for Road P200		Ray Nkonyeni	R800 000,00
	Drain Cleaning and Verge Maintenance for Road P3-1		Ray Nkonyeni	R700 000,00
	Drain Cleaning and Verge Maintenance for Road P68-2		Umzumbe	R700 000,00
	Drain Cleaning and Verge Maintenance for Road P73		Umzumbe	R700 000,00
	Drain Cleaning and Verge maintenance on P540 FROM KM 0.00 TO KM 02.80		Umdoni	R700 000,00
	Drain Cleaning and Verge manitenance on P560 FROM KM 03.70 TO KM 07.60		Umdoni	R700 000,00
	Drain cleaning and verge maintenance on P732		Ray Nkonyeni	R800 000,00
	Margate Airport Upgrade	Upgrading of Terminal Building, Parking Areas, Runway, Taxiway and Development of Commercial Precinct	Ray Nkonyeni	R285 000 000,00
	Dick King Parking Block		Ray Nkonyeni	R100 000 000,00
	Urban Roads and Stormwater Rehabilitation/pothole repairs		Ray Nkonyeni	R120 000 000,00
	Hibberdene Small Craft Harbour	Creation of Small Craft Harbour in line with Operation Phakisa inclusive of Boat Launching Site, Fisheries and related facilities	Ray Nkonyeni	R1 041 000 000,00
	KwaXolo Caves Adventure Phase 2		Ray Nkonyeni	R13 000 000,00

	Electric Infrastructre upgrade		Ray Nkonyeni	R42 000 000,00
	Marburg/Port Shestone electricity interconnecter		Ray Nkonyeni	R16 000 000,00
	Oatlands Landfill Site expansion		Ray Nkonyeni	R65 000 000,00
	Umzimkhulu Coastal River Park		Umzimkhulu	R75 000 000,00
	Port Shepstone Government Complex		Ray Nkonyeni	R500 000 000,00
	St Michaels to Margate Promenade	Creation of the Beachfront Promenade with walking, running pathways. Construction of paving, aesthetic lighting, parking areas upgrading of adjacent roads and environmentally friendly landscaping	Ray Nkonyeni	R91 000 000,00
	South Coast Regional Conferencing	Construction of Conference facility to attract investment throught events. Construction of Restaurant and Boardroom Facilities	Ray Nkonyeni	R150 000 000,00
	Port Shepstone Beachfront Redevelopment	Creation of a new mixed-use beachfront development with a prominent Public Art features. Construction of Artist Workshops and Craft Centre, Open air space area, kids play are and restaurant with a potential for beach hotel apartments.	Ray Nkonyeni	R180 000 000,00
	Ugu Sports and Leisure Centre (USLC) maintenance and rehabilitation		Ray Nkonyeni	R100 000 000,00
	InformalTrading Infrastructure: Trading Stalls and Storage Facilities		Ray Nkonyeni	R20 000 000,00
	Turton Beach Development	Construction of a 4km long access road to the beach as well as designated parking areas, Lifeguard's tower, informal traders and beach recreational facilities.	Umzumbe	R60 000 000,00
	Waste management Centre		Umzumbe	R20 000 000,00

	Establishment of Disaster Management Centre		Umzumbe	R30 000 000,00
	Aqua piques (fisheries)		Umzumbe	R8 000 000,00
	Msikazi Mountain Tower		Umzumbe	R12 000 000,00
	Umzumbe Multitrail Project		Umzumbe	R20 000 000,00
	KwaPhungashe Local Area Plan Implementation (Wind / Solar farm)		Umzumbe	R20 000 000,00
	Establishment Drivers Learner and Testing Centre		Umzumbe	R20 000 000,00
	Town Development & Town Establishment		Umzumbe	R200 000 000,00
	Development of Cultural Tourism Nodes (itshe laMaria, Isivivane senkosi Shaka, Ntelizi Msani Memorial, UCC Church)		Umzumbe	R85 000 000,00
	Umzumbe River Trail	https://www.sctie.co.za/umzumbe-river-trail/	Umzumbe	R42 000 000,00
	Umzinto construction and upgrading of stormwater infrastructure.		Umdoni	R21 000 000,00
	Umzinto construction and detention and retention ponds.		Umdoni	R3 000 000,00
	Umzinto Taxi and Bus Ranks refurbishments		Umdoni	R8 183 654,00
	AmanadaweTaxi Rank Development with shelters		Umdoni	R5 000 000,00
	Repairing of Umzinto collapsed pipes and infrastructure filling washed away areas.		Umdoni	R1 000 000,00

	Scottburgh Streetlight Enhancement		Umdoni	R6 670 000,00
	Scottburgh Pedestrian Walkway improvements		Umdoni	R6 070 000,00
	Scottburgh Traffic Calming		Umdoni	R3 050 000,00
	Leachate Management System		Umdoni	R3 200 000,00
	Experimental medicinal cannabis		Umdoni	R3 500 000,00
	Disaster and Emergency Centre		Umuziwabantu	R32 000 000,00
	Upgrade of Harding Roads and Storm-water system		uMuziwabantu	R56 000 800,00
	Municipal Office Park/Complex		Umuziwabantu	R75 000 000,00
	Municipal Cemetery		Umuziwabantu	R18 000 000,00
	Renal dialysis unitGround floor building to be converted to fully dialysis unit -Port Shepstone Regional Hospital		Ray Nkonyeni	R400 000,00
	Install ramp for disable patientsb Install sheltered cover flu clinic - Port Shepstone Regional Hospital		Ray Nkonyeni	R350 000,00
	PHASE 1 Replace air conditioning Patient and general office areas require - Port Shepstone Regional Hospital		Ray Nkonyeni	R500 000,00

	PHASE 2 Replace air conditioning Patient and general office areas require - Port Shepstone Regional Hospital		Ray Nkonyeni	R500 000,00
	Painting of exterior walls old core block and new block within the hospital		Ray Nkonyeni	R500 000,00
	Painting of hospital roof old core block and new block within the hospital - Port Shepstone Regional Hospital		Ray Nkonyeni	R500 000,00
	Painting of interior walls old core block and new block within the hospital - Port Shepstone Regional Hospital		Ray Nkonyeni	R500 000,00
	Overhaul renovation of interior/ exterior Jan Smuts street nursing home include painting - Port Shepstone Regional Hospital		Ray Nkonyeni	R500 000,00
	Overhaul renovation of interior/ exterior Wood street nursing home include painting - Port Shepstone Regional Hospital		Ray Nkonyeni	R500 000,00
	Tiling consultation rooms, Inbuilt Cupboards in Staff Kitchen - ASSISI CLINIC (P/SHEP)		Ray Nkonyeni	R100 000,00
	Install medical basin, Pave parking area		Ray Nkonyeni	R100 000,00
	Painting, Flooring		Ray Nkonyeni	R100 000,00

	Painting external internal, washing lines,Paving		Umzumbe	R100 000,00
	Wheel chair excess, level of entrance, install two geysers Basin, shelving dispensary		Umzumbe	R100 000,00
	Painting external internal, Fencing		Umzumbe	R100 000,00
	Painting external & internal, Awning waiting area, ceiling repairs, Drainage for waste shed.		Ray Nkonyeni	R100 000,00
	Painting external & internal,		Ray Nkonyeni	R100 000,00
	Painting external & internal, Renovations, Borehole, walk way ramp, awning waiting area.		Umzumbe	R100 000,00
	Painting external & internal, Flooring		Ray Nkonyeni	R100 000,00
	Installation of two new Borehole		Umzumbe	R250 000,00
	Installation of backwater JOJO tanks,		Umzumbe	R100 000,00
	Cladding of Audio, Optician & AYFS Offices		Umzumbe	R100 000,00
	Replace broken gates and install new turnstile gate		Umzumbe	R100 000,00
	Repairs to the main gate and install new motors		Umzumbe	R100 000,00
	Repairs to broken doors		Umzumbe	R100 000,00
	Renovation of the residence room		Umzumbe	R100 000,00
	Installation of security gates		Umzumbe	R100 000,00

	Repairs ceiling, burglar guards, doors, built in cupboards, Painting of the Nurses Home		Umzumbe	R100 000,00
	Repairs to all broken doors, Guard house, toilets & Painting of residence.		Umzumbe	R100 000,00
	Repairs ceiling, Revamp sluice, toilets, Doors, Nurses home floor & staff kitchen.		Umzumbe	R100 000,00
	Repairs to Ceiling, Burglar Guards, doors, guard house, Nurses home. Painting.		Umzumbe	R100 000,00
	Painting, Repairs to Ceiling, Burglar Guards, doors, guard house, Nurses home. Borehole.		Umzumbe	R100 000,00
	Repairs guard house to Ceiling, Burglar Guards, doors, Nurses home.		Umzumbe	R100 000,00
	Awning Wating area, Extension of the Pharmacy room, doors, Tilling,Fencing		Umzumbe	R100 000,00
	Renovations to toilet ,doors, ceiling, Air conditioner		Umzumbe	R100 000,00
	Minor repairs to Main theatre		Umdoni	R280 000,00
	Compliance Certificates Electrical, Buildings ,Engineers and Plumbing		Umdoni	R110 000,00
	Replacement of wash hand basin at G2,H ward ,C ward and J ward also lights		Umdoni	R450 000,00

	Compliance Certificates Electrical, Buildings ,Engineers and Plumbing (Needed by IDEAL Hospital)		Umdoni	R150 000,00
	Renovation of Newly Maintenance allocated area (To accommodate other services as hospital has limited have limited space)		Umdoni	R350 000,00
	Renovation of food services kitchen scalarise		Umdoni	R300 000,00
	Repairs to staff houses Palm road, Galway street and Dr's house inside hospital		Umdoni	R250 000,00
	Building Archives room above C Ward fully serviced area.		Umdoni	R300 000,00
	Replace Ethembeni Clinic bath rooms and wash hands basins		Umdoni	R80 000,00
	Replacement of sewer line AT H ward		Umdoni	R250 000,00
	Building of state vehicle garage include shelter, Replacement of perimeter fence Pedestrian walkway to cottages, Fence separates clinic and cottages, Drilling of borehole deeper.Lighs		Umdoni	R100 000,00
	Installation of Aircon in IMCI room and also consultation rooms, Replacement of main clinic doors, Full repair to all toilets wash hand basin, Building of retaining wall for blocking sand not to fall on the		Umzumbe	R100 000,00

	Extend patients waiting shelter, improve driveway from the road to Gateway Clinic for wheel chair friendly Full repair to patients toiles Install security gate.		Umdoni	R100 000,00
	Replace Lilliput with conservative tank , Full check and repair water supply pipe system, Full repair to patients toiles and also replace non fusional toilets and wash hand [b]In[a]s[s]t[i]a[n]llation of air-conditioning in all		Umdoni	R100 000,00
	consulting room for medication temperature control, Installation of security lights, Full repair to patients toiles and also replace [n]In[o]s[n]ta[f]l[u]la[s]t[i]i[o]n[n]a[o][l] f[to]a[il]i[e]r-[t]c[s]o[a]n[n]d[d]iti[w]on[a]i[s]n[h]g[h]in[an]a[d]ll		Umdoni	R100 000,00
	consulting room for medication temperature control, Installation of security perimeter lights Installation of security lights, Full [r]In[e]s[p]t[a]a[i]l[r]la[to]tio[p]n[at]o[ie]f [n]a[t]i[s]r-c[to]o[i]n[le]d[s]it[a]io[n]n[d]in[a]g[ls]in[o] all		Umdoni	R100 000,00
	consulting room for medication temperature control, Installation of patient shelter for screening purpose, Full repair to patients [t]F[o]u[il]l[e]l [s]up[a]g[n]r[d]ad[a]e[ls]of[re]p[p]u[l]b[a]l[c]ic[e]to[n]i[o]le[n]ts and		Umdoni	R100 000,00
	wash hand basins entire clinic, Painting of the entire clinic, Replacement of ceiling in the		Umdoni	R100 000,00

	waiting area, Upgrade security perimeter fence lights, Telly shed			
	Upgrade of security fencing around the institution		Umdoni	R350 000,00
	Replace baths with showers around the institution		Umdoni	R180 000,00
	Mortuary driveway and stormwater drainage		Umdoni	R350 000,00
	Tarring of driveways Phase 1		Umdoni	R200 000,00
	Vinyl sheeting in various offices		Umdoni	R100 000,00
	Installation of Aircon in IMCI room and also consultation rooms, Replacement of main clinic doors, Full repair to all toilets wash hand basin, Building of retaining wall for blocking sand not to fall on the		Umdoni	R100 000,00
	Extend patients waiting shelter, improve driveway from the road to Gateway Clinic for wheel chair friendly Full repair to patients toiles Install security gate.		Umdoni	R100 000,00
	Replace Lilliput with conservative tank , Full check and repair water supply pipe system, Full repair to patients toiles and also replace non fusional toilets and wash hand [b]In[a]s[s]t[i]a[n]llation of air-conditioning in all		Umdoni	R100 000,00
	consulting room for medication temperature control, Installation of security lights, Full repair to patients toiles and also replace		Umdoni	R100 000,00

	nInosntaflulastiionnaol ftoailier-tcsoanndditiwonajsnhghinanadll			
	consulting room for medication temperature control, Installation of security perimeter lights Installation of security lights, Full rInesptaailrlatotiopnatoief natisr-ctoointedsitaionndinaglsino all		Umdoni	R100 000,00
	consulting room for medication temperature control, Installation of patient shelter for screening purpose, Full repair to patients tFouilel supagnrdadaelsofrepulbalcicetonioleNts and		Umdoni	R100 000,00
	wash hand basins entire clinic, Painting of the entire clinic, Replacement of ceiling in the waiting area, Upgrade security perimeter fence lights, Telly shed		Umdoni	R100 000,00
	Upgrade of security fencing around the institution		Umuziwabantu	R350 000,00
	Replace baths with showers around the institution		Umuziwabantu	R180 000,00
	Mortuary driveway and stormwater drainage		Umuziwabantu	R350 000,00
	Tarring of driveways Phase 1		Umuziwabantu	R200 000,00
	Vinyl sheeting in various offices		Umuziwabantu	R100 000,00
	Shelter for washbay		Umuziwabantu	R250 000,00

	Elbow action taps around the institution & medical Basins		Umuziwabantu	R100 000,00
	Painting of staff houses and roofs		Umuziwabantu	R100 000,00
	Fence of the Staff residence with Separate access		Umuziwabantu	R100 000,00
	Supply and fit galvanised window burglar guards and door trelly gate (archives offices)		Umuziwabantu	R30 000,00
	Upgrade maternity, ablutions		Umuziwabantu	R100 000,00
	To connect Gateway Clinic onto essential back up power,		Umuziwabantu	R100 000,00
	Renovation Paint, install medical basin		Umuziwabantu	R100 000,00
	Installation of carport		Umuziwabantu	R100 000,00
	Renovation Paint,		Umuziwabantu	R100 000,00
	Renovation Paint,		Umuziwabantu	R100 000,00
	Renovation Paint,roof leaks		Umuziwabantu	R100 000,00
	Renovation Paint, Staff House		Umuziwabantu	R100 000,00
	Renovation Lights, Paint, clinic Staff House		Umuziwabantu	R100 000,00
	Renovation Lights repairs, Paint,		Umuziwabantu	R100 000,00
	Renovation relocated pharmacy, Tree Felling		Umuziwabantu	R100 000,00
	Phamacy & X-ray Air conditioner Package units repalcement		Ray Nkonyeni	R250 000,00
	HAST partitioning, flooring and close parking area.		Ray Nkonyeni	R100 000,00

	Painting of walls phase 1 and phase 2 inside		Ray Nkonyeni	R200 000,00
	Installation of burglar guards first floor, hand rails and gate in kzn parking area (new building)		Ray Nkonyeni	R150 000,00
	Curtains rails in Casualty and OPD and installation of two way sink in CSSD.		Ray Nkonyeni	R80 000,00
	Renovation Lights, Paint, clinic Staff House		Ray Nkonyeni	R100 000,00
	Renovation Lights, Paint		Ray Nkonyeni	R50 000,00
	Renovation Paint, clinic & Staff House		Ray Nkonyeni	R100 000,00
	Renovation retaining wall, JOJO Tank stands		Ray Nkonyeni	R100 000,00
	Installation Paving medical Basin		Ray Nkonyeni	R100 000,00
	Renovation Paint, clinic & Staff House		Ray Nkonyeni	R100 000,00
	Renovation Paint, Tiling, Air conditioners, clinic.		Ray Nkonyeni	R100 000,00
	Renovation Paint, clinic & Staff House		Ray Nkonyeni	R100 000,00
	Renovation, repair to tar driveway		Ray Nkonyeni	R100 000,00
	Renovation Paint, clinic. New Tar New Parkway.		Ray Nkonyeni	R100 000,00
	Renovation Paint, clinic, Cut tree back & Carports		Ray Nkonyeni	R100 000,00
	Renovating milk kitchen, patients and staff kitchen pediatric ward.		Ray Nkonyeni	R160 000,00

	Fencing of donated land at the Hospital.		Ray Nkonyeni	R320 000,00
	Building cupboards for nurses change rooms & patiants kitchen at Pediatric ward.		Ray Nkonyeni	R180 000,00
	Changing of Cupboards and leaking pipes at Nylon Park homes		Ray Nkonyeni	R250 000,00
	Repairs to cracks at the pharmarcy and painting of walls		Ray Nkonyeni	R180 000,00
	Changing locks at the Nurses Home		Ray Nkonyeni	R65 000,00
	Repairs to badly damaged fence in the Institution		Ray Nkonyeni	R200 000,00
	Repairing path-ways, paving and carbs		Ray Nkonyeni	R160 000,00
	Changing shower doors in wards and nurses home showers		Ray Nkonyeni	R80 000,00
	Painting Workshop floors		Ray Nkonyeni	R130 000,00
	Replacement of perimeter lights & cupboards at the staff kitchen and sluice room.		Ray Nkonyeni	R100 000,00
	Building oxygen cylinders storage, Replacement of built-in cupboards at Nurses Home no:2, Partitioning of the new filling room, Interior painting and renovations		Ray Nkonyeni	R100 000,00
	Extension of parking area and marking of eight parking bays.		Ray Nkonyeni	R100 000,00

	Replacement of delapidated built- in cupboards.			
	Cleaning and painting of roofing, down pipes, gutters, budge board and facial board. Re surfacing of parking area and marking of parking bays. Painting and r$_{R}$e$_{e}$n$_{p}$o$_{l}$v$_{a}$a$_{c}$t$_{e}$io$_{m}$n$_{e}$s$_{n}$i$_{t}$n$_{o}$te$_{f}$ r$_{b}$io$_{a}$r$_{d}$a$_{ly}$nd$_{ro}$t$_{t}$i$_{t}$t$_{e}$in$_{n}$g$_{\&}$of		Ray Nkonyeni	R100 000,00
	damaged built-in cupboards. Repairs to badly damaged paving, appron and sewer pipes. Painting and renovations of the entire clinic. R$_{C}$e$_{o}$p$_{n}$l$_{v}$a$_{e}$c$_{r}$e$_{s}$m$_{io}$e$_{n}$n$_{o}$t$_{f}$o$_{p}$f$_{it}$u$_{t}$n$_{o}$r$_{i}$e$_{le}$p$_{t}$a$_{s}$ ir$_{t}$a$_{o}$ble		Ray Nkonyeni	R100 000,00
	flushable toilets. Supply and installation of perimeter lighting. Renovations of two kitchens at Nurses home and repair of ceiling board.		Ray Nkonyeni	R100 000,00
	Refurbish & upgrade entire middle parking bay area of main building including interior and exterior, new bottom section fence, clear trees		Ray Nkonyeni	R280 000,00
	Upgrade crew room kitchen, Re-paint & upgrade building interior/exterior Tile office area, Install medical waste area.		Umdoni	R150 000,00
	Supply & install Air con in shift leaders offices Supply & install		Umzumbe	R120 000,00

	fencing inside double garage to secure one side for equipment			
	RENOVATION OF EXISTING STRUCTURES, CONSTRUCTION OF NEW (8G, 12B, 2M2F1D, 4R1T) MAKE GOOD AND CLEAR THE SITE; INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF THE SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	STORM DAMAGE TO FRAR TOILET		Ray Nkonyeni	
	RENOVATE EXISTING STRUCTURE (2M1F) CONSTRUCTION OF NEW (6G, 6B, 2M2F1D, 3R1T) MAKE GOOD AND CLEAR THE SITE; INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF THE SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	2 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1		Ray Nkonyeni	

	MEDIA CENTRE, 1 COMPUTER ROOM(S), 6 OFFICE(S), 5 STOREROOM(S), 1 STRONGROOM, 2 TEACHER TOILET SEATS, 2 DISABLED TOILETS,			
	STORM DAMAGE		Ray Nkonyeni	
	2 ECD CLASSROOM		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	5 STANDARD CLASSROOM, 2 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 6 OFFICE(S), 5 STOREROOM(S), 1 STRONGROOM, 1 SNP KITCHEN/TUCKSHOP, 4 GIRLS' TOILET SEATS, 2 TEACHER TOILET SEATS, 1 DISABLED		Ray Nkonyeni	

	TOILETS, WATER PROVISIONING, ELECTRIFICATION PROVISIONING, FENCING,			
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-14 DEMOLITION OF EXISTING STRUCTURE, CONSTRUCTION OF NEW BLOCKS : 1F1D; 2M2F1D; 10B; 10G, RENOVATE EXISTING STRUCTURE		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	6 STANDARD CLASSROOM, 3 GRADE R,4 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 5 OFFICE(S), 7 STOREROOM(S), 1 STRONGROOM, 4 TEACHER TOILET SEATS, 2 DISABLED TOILETS,		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	

	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	STORM DAMAGE		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	STORM DAMAGES TO SCHOOL		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-16 DEMOLITION OF EXISTING STRUCTURE, RENOVATE (3B, 6M6F,) CONSTRUCTION OF NEW (2X6G, 2B, 2M2F1D)		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER D CONSTRUCTION OF NEW STRUCTURES, 3S; 8B; 10G		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	

	REPLACE ROOF SHEET, CEILING, PAINTWORK, FLOOR & ELECTRICAL REPAIRS		Ray Nkonyeni	
	STORM DAMAGE		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	WATER AND SANITATION		Ray Nkonyeni	
	DEMOLITION EXISTING ABLUTION FACILITIES, CONSTRUCT NEW BLOCKS (6G, 6B, 2M 2F 1D & 3R 1T) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED,		Ray Nkonyeni	

	STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK			
	2 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 6 OFFICE(S), 5 STOREROOM(S), 1 SNP KITCHEN/TUCKSHOP, 4 GIRLS' TOILET SEATS, 3 TEACHER TOILET SEATS, 1 DISABLED TOILETS,		Ray Nkonyeni	
	STORM DAMAGE REPAIRS INCLUDING NEW CONSTRUCTION		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	STORM DAMAGE		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	PROVISION OF SPECIALIZED LEARNER FACILITIES		Ray Nkonyeni	
	CONSTRUCTION OF EARLYCHILDHOOD FACILITIES		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	STORM DAMAGE TO ROOF TO 5 OFFICES		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	

	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	STORM DAMAGES TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	7 STANDARD CLASSROOM, 4 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 7 OFFICE(S), 8 STOREROOM(S), 1 STRONGROOM, 1 SNP KITCHEN/TUCKSHOP, 8 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND URINAL SPACES, 2 TEACHER TOILET SEATS, 2 DISABLED TOILETS,		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER C CONSTRUCTION OF NEW STRUCTURES, 3S; 10B; 14G		Ray Nkonyeni	
	WATER AND SANITATION		Ray Nkonyeni	
	STORM DAMAGES TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	CHEMICAL TOILETS: CONSTRUCTION OF PERMANENT STRUCTURES		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM		Ray Nkonyeni	

	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	UPGRADING OF EXISTING SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	BENEFITTED		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-10 DEMOLITION OF EXISTING STRUCTURE, CONSTRUCTION OF NEW (6G,6B, 2M2F1D)		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS =1S +1WHB + (ML= 1S +1U + 1WHB) + (FL= 2S + 1WHB) +[ED= (ME = 1S+1U+1WHB)		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 1S +1WHB + (ML= 4S +4U + 3WHB)		Ray Nkonyeni	

	+ (FL= 8S + 6WHB) +[ED= (ME = 1S+2U+1WHB) + (FE = 2S + 1WHB)] + (GR-R = L4S +3WHB) + (GR -ED =1S +1WHB)			
	UPGRADES AND ADDITIONS		Ray Nkonyeni	
	2 PIT BOYS, 5 PIT GIRLS, 2 PIT GRADE R 2, 2 VIP M STAFF, 2 VIP F STAFF		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILET BLOCK,		Ray Nkonyeni	
	UPGRADES AND ADDITIONS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER C CONSTRUCTION OF NEW STRUCTURES, 2S; 4B; 6G		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-9 DEMOLITION OF EXISTING STRUCTURE, CONSTRUCTION OF NEW (12G, 10B, 2M2F1D & 3R1T)		Ray Nkonyeni	
	CHEMICAL TOILETS: CONSTRUCTION OF PERMANENT STRUCTURES		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	STORM DAMAGES TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	

	SANITATION PROGRAMME (PHASE 2), CLUSTER C CONSTRUCTION OF NEW STRUCTURES, 2S; 4B; 4G		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 1S +1WHB + (ML= 1S +1U + 1WHB) + (FL= 4S + 2WHB) +[ED= (ME = 1S+1U+1WHB)		Ray Nkonyeni	
	2 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 4 STOREROOM(S), 1 SNP KITCHEN/TUCKSHOP, 8 GIRLS' TOILET SEATS, 6 BOYS' TOILET SEATS AND URINAL SPACES, 4 TEACHER TOILET SEATS, 1 DISABLED TOILETS,		Ray Nkonyeni	
	WATER AND SANITATION		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS, LIBRARY AND ADMINISTARTIN BLOCK		Ray Nkonyeni	
	9 STANDARD CLASSROOM, 4 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 8 OFFICE(S), 8 STOREROOM(S), 1 STRONGROOM, 1 SNP KITCHEN/TUCKSHOP, 11 GIRLS'		Ray Nkonyeni	

	TOILET SEATS, 10 BOYS' TOILET SEATS AND URINAL SPACES, 4 TEACHER TOILET SEATS, 2 DISABLED TOILETS,			
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 2S +2WHB + (ML= 4S +4U + 3WHB) + (FL= 8S + 6WHB) +[ED= (ME = 1S+2U+1WHB) + (FE = 2S + 1WHB)] + (GR-R = L4S +3WHB) + (GR -ED =1S +1WHB)		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 1S +1WHB + (ML= 4S +4U + 3WHB) + (FL= 8S + 6WHB) +[ED= (ME = 1S+2U+1WHB) + (FE = 2S + 1WHB)] + (GR-R = L3S +2WHB) + (GR -ED =1S +1WHB)		Ray Nkonyeni	
	SCHOOLS UPGRADES		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-7 CONSTRUCTION OF NEW BLOCKS : 2M2F1D, RENOVATE EXISTING STRUCTURES		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER C		Ray Nkonyeni	

	CONSTRUCTION OF NEW STRUCTURES, 2S; 4B; 6G			
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-19 DEMOLITION OF EXISTING STRUCTURE, CONSTRUCTION OF NEW BLOCKS : 8G; 6B; 3M3F1D; 5R1T		Ray Nkonyeni	
	CONSTRUCTION OF 1 BOYS, 1 URINALS 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, GRADE R 1 TOILET BLOCKS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 8 GIRLS' TOILET SEATS, 4 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URINAL +2F TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 5 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 4 URINALS, 6 GIRLS, 1 DISABLED, STAFF 1M, 2 URINALS, 2 FEMALE TOILET BLOCK		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM		Ray Nkonyeni	
	2 SEAT M STAFF, 2 SEAT F STAFF, 7 SEAT GIRLS, 4 SEATS BOYS, 2 SEATS GRADE R		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	

	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	3 MALE STAFF, 3 FEMALE STAFF, 2 GIRLS , 2 BOYS		Ray Nkonyeni	
	COMPLETION CONTRACT TO REPAIRS PHASE 13 STORM DAMAGE		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER C CONSTRUCTION OF NEW STRUCTURES, 2S; 6B; 10G		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-19 DEMOLITION OF EXISTING FACILITIES , CONSTRUCTION OF NEW BLOCKS : 2M2F1D; 6G , RENOVATIONS OF EXISTING ABLUTIONS		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF 6 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +2URINAL+ 2F TEACHER TOILET SEATS, 1 DISABLED		Ray Nkonyeni	

	TOILETS, WATER PROVISIONING.			
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF 4 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 2 URINAL SPACES, 1M + 1URINAL + 1F TEACHER TOILET SEATS, 1 DISABLED TOILETS,GRADE R: 3 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER D CONSTRUCTION OF NEW STRUCTURES, 2S; 6B; 8G		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE REPAIRS INCLUDING NEW CONSTRUCTION		Ray Nkonyeni	
	CONSTRUCTION OF 8 GIRLS' TOILET SEATS, 4 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URINAL +2F TEACHER TOILET SEATS, 1 DISABLED		Ray Nkonyeni	

	TOILETS, GRADE R: 5 SEATS AND WATER PROVISIONING.			
	STORM DAMAGE REPAIRS INCLUDING NEW CONSTRUCTION		Ray Nkonyeni	
	CHEMICAL TOILETS: CONSTRUCTION OF PERMANENT STRUCTURES		Ray Nkonyeni	
	6 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 2 OFFICE(S), 8 STOREROOM(S), 1 STRONGROOM, 1 SNP KITCHEN/TUCKSHOP, 2 GIRLS' TOILET SEATS, 3 TEACHER TOILET SEATS, 2 DISABLED TOILETS,		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	1 X ADMINISTRATION BLOCK, 1 X TEAM TEACHING CENTRE AND 4 X CLASSROOMS, 1 X NEW MULTIPURPOSE CENTRE, 1 X COMPUTER ROOM AND 1 X MEDIA CENTRE WITH STORES, 2 X GRADE R CLASSROOMS, 8 X GIRLS, 6 X BOYS AND 6 X		Ray Nkonyeni	

	TEACHERS ABLUTION, RENOVATION OF 2 X CLASSROOM BLOCKS, DEMOLITIONS TO EXISTING BUILDINGS AND ALL ASSOCIATED EXTERNAL WORKS INCLUDING ASSEMBLY AREA, PARKING, NETBALL COURT, STORM WATER MANAGEMENT, ELECTRICAL WORK.			
	STORM DAMAGED PHASE 18		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER D CONSTRUCTION OF NEW STRUCTURES, 2MS; 2FS; 8B; 8G		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER D CONSTRUCTION OF NEW STRUCTURES, 2S; 6B; 8G		Ray Nkonyeni	
	REPAIRS , RENOVATIONS AND REFURBISHMENT OF EXISTING SCHOOL BUILDINGS		Ray Nkonyeni	
	STORM DAMAGED PHASE 18		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-14 CONSTRUCTION OF NEW BLOCKS : 1F1D; 2M2F1D; 10B; 12G; 3R1T RENOVATE EXISTING BUILDINGS		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	

	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 1S +1WHB + (ML= 4S +4U + 3WHB) + (FL= 2S + 1WHB) +[ED= (ME = 1S+2U+1WHB) + (FE = 2S + 1WHB)] + (GR-R = L4S +3WHB) + (GR -ED =1S +1WHB)		Ray Nkonyeni	
	DEMOLITION EXISTING ABLUTION FACILITIES, CONSTRUCT NEW BLOCKS (8G, 8B, 2M 2F 1D & 4R 1T)		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-5 DEMOLITION OF EXISTING STRUCTURE, RENOVATE (4B, 1M1F) CONSTRUCTION OF NEW (6G, 4B, 4R1T & 2M2F1D)		Ray Nkonyeni	
	5 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 COMPUTER ROOM(S), 5 OFFICE(S), 8 STOREROOM(S), 1 STRONGROOM, 6 BOYS' TOILET SEATS AND URINAL SPACES, 3 TEACHER TOILET SEATS, 2 DISABLED TOILETS,		Ray Nkonyeni	
	STORM DAMAGES TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGED PHASE 19		Ray Nkonyeni	
	UPGRADING OF EXISTING SCHOOL		Ray Nkonyeni	

	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-3 DEMOLITION OF EXISTING STRUCTURE, RENOVATE (14G, 10B, 2M3F) CONSTRUCTION OF NEW (2M2F1D, 6G, 12B, 5R1T & 1F1D)		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER D CONSTRUCTION OF NEW STRUCTURES, 1S; 4B; 4G		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER D CONSTRUCTION OF NEW STRUCTURES, 2S; 4B; 6G		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER C CONSTRUCTION OF NEW STRUCTURES, 3S; 10B; 12G		Ray Nkonyeni	
	UPGRADES AND ADDITIONS		Ray Nkonyeni	
	STORM DAMAGE		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 2S +2WHB + (ML= 4S +6U + 3WHB) + (FL= 10S + 6WHB) +[ED= (ME = 1S+2U+2WHB) + (FE = 3S + 2WHB)] + (GR-R = L5S +3WHB) + (GR -ED =1S +1WHB)		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	

	CONSTRUCTION OF 6 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URIAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 4 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILET BLOCK,		Ray Nkonyeni	
	STORM DAMAGED PHASE 18		Ray Nkonyeni	
	3 CLARROMS, 1 MULTI PURPOSE, 1 SCIENCE LAB, 1 MEDIA CENTRE, 1 COMPUTER ROOM, 1 TEAM TEACHING, ADMIN BLOCK, STOREROOMS, GUARDHOUSE, 1 KITCHEN, FENCING, RETAINING WALL AND RENOVATION OF THE OLD CHURCH WALL.		Ray Nkonyeni	
	CONSTRUCTION OF 4 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 2 URINAL SPACES, 1M + 1URINAL + 1F TEACHER TOILET SEATS, 1 DISABLED TOILETS,GRADE R: 3 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	6 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 8 STOREROOM(S), 1		Ray Nkonyeni	

	STRONGROOM, 1 SNP KITCHEN/TUCKSHOP, 14 GIRLS' TOILET SEATS, 6 BOYS' TOILET SEATS AND URINAL SPACES, 6 TEACHER TOILET SEATS, 2 DISABLED TOILETS,			
	SANITATION PROGRAMME (PHASE 2), CLUSTER D CONSTRUCTION OF NEW STRUCTURES, 2MS; 2FS; 4B; 4G		Ray Nkonyeni	
	STORM DAMAGES TO SCHOOL		Ray Nkonyeni	
	DEMOLISH OF EXISTING STRUCTURE, CONSTRUCTION OF NEW (8G, 8B, 2M2F1D & 4R1T)		Ray Nkonyeni	
	6 STANDARD CLASSROOM, 3 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 5 OFFICE(S), 5 STOREROOM(S), 1 STRONGROOM, 4 TEACHER TOILET SEATS, 2 DISABLED TOILETS, FENCING,		Ray Nkonyeni	
	REPLACING ROOF STRUCTURES , BROKEN WINDOWS AND DOORS , PLASTERING AND PAINT WORKS , STORMWATER DRAINIGE IMPROVEMENT		Ray Nkonyeni	
	STORM DAMAGE		Ray Nkonyeni	

	STORM DAMAGE		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM		Ray Nkonyeni	
	CONSTRUCTION OF 2 GIRLS' TOILET SEATS, 1 BOYS' TOILET SEATS AND 1 URINAL SPACES, 1M + 1URINAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 1 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF NEW GRADE R FACILITIES AND ABLUTIONS		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	5 GRADE R,3 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 5 OFFICE(S), 5 STOREROOM(S), 1 SNP KITCHEN/TUCKSHOP, 8		Ray Nkonyeni	

	GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND URINAL SPACES, 2 TEACHER TOILET SEATS, 2 DISABLED TOILETS,			
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-6 RENOVATIONS OF EXISTING STRUCTURES (12G,12B, 5M7F1D) CONSTRUCTION OF NEW (4G, 8B, 1F1D + 2M2F1D)		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	UPGRADES AND ADDITIONS		Ray Nkonyeni	
	4 X GRADE R CLASSROOMS, 1 X ADMIN BLOCK, 1 X TEAM TEACHING CLASSROOM, 2 X MULTIPURPOSE CLASSROOM, 1 X MEDIA CENTRE, 1 X COMPUTER ROOM, RENOVATION OF EXISTING CLASSROOM, PROVIDING 10 X RAINWATER TANKS AND CONSTRUCTION OF STANDS AND ALL ASSOCIATED EXTERNAL WORKS		Ray Nkonyeni	

	3 X ECD CLASSROOMS,4 TOILETS , 01 JUNGLE JIM.		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGES TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	2 X ECD CLASSROOMS,4 X TOILETS , 1 X JUNGLE JIM.		Ray Nkonyeni	
	DEMOLITION EXISTING RENOVATE (4G, 4B, 2M 2F) CONSTRUCT NEW BLOCKS (4G, 4B, 2M 2F 1D, 4R 1T) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	STORM DAMAGE TO 4 CLASSROOMS AND ADMINISTRATION BLOCK		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	REPLACING ROOF STRUCTURES , BROKEN WINDOWS AND DOORS , PLASTERING AND PAINT WORKS , STORMWATER DRAINIGE IMPROVEMENT		Ray Nkonyeni	

	CONSTRUCTION OF BOYS AND GIRLS TOILET BLOCK,		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	2 X ECD CLASSROOMS,4 X TOILETS , 1 X JUNGLE JIM.		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 1S +1WHB + (ML= 2S +2U + 2WHB) + (FL= 4S + 2WHB) +[ED= (ME = 1S+1U+1WHB) + (FE = 1S + 1WHB)] + (GR-R = L2S +1WHB) + (GR -ED =1S +1WHB)		Ray Nkonyeni	
	RENOVATE EXISTING STRUCTURES (10G, 1M, 5F) CONSTRUCT NEW BLOCKS 10G, 12B, 2M 2F 1D & 3R 1T) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGED PHASE 18		Ray Nkonyeni	

	1 GRADE R,2 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 6 OFFICE(S), 5 STOREROOM(S), 1 STRONGROOM, 2 TEACHER TOILET SEATS, 1 DISABLED TOILETS,		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGE		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	5 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 4 OFFICE(S), 8 STOREROOM(S), 1 SNP KITCHEN/TUCKSHOP, 8 GIRLS' TOILET SEATS, 3 BOYS' TOILET SEATS AND URINAL SPACES, 2 DISABLED TOILETS,		Ray Nkonyeni	
	CONSTRUCTION OF 2 GIRLS' TOILET SEATS, 1 BOYS' TOILET SEATS AND 1 URINAL SPACES, 1M + 1URINAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 1 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	

	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	1 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 0.5 MEDIA CENTRE, 3 OFFICE(S), 4 STOREROOM(S), 1 SNP KITCHEN/TUCKSHOP, 5 GIRLS' TOILET SEATS, 3 BOYS' TOILET SEATS AND URINAL SPACES, 2 TEACHER TOILET SEATS, 1 DISABLED TOILETS, ELECTRIFICATION PROVISIONING,		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	UPGRADES AND ADDITIONS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-19 DEMOLITION OF EXISTING		Ray Nkonyeni	

	FACILITIES, CONSTRUCTION OF NEW BLOCKS : 2M2F1D ; 6B ; 6G			
	CONSTRUCTION OF BOYS AND GIRLS TOILET BLOCK,		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILET BLOCK,		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	WATER AND SANITATION		Ray Nkonyeni	
	STORM DAMAGED PHASE 18		Ray Nkonyeni	
	1 STANDARD CLASSROOM, 2 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 4 OFFICE(S), 4 STOREROOM(S), 1 STRONGROOM, 1 SNP KITCHEN/TUCKSHOP, 5 GIRLS' TOILET SEATS, 3 BOYS' TOILET SEATS AND URINAL SPACES, 3 TEACHER TOILET SEATS, 1 DISABLED TOILETS,		Ray Nkonyeni	
	CONSTRUCTION OF 6 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URINAL +2F TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 4 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	

	CONSTRUCTION OF 2 GIRLS' TOILET SEATS, 1 BOYS' TOILET SEATS AND 1 URINAL SPACES, 1M + 1URINAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 1 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILET BLOCK,		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	1 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 0.5 MEDIA CENTRE, 2 OFFICE(S), 3 STOREROOM(S), 1 STRONGROOM, 1 TEACHER TOILET SEATS, 1 DISABLED TOILETS,		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	CONSTRUCTION OF NEW GRADE R FACILITIES AND ABLUTIONS		Ray Nkonyeni	
	CONSTRUCTION OF EARLYCHILDHOOD FACILITIES		Ray Nkonyeni	

	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF 4 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 2 URINAL SPACES, 1M + 1URINAL + 1F TEACHER TOILET SEATS, 1 DISABLED TOILETS,GRADE R: 3 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF 8 GIRLS' TOILET SEATS, 4 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URINAL +2F TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 5 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	

	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	1 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 0.5 MEDIA CENTRE, 0.5 COMPUTER ROOM(S), 2 OFFICE(S), 3 STOREROOM(S), 1 STRONGROOM, 2 BOYS' TOILET SEATS AND URINAL SPACES, 1 DISABLED TOILETS,		Ray Nkonyeni	
	DEMOLITION EXISTING ABLUTION FACILITIES, CONSTRUCT NEW BLOCKS (10G, 12B, 2M 2F 1D) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	CONSTRUCTION OF NEW ABLUTIONS FACILITIES AND REPAIRS TO EXISTING VIP TOILETS		Ray Nkonyeni	

	STORM DAMAGE TO 7 CLASSROOMS		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM (WINDOWS AND DOOR)		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED,		Ray Nkonyeni	

	STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK			
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	REPLACE ROOF SHEET, CEILING, PAINTWORK, FLOOR & ELECTRICAL REPAIRS		Ray Nkonyeni	
	RENOVATE EXISTING (6G, 4R, 1T) CONSTRUCT NEW BLOCKS (6B, 2M 2F 1D) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	DEMOLITION EXISTING ABLUTION FACILITIES, CONSTRUCT NEW BLOCKS (4G, 4B, 2M 2F 1D & 3R 1T) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF		Ray Nkonyeni	

	ALL THE CONSTRUCTION WORKS.			
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 1 URINALS, 2 GIRLS, 1 DISABLED, STAFF 1M, 1 URINALS, 1 FEMALE TOILET BLOCK		Ray Nkonyeni	
	RENOVATE EXISTING STRUCTURES (10G, 1M, 5F) CONSTRUCT NEW BLOCKS 10G, 12B, 2M 2F 1D & 3R 1T) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	5 STANDARD CLASSROOM, 2 GRADE R,4 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 6 OFFICE(S), 7 STOREROOM(S), 1 SNP KITCHEN/TUCKSHOP, 13		Ray Nkonyeni	

	GIRLS' TOILET SEATS, 13 BOYS' TOILET SEATS AND URINAL SPACES, 2 DISABLED TOILETS,			
	4 STANDARD CLASSROOM, 4 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM(S), 4 OFFICE(S), 6 STOREROOM(S), 1 STRONGROOM, 1 SNP KITCHEN/TUCKSHOP, 8 GIRLS' TOILET SEATS, 6 BOYS' TOILET SEATS AND URINAL SPACES, 6 TEACHER TOILET SEATS, 2 DISABLED TOILETS, ELECTRIFICATION PROVISIONING, FENCING,		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER B CONSTRUCTION OF NEW STRUCTURES, 3S; 8B; 10G		Ray Nkonyeni	
	3 X ECD CLASSROOMS,4 X TOILETS , 1 X JUNGLE JIM.		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER B CONSTRUCTION OF NEW STRUCTURES, 2S; 4B; 6G		Ray Nkonyeni	

	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	1 GRADE R,1 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 0.5 MEDIA CENTRE, 0.5 COMPUTER ROOM(S), 3 OFFICE(S), 3 STOREROOM(S), 1 STRONGROOM, 1 SNP KITCHEN/TUCKSHOP, 1 GIRLS' TOILET SEATS, 1 BOYS' TOILET SEATS AND URINAL SPACES, 2 TEACHER TOILET SEATS, 1 DISABLED TOILETS, ELECTRIFICATION PROVISIONING,		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER A CONSTRUCTION OF NEW STRUCTURES, 2S; 6B; 6G		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-11 RENOVATIONS OF EXISTING STRUCTURES, CONSTRUCTION OF NEW (6G, 6B, 2M2F1D & 2R1T)		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	

	DEMOLITION EXISTING RENOVATE (10G, 4B, 1M 3F) CONSTRUCT NEW BLOCKS (2M 2F 1D) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	1 X ECD CLASSROOMS,4 X TOILETS , 1 X JUNGLE JIM.		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER B CONSTRUCTION OF NEW STRUCTURES, 2S; 4G		Ray Nkonyeni	
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	2 X ECD CLASSROOMS,4 X TOILETS , 1 X JUNGLE JIM.		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER B CONSTRUCTION OF NEW STRUCTURES, 2S; 4B; 6G		Ray Nkonyeni	

	REPAIRS TO EXISTING CLASSROOM BLOCK,CONSTRUCTION OF NEW TOILETS BLOCK AND NEW KITCHEN		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	CHEMICAL TOILETS: CONSTRUCTION OF PERMANENT STRUCTURES		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 2), CLUSTER B CONSTRUCTION OF NEW STRUCTURES, 2S; 4B		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	CONSTRUCTION OF BOYS AND GIRLS TOILETS		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 2S +2WHB + (ML= 4S +6U + 3WHB) + (FL= 10S + 6WHB) +[ED= (ME = 1S+2U+2WHB) + (FE = 3S + 2WHB)] + (GR-R = L5S +3WHB) + (GR -ED =1S +1WHB)		Ray Nkonyeni	

	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS =2S +2WHB + (ML= 4S +6U + 3WHB) + (FL= 8S + 6WHB) +[ED= (ME = 1S+2U+1WHB) + (FE = 2S + 1WHB)]		Ray Nkonyeni	
	DEMOLITION EXISTING ABLUTION FACILITIES, CONSTRUCT NEW BLOCKS (4G, 4B, 2M 2F 1D & 3R 1T) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	1 X ADMINISTRATION BLOCK, 1 X TEAM TEACHING CENTRE AND 4 X CLASSROOMS, 1 X NEW MULTIPURPOSE CENTRE, 1 X COMPUTER ROOM AND 1 X MEDIA CENTRE WITH STORES, 2 X GRADE R CLASSROOMS, 8 X GIRLS, 6 X BOYS AND 6 X		Ray Nkonyeni	

	TEACHERS ABLUTION, RENOVATION OF 2 X CLASSROOM BLOCKS, DEMOLITIONS TO EXISTING BUILDINGS AND ALL ASSOCIATED EXTERNAL WORKS INCLUDING ASSEMBLY AREA, PARKING, NETBALL COURT, STORM WATER MANAGEMENT, ELECTRICAL WORK.			
	UPGRADES AND ADDITIONS		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-12 DEMOLITION OF EXISTING STRUCTURE, CONSTRUCTION OF NEW BLOCKS : 8G; 8B; 2M2F1D		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	1 MULTIPURPOSE CLASSROOMS INCLUDING LABORATORIES AND SPECIALIST ROOMS, 0.5 MEDIA CENTRE, 0.5 COMPUTER ROOM(S), 3 OFFICE(S), 4 STOREROOM(S), 1 TEACHER TOILET SEATS, 1 DISABLED TOILETS,		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-12		Ray Nkonyeni	

	DEMOLITION OF EXISTING STRUCTURES, CONSTRUCTION OF NEW BLOCKS : 3M3F1D; 8B; 8G			
	UPGRADING OF WATER AND SANITATION FACILITIES		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-11 RENOVATIONS OF EXISTING STRUCTURES (9G,6B, 1M) CONSTRUCTION OF NEW (8G, 8G, 12B, 2M2F1D & 1F1D)		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	UPGRADE AND ADDITIONS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	WATER AND SANITATION		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	SANITATION PROGRAMME (PHASE 3), CLUSTER UGU-11 DEMOLITION OF EXISTING STRUCTURE, CONSTRUCTION OF NEW (10G, 12B, 2M2F1D, 1F1D & 2R1T)		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	

	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 1S +1WHB + (ML= 2S +2U + 2WHB) + (FL= 4S + 2WHB) +[ED= (ME = 1S+1U+1WHB)		Ray Nkonyeni	
	DEMOLITION OF EXISTING STRUCTURE. CONSTRUCTION OF 3 ABLUTION BLOCKS.DS = 1S +1WHB + (ML= 2S +4U + 2WHB) + (FL= 6S + 4WHB) +[ED= (ME = 1S+2U+1WHB) + (FE = 2S + 1WHB)] + (GR-R = L3S +2WHB) + (GR -ED =1S +1WHB)		Ray Nkonyeni	
	STORM DAMAGES TO SCHOOL		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	DEMOLITION EXISTING ABLUTION FACILITIES, CONSTRUCT NEW BLOCKS (4G, 4B, 2M 2F 1D & 3R 1T)		Ray Nkonyeni	
	CONSTRUCTION OF 10 GIRLS' TOILET SEATS, 4 BOYS' TOILET SEATS AND 6 URINAL SPACES, 1M +2URINAL + 2F TEACHER TOILET SEATS, 2 DISABLED		Ray Nkonyeni	

	TOILETS, GRADE R: 4 SEATS AND WATER PROVISIONING.			
	REPAIRS AND RENOVATIONS		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 6 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URINAL +2F TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 4 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	STORM DAMAGE REPAIRS		Ray Nkonyeni	
	9 PIT BOYS, 8 PITS GIRLS, 8 PITS GRADE R,1 VIP M STAFF, 2 VIP F STAFF, 4 VIP BOYS, 4 VIP GIRLS		Ray Nkonyeni	
	STORM DAMAGE TO 1 OFFICE		Ray Nkonyeni	
	STORM DAMAGE TO 2 CLASSROOMS		Ray Nkonyeni	
	CONSTRUCTION OF 2 GIRLS' TOILET SEATS, 1 BOYS' TOILET SEATS AND 1 URINAL SPACES, 1M + 1URINAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 1 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	STORM DAMAGE REPAIRS INCLUDING NEW CONSTRUCTION		Ray Nkonyeni	
	CONSTRUCTION OF 2 BOYS, 4 URINALS, 6 GIRLS, 1 DISABLED,		Ray Nkonyeni	

	STAFF 1M, 2 URINALS, 2 FEMALE TOILET BLOCK			
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 6 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URIAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 1 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	UPGRADES AND ADDITIONS		Ray Nkonyeni	
	STORM DAMAGE TO 1 CLASSROOM		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	RENOVATIONS, REHABILITATION OR REFURBISHMENTS		Ray Nkonyeni	
	CONSTRUCTION OF 6 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URIAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 5 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	CONSTRUCTION OF 6 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URIAL TEACHER TOILET		Ray Nkonyeni	

	SEATS, 1 DISABLED TOILETS, GRADE R: 4 SEATS AND WATER PROVISIONING.			
	DEMOLITION EXISTING ABLUTION FACILITIES, CONSTRUCT NEW BLOCKS (8G, 8B, 2M 2F 1D & 4R 1T) MAKE GOOD AND CLEAR THE SITE, INCL ALL NECESSARY PLUMBING & DRAINAGE, WALKWAYS AND STORMWATER CHANNELS. INCL BERM, HOARDING OF SITE, AND CLEAN THE SITE AFTER COMPLETION OF ALL THE CONSTRUCTION WORKS.		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	WATER AND SANITATION		Ray Nkonyeni	
	1 X ECD, 4 TOILETS AND 1 JUNGLE GYM		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 8 GIRLS' TOILET SEATS, 4 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URINAL +2F TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 5 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	CONSTRUCTION OF 12 GIRLS' TOILET SEATS, 4 BOYS' TOILET SEATS AND 6 URINAL SPACES,		Ray Nkonyeni	

	1M + 2 URINAL TEACHER TOILET SEATS, 2 DISABLED TOILETS, WATER PROVISIONING.			
	2 X ECD CLASSROOMS,4 X TOILETS ,1 X JUNGLE JIM.		Ray Nkonyeni	
	CONSTRUCTION OF 2 GIRLS' TOILET SEATS, 1 BOYS' TOILET SEATS AND 1 URINAL SPACES, 1M + 1URINAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 1 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	CONSTRUCTION OF 6 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 4 URINAL SPACES, 1M +1URIAL TEACHER TOILET SEATS, 1 DISABLED TOILETS, GRADE R: 4 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	STORM DAMAGE TO SCHOOL		Ray Nkonyeni	
	CONSTRUCTION OF 10 GIRLS' TOILET SEATS, 4 BOYS' TOILET SEATS AND 6 URINAL SPACES, 1M +2URINAL + 3F TEACHER TOILET SEATS, 2 DISABLED TOILETS, GRADE R: 5 SEATS AND WATER PROVISIONING.		Ray Nkonyeni	
	CONSTRUCTION OF 4 GIRLS' TOILET SEATS, 2 BOYS' TOILET SEATS AND 2 URINAL SPACES, 1M + 1URINAL + 1F TEACHER		Ray Nkonyeni	

	TOILET SEATS, 1 DISABLED TOILETS,GRADE R: 1 SEATS AND WATER PROVISIONING.			
	STORM DAMAGE TO 5 CLASSROOMS		Ray Nkonyeni	
	Etshenkombo Phase 2		Umdoni	
	Ifafa#2		Umdoni	
	Roseville Informal Settlement		Umdoni	
	Odidini (KwaJohnny)		Umdoni	
	KwaXaba Nsangwin iNkulu (ward 25) Extensions		Ray Nkonyeni	
	Ward 2 KwaMbotho Infills		Umuziwabantu	
	Rosettenville Infills		Umzumbe	
	Isangqu Nomoyi		Umzumbe	
	Ncwabeni off-channel storage		Umzumbe	R900 000 000,00
	uMzinto		Unknown	R389 541 239,00
	uMtwalume		Unknown	R120 851 347,00
	uMzimkhulu/Bhobhoyi		Umzimkhulu	R1 760 218 268,00
	uMtamvuna		Unknown	R332 322 712,00
	Harding/Weza		uMuziwabantu	R1 051 088 848,00
	KwaFodo		Unknown	R38 008 901,00

	KwaLembe		Unknown	R139 170 370,00
	Phungashe/Mahlabatshane		Unknown	R135 986 367,00
	KwaHlongwa		Unknown	R42 917 329,00
	Vulamehlo Farming		Unknown	R46 370 632,00
	Vulamehlo Scheme		Unknown	R24 897 187,00
	Vulamehlo Cross Border		Unknown	R465 554 956,00
	KwaMbotho		Unknown	R96 754 013,00
	KwaNyuswa		Unknown	R85 514 094,00
	KwaNdelu		Unknown	R5 792 428,00
	John Manson Park	Ray Nkonyeni DM owns (ERF 89, UMTENTWENI is 7) 89 hectares vacant land and has 45yr lease agreement with SCTIE who sublet to private developer for mixed use precint development in lduing residential, conference, entertainment etc.	Ray Nkonyeni	
	uMuziwabantu LM technology hub	The project is aimed at dveloping and improving ICT infrastructure and capacity	uMuziwabantu	R60 000 000,00
	Harding Agricultural College	The project is aimed at developing a college which will equip our local farmers and prospective farmers with the correct knowledge and procedures involving agricultural activities	uMuziwabantu	R60 000 000,00
	Art and Culture centre			

	Harding Mixed Use Housing Development	Development of 553 middle income and community residential units on Remainder of Erf 10 000 Harding	uMuziwabantu	R30 000 000,00
	Harding Bizana road upgrade	the project is aimed at upgrading the P59 road to better link Umuziwabantu LM and Mbizana LM	umuziwabantu	R100 000 000,00
	construction of additional Haridng taxi rank	the project is aimed at devlopming a new taxi rank to aid the existing taxi rank which is currently overcrowded	uMuziwabantu	R100 000 000,00
	Repairs & Maintenance of Water Infrastructure- clarify project description		District Wide	
	Repairs & Maintenance of Sanitation Infrastructure - clarify project description		District Wide	
	Turton Town Development	The Turton Beach Development is aimed to transform the unique coastal assets at Turton Beach into a safe and sustainable recreation and tourism node that will not only serve the recreation needs of Umzumbe residents, but will also draw visitors from o in the local area, Provincial and National. The Sub Projects will be outlined in the Budget and Project Plan	Umzumbe	R100 000 000,00
	Harding Agricultural College		Unknown	
	Land Audit and New Township		Unknown	
	Ray Nkonyeni Special Economic Zone		Ray Nkonyeni	
	Mnafu N2 Interchange	On and Off Ramp linking Turton Communities, regional, provincial and National Tourist to the Turton Beach, D954 Corridor and the Turton Development Node	Umzumbe	R90 000 000,00
	Development aqua-culture fish farm facility in Umzumbe Municipality	Marine Tilapia Feasibility Study for the Production of 250 tonnes of Seawater Cultivated Mozambique tilapia using Biofloc Technology	Umzumbe	R20 000 000,00

	Umzumbe Industrial Park	A spatially defined area where manufacturing industries are clustered together on a purpose-built site	Umzumbe	R150 000 000,00
	Automotive/ Fitment Centres	commercial building or part of a building or a clearly defined space on a lot whose function is to render all maintenance and repair services needed on an automobile. An automotive centre offers services such as repairs, maintenance, alteration, restoration, towing, painting, panel beating, specialised repairs, auto parts store for different vehicles	Umzumbe	R20 000 000,00
	Development of of ST Faiths Mixed Use Precinct	There are a number of sites that can be opened up for mixed use along P68-1 in order to attract new investments within the area. These can be used for activities that ranges from commercial, small businesses and workshops that are linked to local opportunities.	Umzumbe	R200 000 000,00
	Construction of an Agri-processing plant	The sub-sector of the manufacturing that beneficiates primary materials and intermediate goods from agricultural, fisheries and forestry based sectors	Umzumbe	R10 000 000,00
	Cable Car System and infrastructure on Msikazi Mountain	construction of a tower and lift or cable cart that will allow for panoramic views of the entire lower South Coast region, part of Harry Gwala as well as eThekwini region	Umzumbe	R100 000 000,00
	Logistics hub in the Umzumbe Municipality.	Feasibility assessment for the development of a logistics hub in the Umzumbe Municipality.	Umzumbe	R10 000 000,00
	ICT Incubation Hub in Umzumbe Municipality	Feasibility assessment for the location and viability of ICT Incubation Hub in Umzumbe Municipality	Umzumbe	R10 000 000,00

	Disaster Management Centre	Building of a centre that will deal with Research and Development, Mitigation, Planning Preparedness, Dissemination of Early Warning for the vulnerable population, Emergency Response, Coordination of Relief and Post Disaster Activities in collaboration with other key agencies for Umzumbe Local Municipality	Umzumbe	R40 000 000,00
	Drivers License & Testing Centre (DLTC)	Establishment of a Drivers License and Testing Centre (Grade A)	Umzumbe	R60 000 000,00
	Phungashe Local Area Plan	Unlock the economic and social development potential of the area and contribute to the development of the Phungashe area	Umzumbe	R50 000 000,00
	Implementation of Mgayi Local Area Plan	Unlock the economic and social development potential of the area and contribute to the development of the Mgayi area	Umzumbe	R50 000 000,00
	Ifafa Industrial Park	Greenfield industrial park is planned adjacent the N2 / Ifafa interchange to provide light industrial premises to would be investors within a 50-kilometre radius to the Durban harbour. Ugu South Coast Development Agency is currently at a stage of concluding both EIA and rezoning which will then enable the construction of platforms. An amount of R400 000 is needed to conclude the EIA and rezoning and R210m for the earthworks and platforms post rezoning. An estimated 250 jobs would be created during construction excluding the multi-plier effects during operations.	Umdoni	R120 000 000,00
	Scottburgh beachfront development	Scottburgh beachfront redevelopment into an iconic mixed-use node. The project at full scale will create in excess of 300 permanent jobs excluding the multiplier effects of attracting high-end tourists into the municipality		
	Renishaw Property Development	Mixed Used property development.		

	Umdoni Point Property Development	Mixed Used property development.		

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UMZUMBE

Harding

Ekuzameni

Thistles

Kwamshiwa

UMUZIWABANTU

Oribi Gorge

Hibberdene

Sea Park

Umtentweni

Port Shepstone

Marburg

RAY NKONYENI

Uvongo

Margate

Ramsgate

South Broom

Port Edward





Disclaimer:

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This document is intended to offer a helpful overview and inspire further engagement with the region's opportunities.

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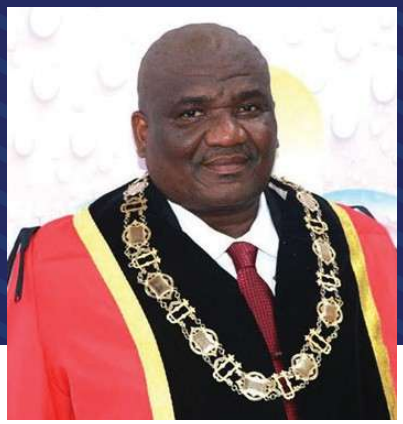
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MESSAGE FROM THE district mayor

Welcome to the Ugu District Investment Directory, a comprehensive guide to the exciting opportunities our district has to offer.



As the leadership of Ugu District Municipality, we are unwavering in our commitment to economic growth, job creation, and improved livelihoods for our local communities. To achieve this reality, we need to attract investors from across the globe and facilitate investment across our key growth areas.

We are tapping into regional and global investment trends to better position Ugu District as a key player in South Africa's economic recovery plan. This is supported by our municipality's dedication to good governance, efficient service delivery, and investor-friendly policies, creating a seamless and rewarding investment experience.

Ugu District's location is, itself, a major asset in its investment trajectory. Located along the picturesque KZN South Coast, the strategic coastal and hinterland positioning make this a gateway for trade, tourism, and industry - all primed for investment.

Our region boasts immense natural resources – from our Blue Flag beaches to our nature reserves – which has led to a well-established tourism sector. This is supported by our subtropical climate, which, alongside the fertile soil, has spurred a flourishing agricultural sector, with opportunities extending to agro-processing, manufacturing, renewable energy, and the blue economy. We are actively driving investment in these priority sectors to diversify and strengthen our local economy.

To support this vision, we continue to invest in critical infrastructure development, including roads, water security, and energy projects. These efforts are aligned with national economic growth strategies, including the Eastern Seaboard Development Initiative, which is set to stimulate industrialisation and trade along South Africa's coastline. By enhancing connectivity and service delivery, we are creating a conducive environment for businesses to thrive.

Sustainability remains a cornerstone of our development agenda. We are committed to climate-resilient investments, environmental conservation, and responsible resource management to ensure that economic growth supports ecological preservation. Without a healthy environment, the system will simply collapse.

We also understand that economic success goes hand-in-hand with a skilled workforce. To accomplish this, we are actively partnering with TVET colleges, training institutions, and industry stakeholders to better equip our youth with the skills needed to support our growing economy.

We invite you to be part of this exciting journey. Invest in Ugu District, and together, let's build a prosperous future.

Cllr Sikhumbuzo Mqadi

Ugu District Mayor

MESSAGE FROM THE SCTIE Board Chairperson

The Ugu District is a dynamic region with vast economic potential, presenting strategic investment opportunities – for both local and international investors - across multiple key sectors.



As the official body responsible for driving investment and economic development, the South Coast Tourism & Investment Enterprise (SCTIE) is committed to providing strategic direction, fostering investor confidence, and ensuring sustainable growth for the district.

Undoubtedly, the region's diverse economic landscape - ranging from tourism and agriculture to the blue economy and manufacturing - positions it as a high-growth investment destination. Our targeted initiatives, such as the Ugu One Stop Shop and various catalytic projects, are allowing us to unlock new markets and foster innovation to drive economic expansion.

In alignment with national and regional development strategies, such as the Eastern Seaboard Development Initiative, the KZN South Coast is being better positioned to integrate more seamlessly into global markets, strengthening trade and investment partnerships.

We are also aligned on the government's infrastructure drive, with infrastructure development central to our efforts of enhancing the region's economic growth. To achieve this, we are championing projects that improve connectivity, logistics, and essential services, creating an enabling environment for all businesses to thrive.

Another crucial pillar of our investment strategy is skills development and job creation. By prioritising skills transfer programmes, vocational training, and enterprise development, we are equipping the local workforce with the expertise needed to support our key industries. These efforts not only empower rural communities but also create a pipeline of skilled talent to meet investor demands.

However, nothing can be achieved without creating strong investor confidence – we see this as paramount to unlocking Ugu District's full potential. Through our strategic collaborations with government, private sector stakeholders, and the implementation of various development initiatives, we are streamlining investment processes, reducing barriers, and creating a pro-business climate.

We believe that this District-Wide Investment Directory will further serve as a gateway to the many investment opportunities available within the region. We invite investors, businesses, and partners to explore the many possibilities the KZN South Coast offers, and to join us in driving sustainable economic growth for the future.

Mr Sandile Dlomo
SCTIE Board Chairperson

MESSAGE FROM THE CEO

The KwaZulu-Natal (KZN) South Coast is a region of immense potential, poised for significant economic growth through strategic investment, job creation, and sustainable development of our key sectors. As one of the most sought-after investment destinations along South Africa's Eastern Seaboard, and with accessibility from land, sea, and sky, our district is ideally positioned to unlock investment potential on a domestic and global scale.



From our Blue Flag beaches to our hinterland region and beyond, our district presents a wealth of investment opportunities across key sectors, among them tourism, agriculture, manufacturing, property, renewable energy, and the blue economy.

At South Coast Tourism and Investment Enterprise (SCTIE), we are committed to shining a spotlight on the opportunities that exist here. An investment-friendly environment is measured through policy certainty, sound by-laws, good corporate governance, political stability, health and safety, environmental sustainability and governance. By fostering such an environment, we aim to drive economic transformation while preserving and celebrating our region's rich natural and cultural heritage.

Our approach is rooted in collaboration, working closely with government entities, private sector partners, and local communities to unlock economic opportunities that benefit all stakeholders. Through our Ugu One Stop Shop initiative, we are streamlining processes and providing tailored support to investors. This ensures ease of doing business by facilitating a seamless investment experience.

A cornerstone of our investment strategy is the development of catalytic projects that serve as key drivers of economic expansion. From large-scale tourism infrastructure projects and agribusiness ventures to industrial parks and blue economy initiatives, we are actively positioning the KZN South Coast as a hub of innovation and sustainable growth.

We are also further positioning the KZN South Coast as a hub for Meetings, Incentives, Conferences, and Exhibitions (MICE), corporate networking, team-building and events hosting. This serves to enhance the region's global competitiveness, attracting business tourism, and generating long-term economic benefits that extend beyond the urban hubs.

This District-Wide Investment Directory serves as a comprehensive guide for potential investors, showcasing the vast opportunities available and outlining the strategic vision for the region's economic future. We invite you to explore the KZN South Coast as a prime investment destination and partner with us in driving a prosperous and sustainable future.

Dr Vusumuzi Sibiya
CEO of South Coast Tourism and Investment Enterprise (SCTIE)

















KZN SOUTH COAST - WE ARE OPEN FOR BUSINESS

Now's the time to invest!

Ugu District Municipality, one of ten district municipalities in KwaZulu-Natal, is located in the province's south-western region. It is bordered by the eThekwini Metropolitan Municipality to the north-east, UMgungundlovu District Municipality to the north, and Harry Gwala District Municipality to the northwest, with the Indian Ocean forming its natural eastern boundary. Affectionately known as "The South Coast", Ugu District spans approximately 4,791 square kilometers and is divided into 85 municipal wards across four local municipalities: Ray Nkonyeni, Umdoni, Umuziwabantu, and Umzumbe. To drive economic growth and development, the district has established a dedicated Economic Development Special Purpose Vehicle known as the South Coast Tourism and Investment Enterprise (SCTIE). This agency plays a key role in promoting tourism and investment opportunities within the region, positioning Ugu as a prime destination for business and leisure.

UGU DISTRICT-WIDE ECONOMIC SECTORS - Ugu District Municipality, located in the KwaZulu-Natal province of South Africa, has a diverse economy driven by key sectors. Here is a summary of its main economic sectors:

AGRICULTURE - Ugu is known for its strong agricultural sector, particularly in sugarcane farming, bananas, macadamia nuts, vegetables, and subtropical fruits, livestock farming and dairy production which are major contributor to the local economy.

TOURISM - The district is a popular tourist destination, thanks to its beaches, nature reserves, and cultural attractions.

MANUFACTURING & INDUSTRY - The manufacturing sector is relatively small but includes food processing, timber products, and sugar milling. The district has potential for agro-processing industries, leveraging its strong agricultural base.

TRADE & RETAIL - The retail sector is concentrated in urban areas with shopping malls and local markets providing employment and business opportunities. Informal trading is also an important part of the district economy.

PROPERTY - The coastal semigration trend is driving property investment towards the shore and the KZN South Coast is primed for investment. It has several eco-focused developments offering secure, quality estate living.

FISHING & MARITIME ECONOMY - The district has a coastline along the Indian Ocean, supporting small-scale fishing, aquaculture, and related businesses. There is potential for growth in small craft harbour, marine-based tourism and fisheries.

MINING & NATURAL RESOURCES - Although not a major sector, sand mining, quarrying, Lithium, and other limited deposits extraction occur in some areas. There is potential growth for deposits processing for local beneficiation purposes.

ECONOMIC OPPORTUNITIES - Opportunities: Expanding eco-tourism, improving agricultural processing for regional beneficiation, and boosting trade corridors. The main regional priorities, inter alia, include: Airport development, Port/small craft harbour development, renewable energy, ICT Infrastructure (Techno hub), Road and interchange development, Water infrastructures.

WE HAVE TWO DEDICATED OFFICIALS WHO CAN ASSIST YOU WITH ALL YOUR DEVELOPMENT/ INVESTMENT RELATED QUERIES:

Dr Vusumuzi Sibiya
Chief Executive Officer - South Coast Tourism & Investment Enterprise (SCTIE)
Email : vusumuzi@sctie.co.za
Cell : 0639638748
Tel : 039 682 7944

Deidre.Rankin
General Manager Economic Development & Environment Services: Ugu District Municipality
Email : deidre.rankin@ugu.gov.za
Tel : 039 688 5790

IT'S PARADISE

Please call us on **039 682 7944** or visit our website for more information on the prime investment opportunities!

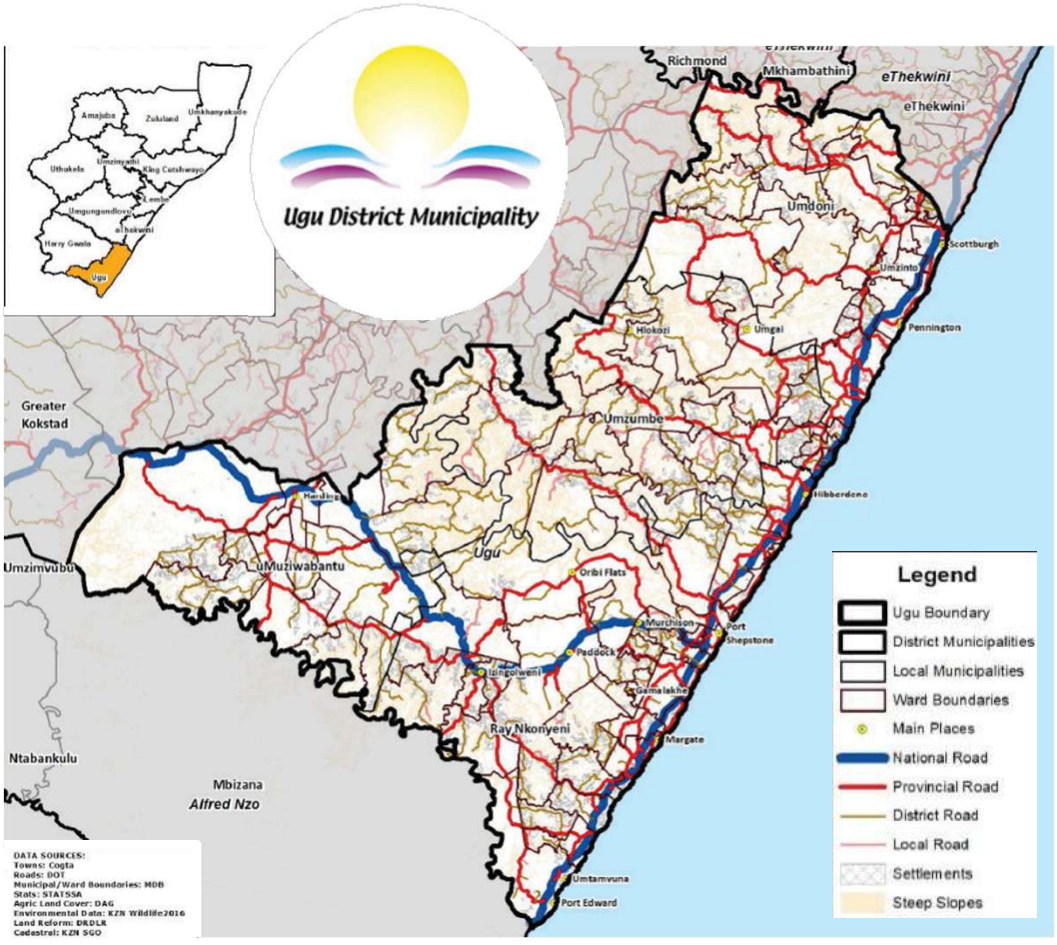
WWW.INVESTKZNSOUTHCOAST.CO.ZA



KZN SOUTH COAST INVESTMENT PROFILE

Ugu Distri, is located in the province's south-western region. It is bordered by the eThekwini Metropolitan Municipality to the north-east, UMgungundlovu District Municipality to the north, and Harry Gwala District Municipality to the northwest, with the Indian Ocean forming its natural eastern boundary.

Affectionately known as "The South Coast", Ugu District spans approximately 4,791 square kilometers and is divided into 85 municipal wards across four local municipalities: Ray Nkonyeni, Umdoni, Umuziwabantu, and Umzumbe. To drive economic growth and development, the district has established a dedicated Economic Development Special Purpose Vehicle known as the South Coast Tourism and Investment Enterprise (SCTIE). This agency plays a key role in promoting tourism and investment opportunities ct Municipality, one of ten district municipalities in KwaZulu-Natalwithin the region, positioning Ugu as a prime destination for business and leisure.



South Coast Tourism & Investment Enterprise (SCTIE) Mandate

"To drive the economy of the KZN South Coast, through Positioning it as a tourism and investment destination of choice."

As the official economic arm, the Agency will proactively identify and unlock the full tourism, trade and investment potential of the region. That will involve engaging with all role-players and stakeholders to attract tourists and assist investors looking to branch out into the district uncovered opportunities.

- Diversify the economy of the district through targeted, strategic investment.
- Pro-actively identify, facilitate, and package investment opportunities.
- Provide confidential service to help investors establish and grow their businesses in the region.
- Promote the KZN South Coast as the investment destination of choice, and grow the economy of the district.
- Attract and increase the number of tourists to the destination.
- Extend the tourist geographical spread across the destination.
- Facilitate the availability of world class tourist services.
- Ensure the availability of tourism information infrastructure.

Corporate Governance Status

Corporate governance is a globally recognized concept that emphasizes corporate responsibility and ethical business conduct. Transparency, accountability, and openness in reporting - both operational and financial - are fundamental to good corporate governance.

Ugu District, as the parent municipality, along with its development agency (SCTIE), has consistently maintained an unqualified audit opinion over the past three financial years. The region upholds strong corporate governance, characterized by political and board stability, strategic direction, policy certainty, effective intergovernmental and external stakeholder relations, financial sustainability, and full commitment to climate-oriented sustainable development goals.

These governance indicators inspire confidence among both foreign and domestic investors, ensuring a favorable investment climate. They also guarantee strong returns on investment and position all investment opportunities within the KZN South Coast as optimal and viable portfolios.

Vision of the District SDF & IDP

Strategic Option

Integrated Development Plan Vision:

"By 2035 KZN South Coast will provide adequate access to basic services in an efficient and sustainable manner, enhancing the quality of life of its citizens in an inclusive, progressive economy."

Ugu Growth and Development Strategy Vision:

"By 2030 the KZN South Coast will be a leading tourism destination and agricultural and manufacturing hub where jobs are created and everyone benefits equally from socio-economic opportunities and services."

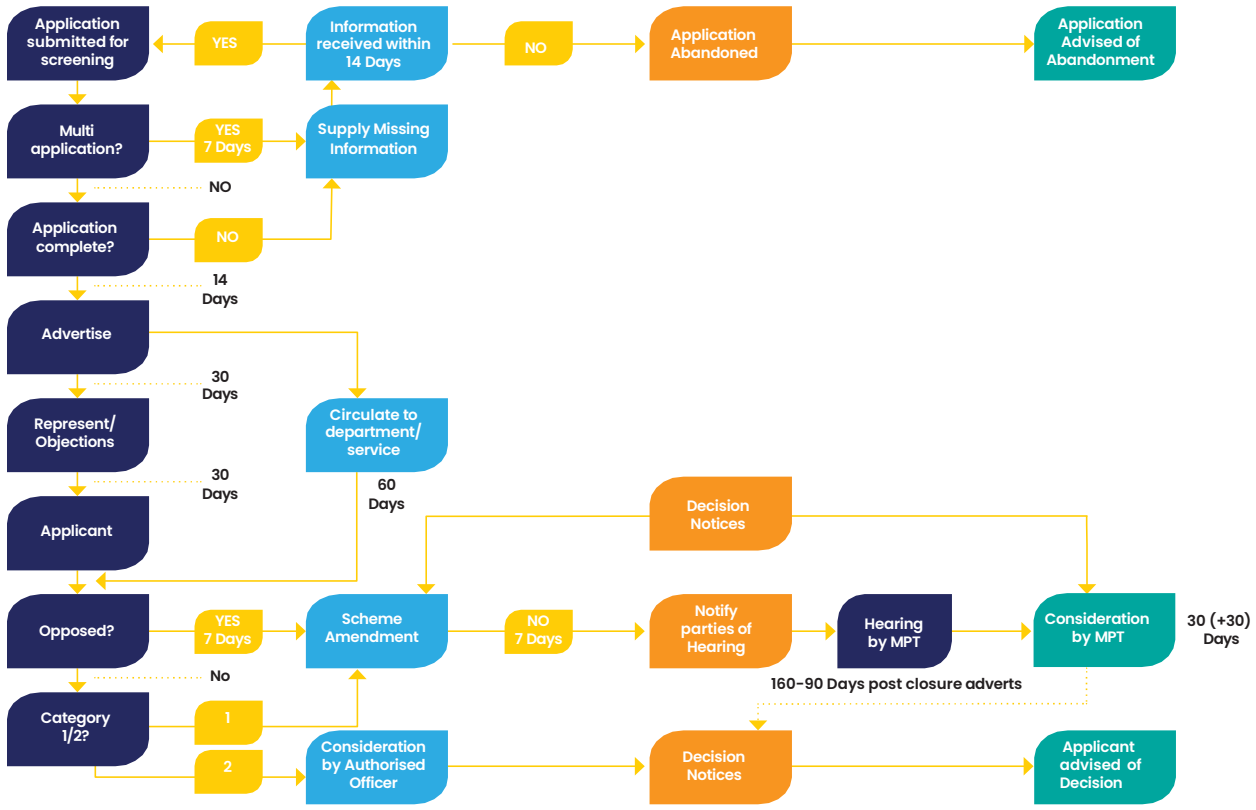


Development Incentives

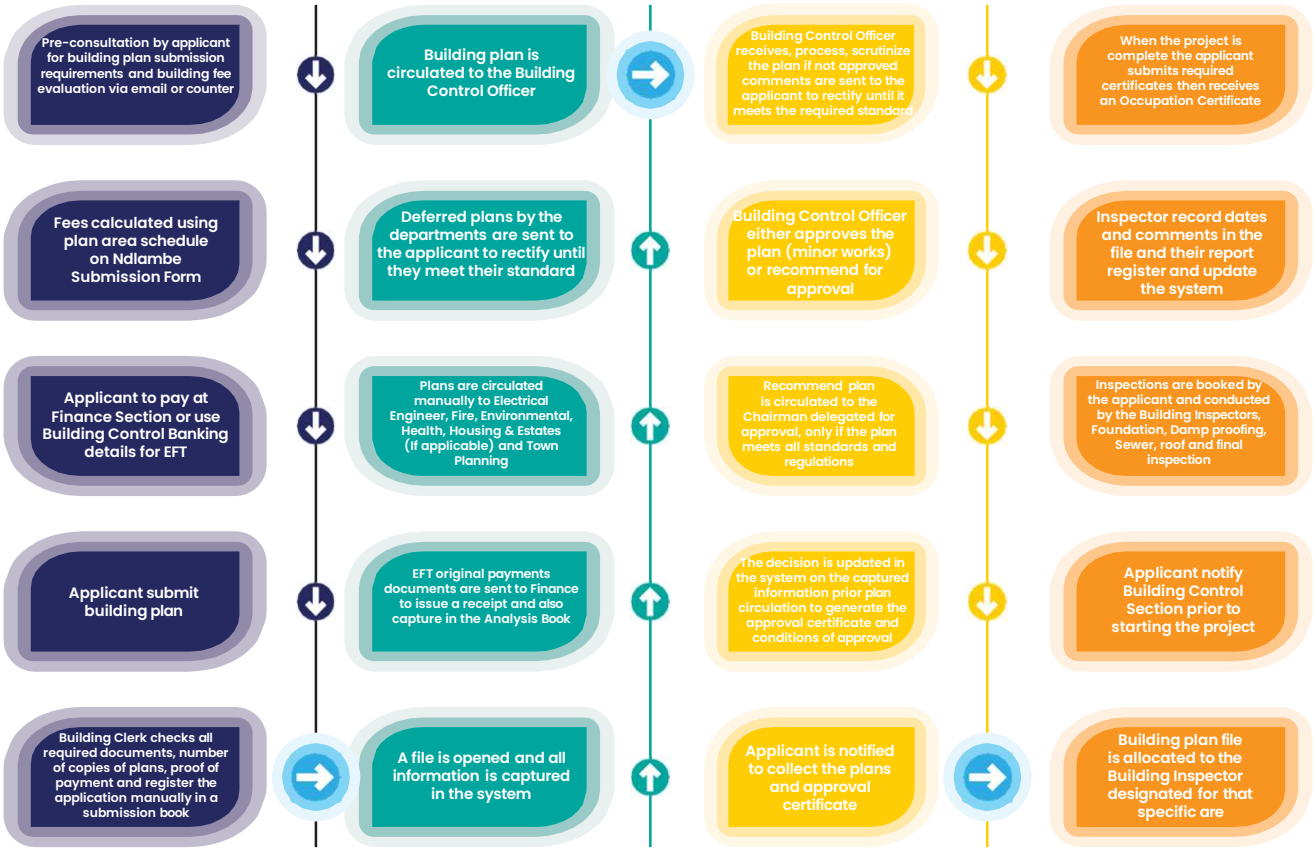
- Simplified and speedy approvals of land-use applications, building plans and business licences.
- Facilitation of water and electricity connections.
- Speedy acknowledgment and response to business enquiries.
- Facilitation and sharing of readily available economic and market data to promote investment in our district economy.
- One local municipality planning the designation of special economic zones: industrial zone (oil refinery, manufacturing), maritime and tourism (leisure and entertainment) and harbour (ocean economy).
- Local municipal specific financial incentives such as: property rates rebates, building plans and submission fees rebates and service connection discounts.



Illustration of SPLUMA Processes



Infrastructure Building Control: Municipal Standard Operation Procedure



Ugu District-wide Economic Sectors

Ugu District Municipality, located in the KwaZulu-Natal province of South Africa, has a diverse economy driven by key sectors.

Here is a summary of its main economic sectors:

1. Agriculture

- KZN South Coast is known for its strong agricultural sector, particularly in sugarcane farming, which is a major contributor to the local economy.
- Other important crops include bananas, macadamia nuts, vegetables, and subtropical fruits.
- Livestock farming and dairy production are also present, though on a smaller scale.

2. Tourism

- The district is a popular tourist destination, thanks to its beaches, nature reserves, and cultural attractions.
- The Hibiscus Coast is a major draw for domestic and international tourists.
- Activities such as eco-tourism, adventure tourism, and heritage tourism contribute significantly to the economy.

3. Manufacturing & Industry

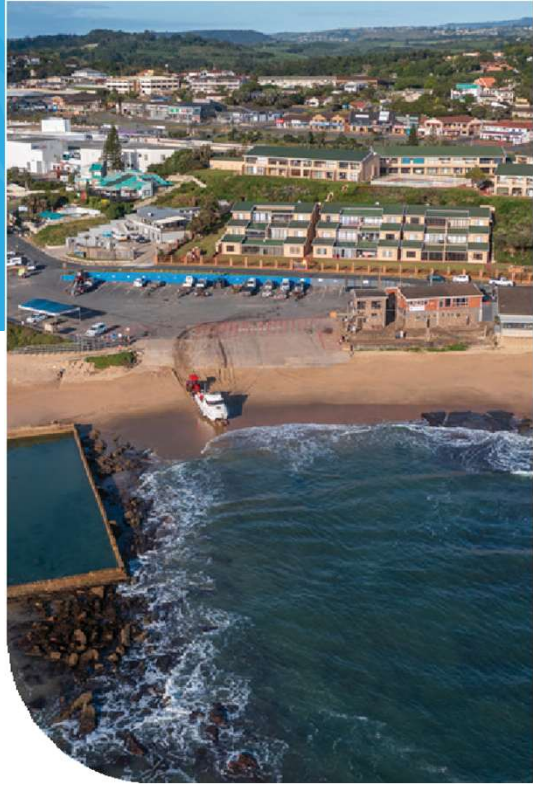
- The manufacturing sector is relatively small but includes food processing, timber products, and sugar milling.
- The district has potential for agro-processing industries, leveraging its strong agricultural base.



4. Trade & Retail

- The retail sector is concentrated in urban areas like Port Shepstone, Margate, and Scottburgh, Harding, with
  shopping malls and local markets providing employment and business opportunities.
- Informal trading is also an important part of the district economy.

Ugu District-wide Economic Sectors



5. Fishing & Maritime Economy

- The district has a coastline along the Indian Ocean, supporting small-scale fishing, aquaculture, and related businesses. There is potential for growth in marine-based tourism and fisheries.

6. Construction & Infrastructure development

- Urban expansion and infrastructure projects, such as road improvements and housing developments, contribute to economic growth.
- Public and private sector investments drive employment in this sector.

6. Mining & Natural Resources

- Although not a major sector, sand mining, quarrying, and limited mineral extraction occur in some areas.
- Environmental concerns have led to stricter regulations on resource exploitation.

7. Services & Government Employment

- The public sector (municipal services, education, and healthcare) is a major employer.
- Financial services, business consulting, and ICT are growing, though not dominant.

Economic Opportunities

Opportunities: Expanding eco-tourism, improving agricultural processing for regional benefaction, and boosting trade corridors inter-linking Umdoni, Umzumbe Ray Nkonyeni and Umuziwabantu. The main regional priorities, inter alia, include:

Port Development	Port Development
Airport Development	Road & Interchange Development
Renewable Energy Developments	Water Infrastructure
ICT Infrastructure (Techno Hub & Broad Band)	Special Economic Zone

catalytic Projects:

KZN South Coast projects by municipality

UMDONI
Proposed Mangosuthu University of Technology Campus
Park Rynie Industrial Park - Light Industry 2 and 3
Umzinto Industrial Park - Light Industry 2
Proposed Pennington Industrial Park (Light industrial 2)
Proposed Shayamoya Industrial Park (Light industrial 2)
Proposed Scottburgh Beach Front Development
Umdoni Point

UMZUMBE
N2 Mnafu / Turton Interchange
Proposed IFAFA Industrial Park
Sezela Industrial Area – Catalytic Project
Umzumbe Marine Tilapia Industry Incubator (UMTII)
Turton Beach Development
Umzumbe Industrial Park
Umzumbe Automotive / Fitment Centres
St Faiths Precinct Development

RAY NKONYENI
John Mason Park Mixed Use
Proposed Hibiscus Coast Marine Route Project Development
Small Craft Harbour
Techno Hub Development
Margate Airport Development
Bahari Bay
Natal Portland Cement (NPC)
Intermodal Facility

UMUZIWABANTU
Proposed Core Mixed Use Zone

INVESTMENT SECTORS:

AGRIBUSINESS SECTOR	P14
Agri-Processing Plant – Animal Skin Hides and Food Processing	
Umzumbe Marine Tilapia Industry Incubator (UMTII)	
MANUFACTURING & INDUSTRY	**P16**
Proposed Heavy and Light Industry Development	
Proposed IFAFA Industrial Park	
Sezela Industrial Area – Catalytic Project	
Park Rynie Industrial Park - Light Industry 2 and 3	
Umzinto Industrial Park - Light Industry 2	
Proposed Pennington Industrial Park (Light industrial 2)	
Proposed Shayamoya Industrial Park (Light industrial 2)	
Umzumbe Industrial Park	
Automotive / Fitment Centers	
Natal Portland Cement (NPC)	
RETAIL	**P26**
Intermodal Facility	
St Faiths Precinct Development	
REAL ESTATE	**P28**
Renishaw Coastal Precinct (Mixed use) – Catalytic Project	
Injabulo Lifestyle Estate (Mixed use) – Concept Design	
Serenity Hills (Mixed Use) - Catalytic Project	
Bahari Bay	
Umdoni Point Coastal Forest Estate	
John Mason Park Mixed Use	
Proposed Core Mixed Use Zone	

TOURISM	P36
Rural Horse Racing (Umtelebhelo) Project	
Umsikazi Mountain	
Mawuleni Nature Reserve	
Isivivane Senkosi Ushaka Heritage Site	
Kwa Xolo Caves Adventures	
Ntelezi Msani Heritage Centre – Kurudi Afrika Experience	
BLUE ECONOMY– MARINE SECTOR	**P42**
Blue Economy – Marine Sector	
Proposed Scottburgh Beach Front Development	
Proposed Hibiscus Coast Marine Route Project Development	
Turton Beach Development	
RENEWABLE ENERGY	**P46**
Establishment of Green Energy (Solar Plant)	
Green Energy Sources - Renewable Energy (Solar, Wind and Bio-energy Projects)	
LOGISTICS & TRANSPORT	**P48**
Margate Airport	
Small Harbour	
N2 Mnafu / Turton Interchange	
Small Craft Harbour	
Margate Airport Development	
SOCIAL INFRASTRUCTURE	**P52**
Proposed Mangosuthu University of Technology Campus	
INFORMATION & COMMUNICATIONS TECHNOLOGY	**P54**
Techno Hub Development	

PROJECT

Agri-Processing Plant – Animal Skin Hides & Food Processing

RESPONSIBLE STAKEHOLDER

Umzumbe LM, SCTIE, PPP, Infrastructure South Africa and
EDTEA (Open for Business)

PROJECT DESCRIPTION

The purpose of the proposed Agri-Processing Plant – Animal Skin Hides and Food Processing is to:

- Establish a leather agro-processing plant/tannery at Umzumbe.
- Process from raw animal hides to leather.
- Establish food processing services such as –

Seed distribution selling high-quality seeds for various crops suitable for the local climate and soil conditions. Agrochemical Retail providing fertilizers, pesticides, and other agricultural inputs to local farmers. Starting a small-scale processing unit for fruits, vegetables, or grains to add value to raw produce. Storage Facilities Building or renting storage facilities for crops to prevent post-harvest losses. Developing seafood storage and packaging facilities. Explore opportunities in biotechnology for improved crop varieties or pest resistance.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
AGRI-PROCESSING PLANT	F.A.4 5941	FARM	RE/5941	30019'39" E / 30,327678	30035'34"S / -30,593829



Sector: AGRI BUSINESS

UMZUMBE

PROJECT

Umzumbe Marine Tilapia Industry Incubator (UMTII)

RESPONSIBLE STAKEHOLDER

Umzumbe, SCTIE, PPP and Private Partners
(Designs and special studies completed) (Open for Business)

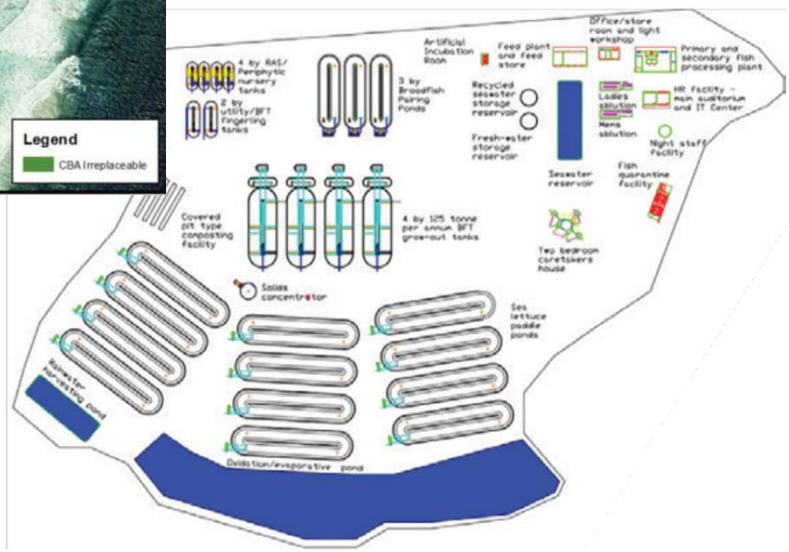
PROJECT DESCRIPTION

The District is currently involved in driving a new food/nutritional security initiative to seed and catalyze the propagation of marine tilapia around the seawater aquaculture of indigenous Oreochromis mossambicus (Mozambique tilapia). The establishment of a Mozambique Tilapia aquaculture project in Umzumbe Local Municipality holds immense potential for driving socio- economic development in the region. Additionally, the cultivation of Mozambique Tilapia can enhance food security in the municipality, offering a locally produced protein source.

INVESTMENT VALUE: R82 MILLION **JOB STATISTICS: +/-225**

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
AQUA-CULTURE	ALLERTON 15189	FARM	RE/16459	30°36'2"E / 30,601447	30°32'15"S / -30,537927





UMUZIWABANTU

PROJECT

Proposed Heavy & Light Industry Development

RESPONSIBLE STAKEHOLDER

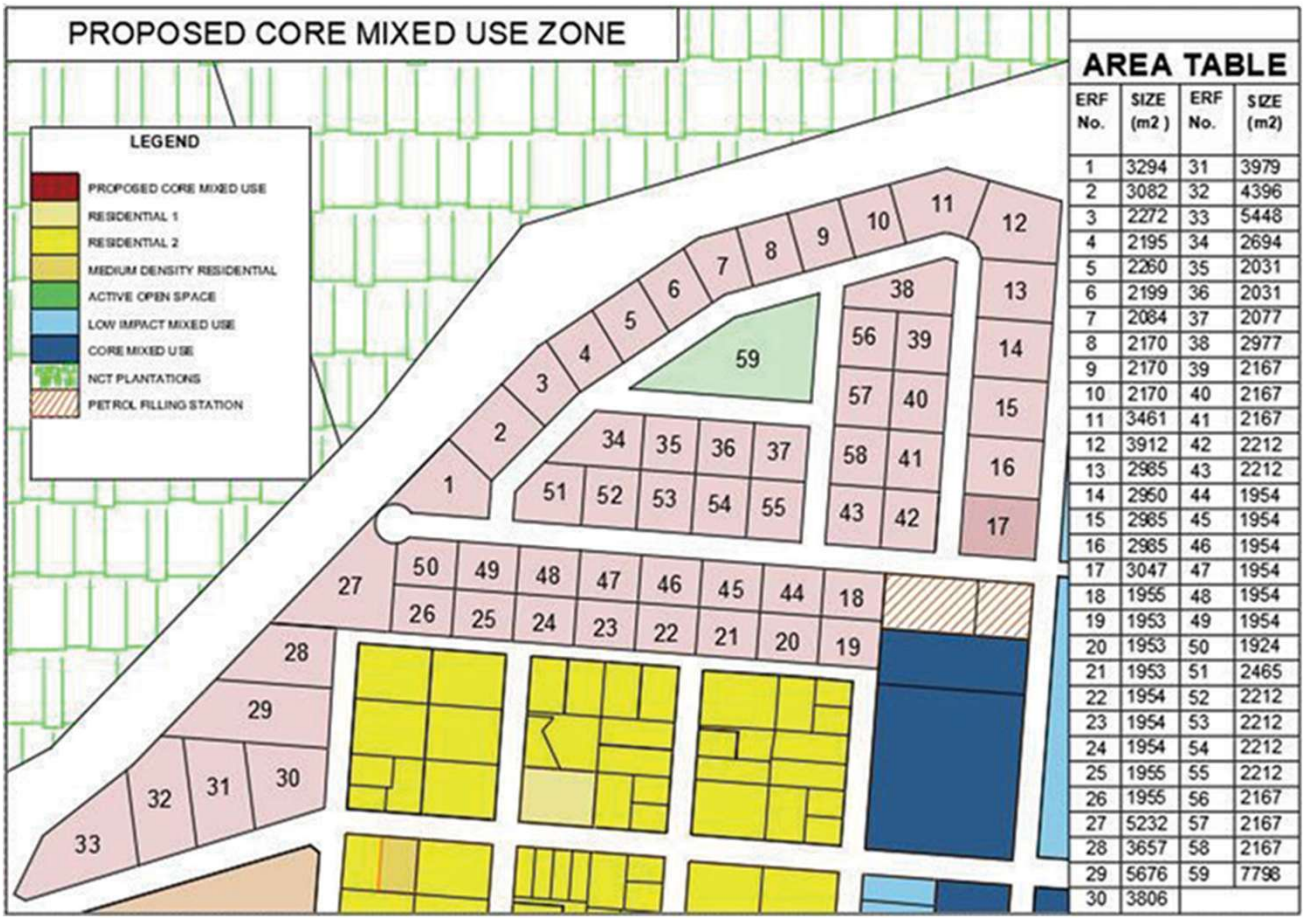
Umuziwabantu, SCTIE and Private Partners (Solar Natal)
(Designs and special studies to be conducted) (Open for Business)

PROJECT DESCRIPTION

Investors could explore agro-processing, logistics hubs, or manufacturing industries that complement the existing economic base:

1. Furniture making and carpentry
2. Pulp and paper
3. Timber byproduct and boards
4. Establishment of truck stop

Harding is strategically located along major transport corridors (e.g., N2 highway) enhances logistics and trade potential.



AREA TABLE

ERF No.	SIZE (m2)	ERF No.	SIZE (m2)
1	3294	31	3979
2	3082	32	4396
3	2272	33	5448
4	2195	34	2694
5	2260	35	2031
6	2199	36	2031
7	2084	37	2077
8	2170	38	2977
9	2170	39	2167
10	2170	40	2167
11	3461	41	2167
12	3912	42	2212
13	2985	43	2212
14	2950	44	1954
15	2985	45	1954
16	2985	46	1954
17	3047	47	1954
18	1955	48	1954
19	1953	49	1954
20	1953	50	1924
21	1953	51	2465
22	1954	52	2212
23	1954	53	2212
24	1954	54	2212
25	1955	55	2212
26	1955	56	2167
27	5232	57	2167
28	3657	58	2167
29	5676	59	7798
30	3806		

UMDONI

PROJECT

Proposed IFAFA Industrial Park

RESPONSIBLE STAKEHOLDER

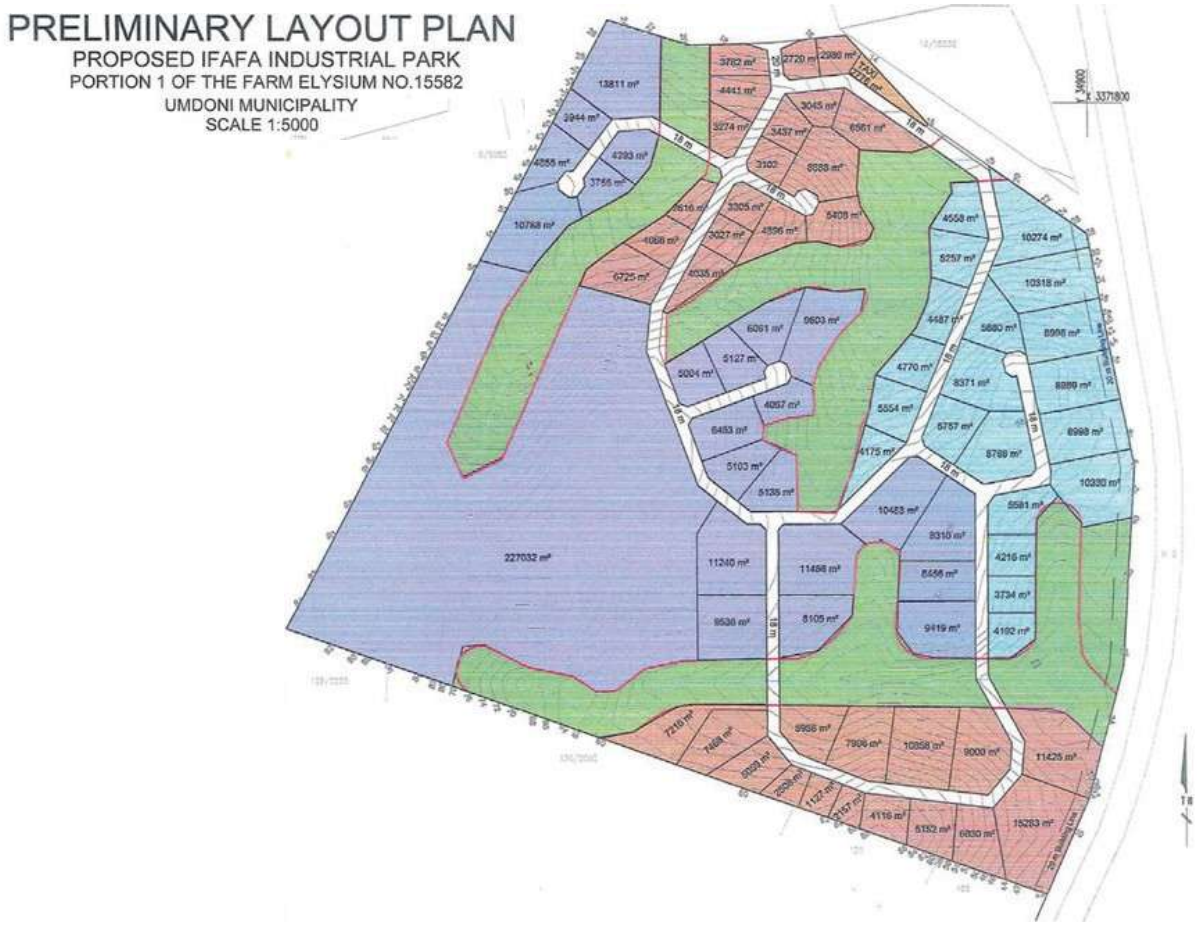
SCTIE (Expression of interest and re-zoning in progress)
(Open for Business)

PROJECT DESCRIPTION

The SCTIE owns a 92.4-hectare piece of land located in Ifafa Elysium, Umdoni Local Municipality, KwaZulu-Natal, under Ward 7. The property, identified as the Remainder of Portion 1 of the Farm Elysium No. 15582, is strategically positioned adjacent to Ifafa Beach and directly accessible from the N2 freeway interchange. This land was procured as part of a broader strategy to establish a new industrial node (special economic zone) with direct access to the N2, enhancing economic development and attracting investment. The objective is to transform the land from agricultural use into a mixed-use development that includes:

- Light Industry Zones 1-3, Municipal and government facilities and Passive Open Spaces (P.O.S.).
- The development plan aims to secure the necessary land-use rights and infrastructure to make the area investment-ready, fostering economic growth and industrial expansion.

PROPERTY NAME	FARM / ERF	LOCATION	LAND SIZE
ELYSIUM FARM	FARM LOT 15582	ADJACENT TO THE IFAFA BEACH N2 INTERCHANGE	92 4433HA



UMDONI

PROJECT

Sezela Industrial Area – Light Industry 2

RESPONSIBLE STAKEHOLDER

Umdoni LM, Illovo and SCTIE

(Open for Business) (Designs and special studies In progress)

PROJECT DESCRIPTION

Sezela, a coastal strip located at Umdoni, is characterised by a mix of industrial activity — primarily linked to the sugar industry — and medium density residential developments. With its strategic coastal location, proximity to major transport routes, and industrial base, Sezela presents significant investment and development potential. The presence of existing industrial activities, particularly linked to the sugar industry, offers opportunities for industrial expansion. Investors could explore Agro-processing, logistics hubs, or manufacturing industries that complement the existing economic base. Sezela's coastal setting provides opportunities for eco-tourism, hospitality, and leisure developments. As part of the Ugu District, Sezela's development potential aligns with broader district spatial planning initiatives.

PROJECT	PROPERTY NAME	ERF	LAND USE	ZONE
SEZELA INDUSTRIAL PARK	SEZELA	256, 1/256, 323, 218	INDUSTRIAL	LIGHT INDUSTRY 2



UMDONI

PROJECT

Park Rynie Industrial Park - Light Industry 2 & 3

RESPONSIBLE STAKEHOLDER

Umdoni Municipality and SCTIE

(Open for Business) (Designs and special studies In progress)

PROJECT DESCRIPTION

The Park Rynie – Scottburgh coastal strip, located along the KwaZulu-Natal South Coast, is a key economic and tourism corridor within the Umdoni Municipality. It features a mix of industrial, commercial, and residential developments, with Scottburgh serving as a well-established tourism and service hub, while Park Rynie has a growing industrial and residential base. The proximity to the N2 highway and key coastal amenities makes this area attractive for investment in multiple sectors. The coastal strip provides opportunities for mixed-use developments, integrating residential, hospitality, and recreational spaces. Expansion of tourism-related infrastructure, such as boardwalks, entertainment centers, and water sports facilities, could enhance visitor appeal. Investment in light industrial parks, Agro-processing plants, and logistics hubs can capitalize on the area's accessibility and proximity to markets.

PROJECT	PROPERTY NAME	ERF	LAND USE	ZONE
PARK RYNNIE INDUSTRIAL PARK	PARK RYNIE	18, 19, 20, 21, 22, 23, 233, 234, 235, 236, 237, 238, 239, 576, 1/576, 2/576, 243, 8/244, 9/244, 10/244, 7/244, 6/244, 5/244, 4/244, 3/244, 2/244, 1/244, 245, 246, 576, 247, 249, 250, 251, 252, 253, 1/253, 2/253, 3/253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 268, 269, 270, 271, 1/271, 2/272, 3/271, 4/271, 273, 274, 321, 322, 1/323, 2/323, 3/323, 4/323, 5/323, 328, 329, 332, 333, 334, 342, 343, 345, 347	INDUSTRIAL	LIGHT INDUSTRY 2&3



PROJECT
Umzinto Industrial Park - Light Industry 2

RESPONSIBLE STAKEHOLDER
Umdoni Municipality and SCTIE.
(Open for Business) (Designs and special studies In progress)

PROJECT DESCRIPTION
Investors could explore agro-processing, logistics hubs, or manufacturing industries that complement the existing economic base.

The location along major transport corridors (e.g., N2 highway) enhances logistics, warehousing, distribution and trade potential. Road and bulk infrastructure upgrades will be essential to accommodate growth in tourism, residential, and industrial sectors. Investment in light industrial parks, agro-processing plants, and logistics hubs can capitalize on the area's accessibility and proximity to markets.

UMDONI

PROJECT	PROPERTY NAME	ERF	LAND USE	ZONE
UMZINTO INDUSTRIAL PARK	UMZINTO	88, 6/328, 7/328, 8/328, 9/328, 10/328, 11/328, 1/372, 4/372, 5/372, 6/372, 7/372, 8/372, 9/372, 10/372, 11/372, 1/373, 3/373	INDUSTRIAL	LIGHT INDUSTRY 2



UMDONI

PROJECT

Proposed Pennington Industrial Park - Light Industry 2

RESPONSIBLE STAKEHOLDER

Umdoni Municipality, PPP and SCTIE

(Designs and special studies In progress) (Open for Business)

PROJECT DESCRIPTION

The Ugu District's development strategy emphasizes sustainable economic growth and spatial integration, aligning with the need for well-planned coastal development in Pennington and Kelso. Pennington's well-established reputation as a lifestyle and holiday destination makes it ideal for further tourism-related investments, such as boutique hotels, luxury eco-lodges, and coastal resorts. Kelso's quieter, undeveloped coastline offers potential for low-impact tourism developments such as private beach front retreats, glamping resorts, or nature-based adventure activities.

PROPERTY NAME	FARM / ERF	LOCATION	LAND SIZE	
PENNINGTON INDUSTRIAL PARK	PENNINGTON	1172, 4/1171, 2/1171, 3/1171, 1173, 1174	INDUSTRIAL	LIGHT INDUSTRY 2



UMDONI

PROJECT

Proposed Shayamoya Industrial Park - Light Industry 2

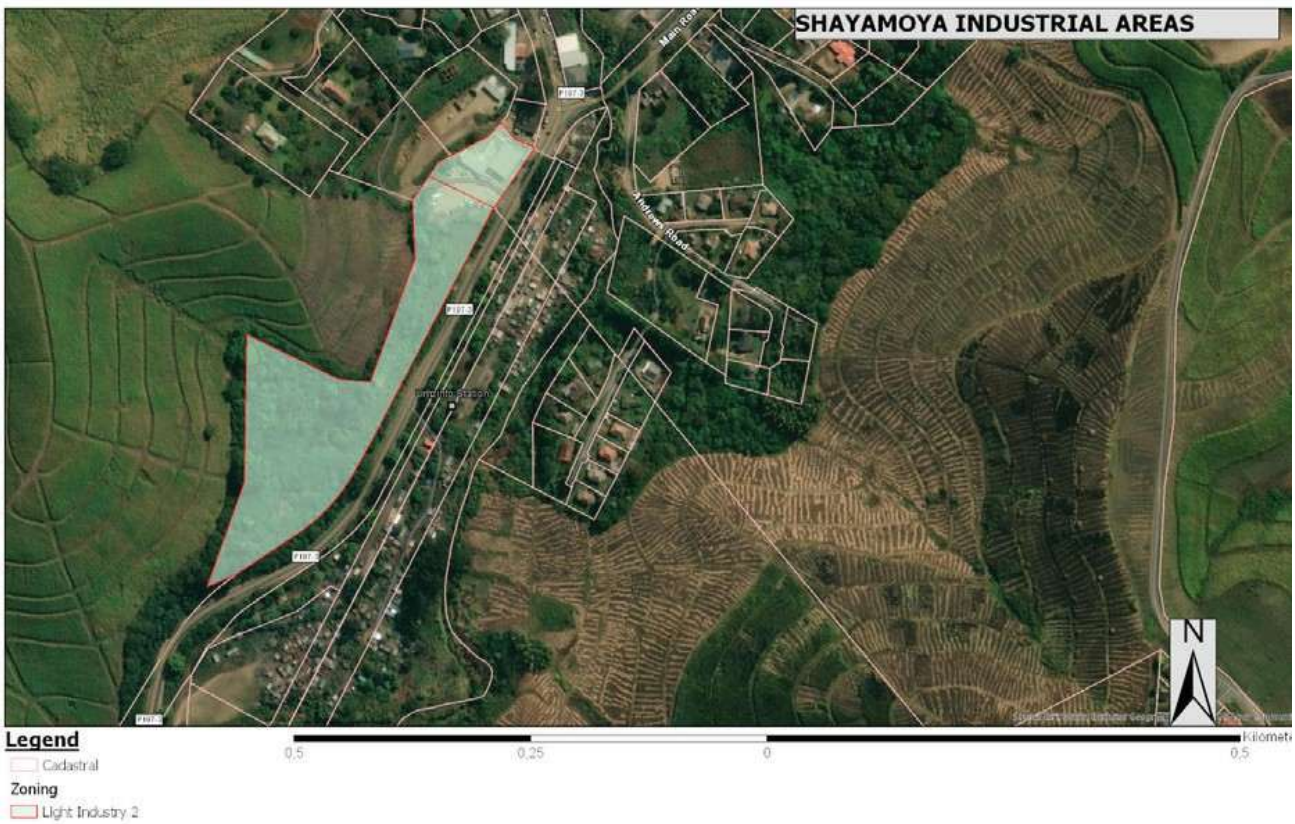
RESPONSIBLE STAKEHOLDER

Umdoni Municipality, PPP and SCTIE
(Open for Business) (Designs and special studies In Progress)

PROJECT DESCRIPTION

Road and bulk infrastructure upgrades will be essential to accommodate growth in tourism, residential, and industrial sectors. Investments in water, sanitation, and renewable energy solutions can improve long-term sustainability and attract green developments. Investors could explore agro- processing, logistics hubs, or manufacturing industries that complement the existing economic base. The N2 corridor enhances connectivity for goods and services, making the region suitable for warehousing and distribution centers.

PROPERTY NAME	FARM / ERF	LOCATION	LAND SIZE	
SHAYAMOYA INDUSTRIAL PARK	UMZINTO SUGAR COMPANY 1403	35/1403, 1648	INDUSTRIAL	LIGHT INDUSTRY 2



UMZUMBE

PROJECT

Umzumbe Industrial Park

RESPONSIBLE STAKEHOLDER

Umzumbe LM, SCTIE, PPP and Department of Trade and Industry (DTIC)

PROJECT DESCRIPTION

The purpose of the proposed Industrial Park is to:

- Ensure that the land-use development proposal is necessary for economic growth, aligned with public interest, and promotes sustainable land utilization that is both publicly acceptable and economically relevant.
- Create jobs, expand the tax base, support business retention, and reduce development costs to stimulate economic activity.
- Provide spacious, well-equipped infrastructure to accommodate a diverse range of industries, including manufacturing, warehousing, distribution, research, cold storage, and data storage, depending on the most suitable industrial park model for the area.
- Establish a dedicated and well-planned location for firms to settle, grow, and develop, ensuring a structured and efficient industrial environment.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
UMZUMBE INDUSTRIAL PARK	F.A.4 5941	FARM	RE /5941	30°19'39"E / 30,327678	30°35'34" / 30,593829



UMZUMBE

PROJECT

Automotive / Fitment Centers

RESPONSIBLE STAKEHOLDER

Umzumbe LM, SCTIE, PPP, Department of Trade and Industry (DTIC) and Infrastructure South Africa(ISA) (Open for Business)

PROJECT DESCRIPTION

The purpose of the proposed Automotive/ Fitment Centers is to:

- Expand the municipalities economy, create employment, and formalise the informal automotive industry.
- Create job opportunities for the community of the local municipality.
- Improve the livelihood of residents and reduce the unemployment rates.
- Help improve the local economy.
- Will increase the land value.
- Increase the property values of the areas surrounding the proposed site.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
AUTOMOTIVE CENTRE	THE PASTURE 6214	FARM	5/6214, 2/6214 & 1/6214	30035'51" E / 30,594711	30029'28"S / -30,4894





RAY NKONYENI

PROJECT
Intermodal Facility

RESPONSIBLE STAKEHOLDER
RNM, KZN Dept of Transport, SCTIE and Private Developer

PROJECT DESCRIPTION
Provision of just under 24 000m² Retail space, Public Transport Facility and Informal Traders.
A combination of a shopping mall, public transport access and a roof top parking to be situated in the heart of the Port Shepstone CBD. This gives access to consumers to shop around in a safe and secured mall with easy access to transportation.

INVESTMENT VALUE: R550 MILLION

JOB STATISTICS: +/-1506



UMZUMBE

PROJECT

St Faiths Precinct Development

RESPONSIBLE STAKEHOLDER

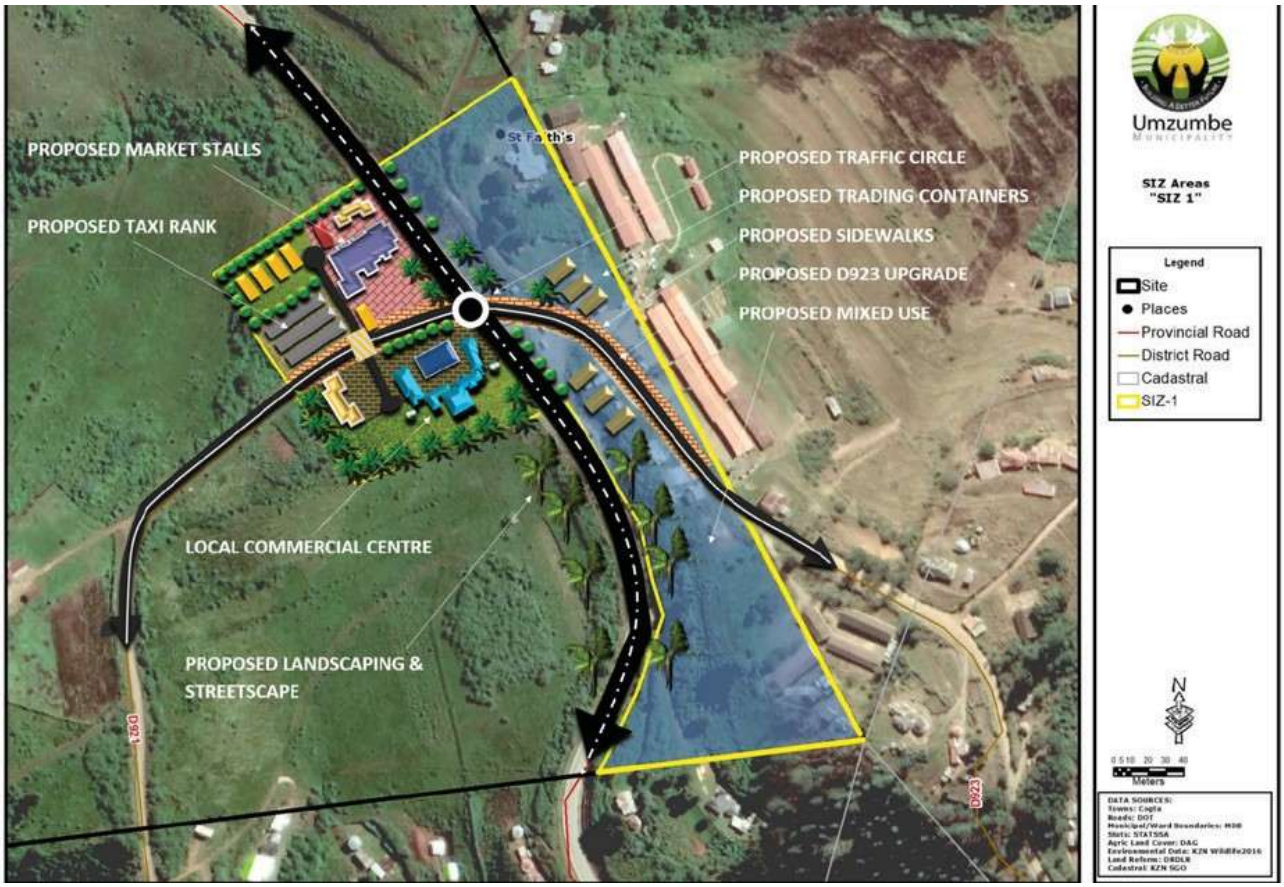
Umzumbe LM, SCTIE, PPP, Infrastructure South Africa and EDTEA (Open for Business)

PROJECT DESCRIPTION

The purpose of the proposed St Faiths Precinct Development is to:

- To create community economic development opportunities located along the key mobility route/corridor.
- To create job opportunities in a manner that supports existing socio-economic potential within the area. This will also diversify land use activities within the area and promote the concept of Local Economic Development and Asset Based Community Development.
- To minimize the unemployment rate and improve living standard measure.
- Create and promote economic independence and sustainability among the local communities.
- Enhance human dignity and promote an environment that inspires success.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
ST FAITHS PRECINCT	LOT ST. FAITH 3630	FARM	3630	30012'20"E / 30,208022	30031'58"S / -30,531978



UMDONI

PROJECT

Renishaw Coastal Precinct (Mixed-use) – Concept Design

RESPONSIBLE STAKEHOLDER

Crookes Brothers Limited (a JSE-listed company), Renishaw Property Developments and SCTIE (Designs and professional studies completed)

PROJECT DESCRIPTION

As the first development of its scale on the KZN mid-South Coast, Renishaw Coastal Precinct is a property development initiative by Renishaw Property Developments. Over the next two-to-three decades, the Precinct will expand through a series of extensive, interconnected nodes, which have received environmental approvals for varied mixed-use development. The Renishaw Coastal Precinct aims to catalyze the KZN mid-South Coast's economic awakening, by bringing our vision for a safe and thriving oasis on the KZN mid-South Coast to life. We believe that it can positively influence and uplift the area as a whole, contributing to its on-going social and economic sustainability. It offers prospective partners an unrivaled chance to obtain prime coastal locations at competitive prices, and as with any new development, those who get in first reap the rewards faster.

INVESTMENT VALUE: R15 BILLION **JOB STATISTICS: +/- 20 000**

PROJECT	PROPERTY NAME	PROPERTY TYPE	FARM / ERF
1	CLANTSHAL & CRAIGIEBURN	ERVEN	FARM LOT 5/6: 1662/3
2	CROC WORLD NODE	ERVEN	FARM LOT 1: 1667/3
3	RENISHAW& SCOTTBURGH	ERVEN	FARM LOT 12/13/14: 1664/1841/1849





RAY NKONYENI

PROJECT

Injabulo Lifestyle Estate (Mixed-use) – Concept Design

RESPONSIBLE STAKEHOLDER

CORDEV Corporate Marketing and Development (Pty) Ltd and
SCTIE (Open for Business)

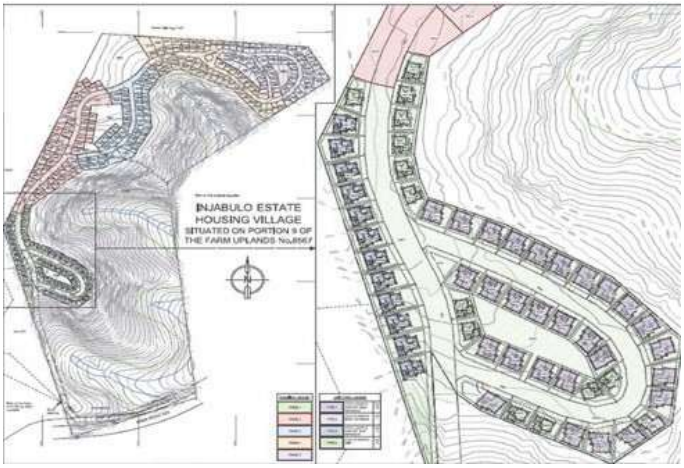
PROJECT DESCRIPTION

CORDEV proudly introduces Injabulo Estate, a game-changing affordable housing development designed to meet South Africa's growing need for quality, accessible homes and Lifestyle Community Center, which will provide critical amenities to residents. This multi-phased project will not only provide sustainable housing but also serve as a major economic catalyst, fostering job creation, skills development, and long-term community upliftment. The development comprises of 254 freehold homes in a secure, well-planned community setting. The estate is located in close proximity to essential amenities ,offering ocean views and easy access to medical facilities, schools, churches, sports facilities, national, roads, beaches, shopping centers, and entertainment hubs.

INVESTMENT VALUE: R360 MILLION **JOB STATISTICS: +/-500**

ERF SIZES	PLOT PRICES	TOP STRUCTURE PRICING	LATITUDE	LONGITUDE
220m2 to 450m2	R195 000 to R350 000	R600 000 to R1 300 000	30.8400851S	30.3359653E







RAY NKONYENI

PROJECT
Serenity Hills (Mixed-use)

RESPONSIBLE STAKEHOLDER
Amsonia and Wenger Family and
SCTIE (Open for Business)

PROJECT DESCRIPTION
The internationally-renowned organisation, Amsonia and local partner, the Wenger Family, proudly introduces Serenity Hills' superb location in the middle of the lower South Coast means you are within an easy few minute's drive of most popular attractions. Whether it's shopping, restaurants, bars or leisure activities like swimming, surfing, beach walks or fishing, everything is conveniently close-by. Serenity Hills offers a rare and private haven, were friends and family come together to enjoy a holistic lifestyle. It is yours to own.

INVESTMENT VALUE: R800 MILLION **JOB STATISTICS: +/-15000**

ERF SIZES	PLOT PRICES	TOP STRUCTURE PRICING	LATITUDE	LONGITUDE
370 m2 to 1300m2	R250 000 to R1 300 000	R1800 000 to R5 000 000	30.8323S	30.3512E





PROJECT
Bahari Bay Eco-Estate

RESPONSIBLE STAKEHOLDER
Amsonia and Wenger Family and SCTIE
(Open for Business)

PROJECT DESCRIPTION
Bahari Bay eco-estate has more than half of the 100-hectare eco-estate that will remain untouched, promising a conservation-focused investment where residents enjoy outdoor pursuits including scenic walking trails, hiking trails, and a specially curated mountain biking trail. Additionally, Bahari Bay features seven picturesque catch-and-release dams and direct private beach access - making it an idyllic retreat for residents seeking tranquility amidst nature. Plots start at R470 000 or a plot-and-plan option starts from R2.6 million.

INVESTMENT VALUE: R1,1 BILLION **JOB STATISTICS: +/-3013**





UMDONI

PROJECT

Umdoni Point Coastal Forest Estate

RESPONSIBLE STAKEHOLDER

Umdoni LM, Private Developer and SCTIE

PROJECT DESCRIPTION

Umdoni Point Coastal Forest Estate is a premier sectional title development designed for luxury living, offering an unparalleled lifestyle within a secure and exclusive environment. This upmarket estate combines modern residential spaces with world-class amenities, catering to a diverse range of interests and leisure activities. Residents and guests can enjoy a variety of facilities, including 2 pickleball courts, 2 padel courts, 2 bowling greens, a 25mx15m swimming pool, a separate private residents' pool, and a state-of-the-art gym. The estate also features a dedicated beauty division and a selection of two dining establishments, and an upcoming restaurant which is fully halaal, ensuring inclusivity for all preferences. Looking ahead, Umdoni Point is set to expand its offerings with the development of a shopping centre, archery facilities, a cutting-edge golf simulation experience, additional padel courts, and expanded pickleball courts, further enhancing the vibrant community experience.

INVESTMENT VALUE: R3,6 BILLION

JOB STATISTICS: +/-9863





RAY NKONYENI

PROJECT
John Mason Park (Mixed-use)

RESPONSIBLE STAKEHOLDER
SCTIE and DAKU GROUP (Designs and professional studies completed)

PROJECT DESCRIPTION
The proposed development site is located on the property Erf 1029 Umtentweni, on the eastern edge of Umtentweni town (see coordinates in table above). The property is approximately 8ha in extent, while the proposed development footprint covers an area of approximately 3ha on the northern portion of the property. The proposed project is a mixed-use development and a much-needed economic investment consisting of a range of residential, commercial, retail, recreational and educational activities situated on an existing level recreational site in the heart of the KZN South Coast, in the seaside town of Umtentweni.

INVESTMENT VALUE: R500 MILLION **JOB STATISTICS: +/-1369**

PROJECT	PROPERTY NAME	PROPERTY TYPE	FARM / ERF	PORTION	LATITUDE	LONGITUDE
1	UMTENTWENI	ERVEN	1029	0	30°43'23.49"S	30°28'12.04"E
2	UMTENTWENI	ERVEN	635	0	30°43'27.98"S	30°28'3.68"E





UMUZIWABANTU

PROJECT

Proposed Core Mixed-use Zone

RESPONSIBLE STAKEHOLDER

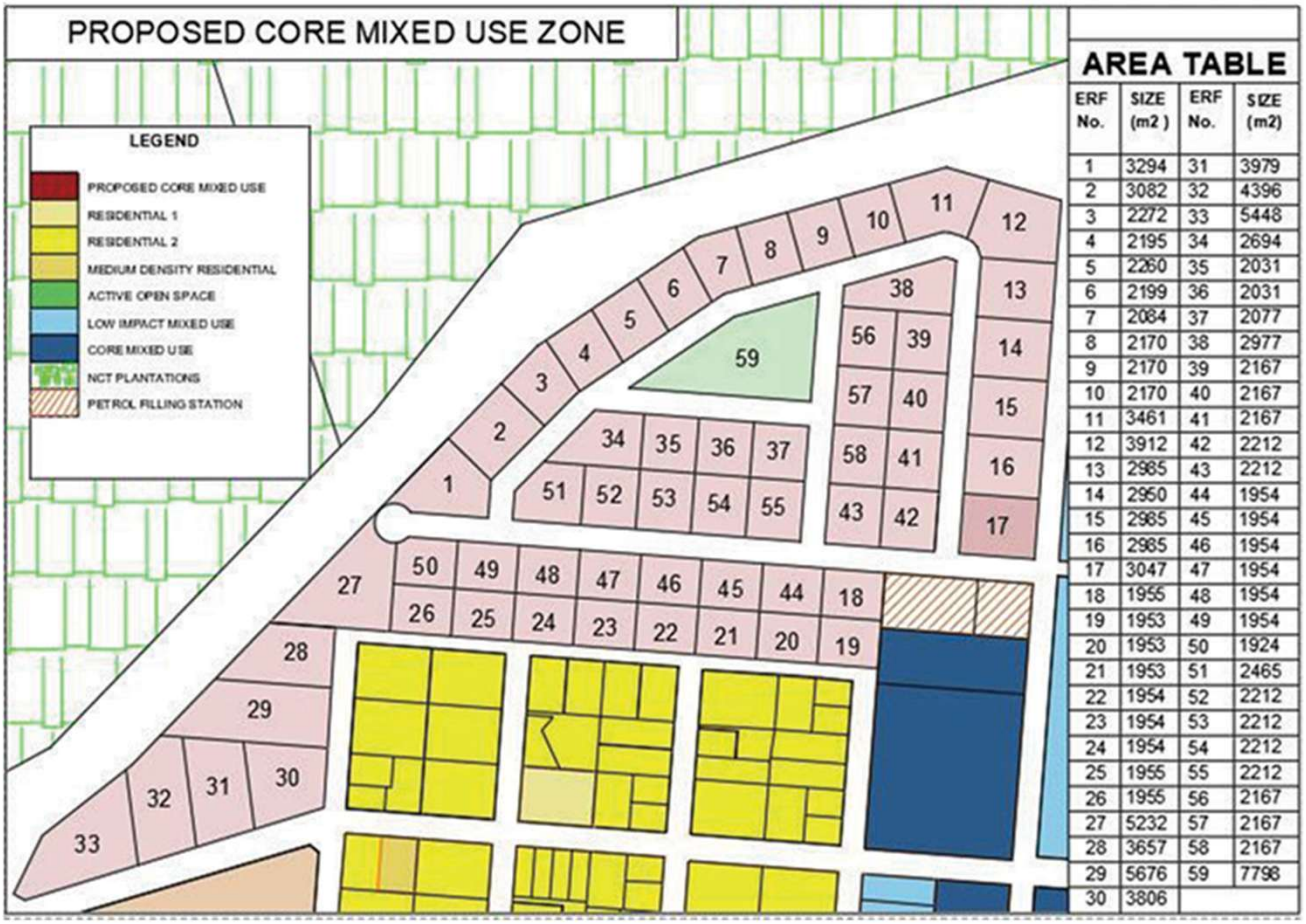
Umuziwabantu, SCTIE, PPP and Private Partners
(Designs and special studies to be conducted) (Open for Business)

PROJECT DESCRIPTION

Medium-density residential areas indicate potential demand for mixed-use developments catering to middle-income and working-class residents. Investment in bulk infrastructure(water, sanitation, and roads) can enhance the feasibility of large-scale developments.

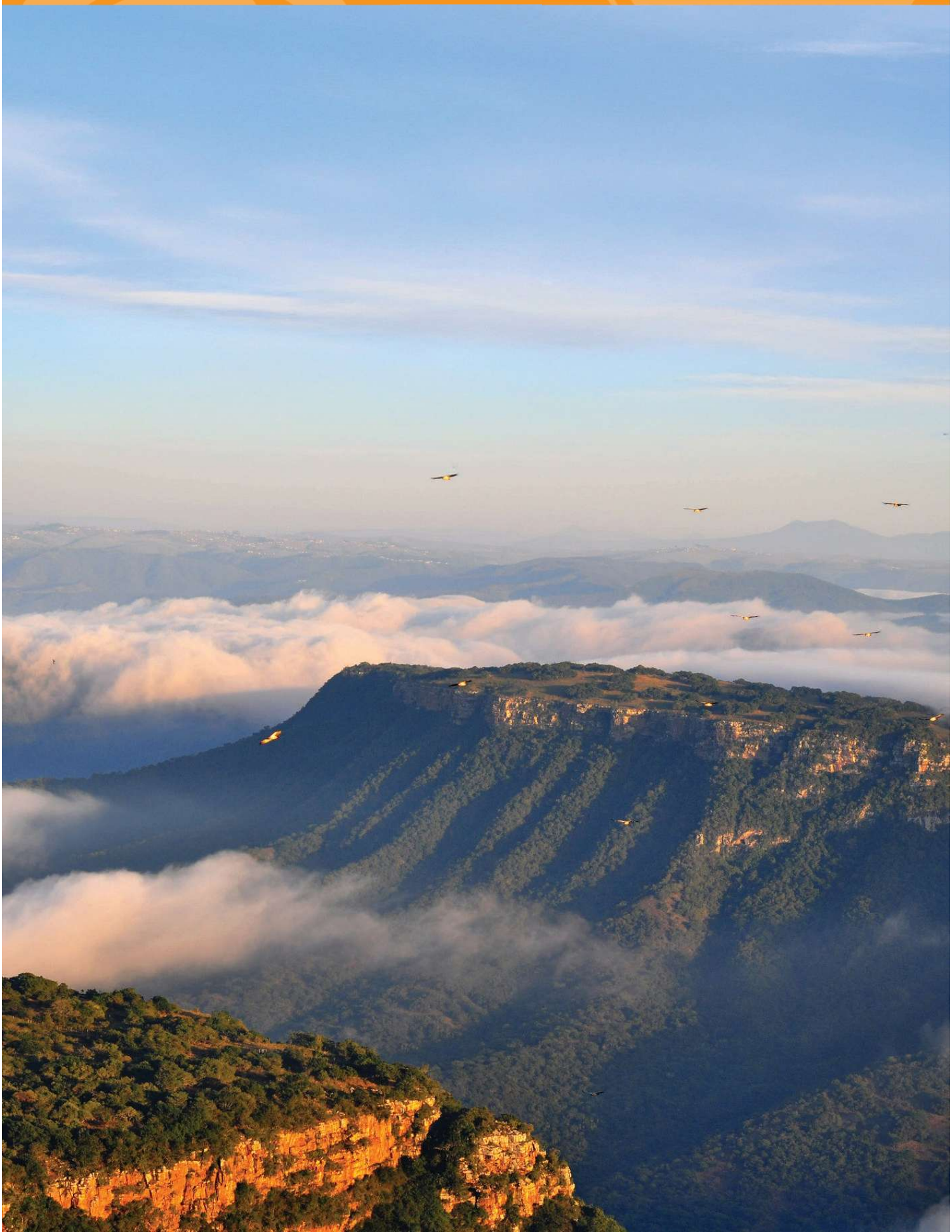
Proposed projects:

1. Petrol filing station
2. Medical centre
3. Educational facilities
4. Retail and commercial uses
5. Hotel and restaurants and other recreational facilities



AREA TABLE

ERF No.	SIZE (m2)	ERF No.	SIZE (m2)
1	3294	31	3979
2	3082	32	4396
3	2272	33	5448
4	2195	34	2694
5	2260	35	2031
6	2199	36	2031
7	2084	37	2077
8	2170	38	2977
9	2170	39	2167
10	2170	40	2167
11	3461	41	2167
12	3912	42	2212
13	2985	43	2212
14	2950	44	1954
15	2985	45	1954
16	2985	46	1954
17	3047	47	1954
18	1955	48	1954
19	1953	49	1954
20	1953	50	1924
21	1953	51	2465
22	1954	52	2212
23	1954	53	2212
24	1954	54	2212
25	1955	55	2212
26	1955	56	2167
27	5232	57	2167
28	3657	58	2167
29	5676	59	7798
30	3806		



UMUZIWABANTU

PROJECT

Rural Horse Racing (Umtelebhelo - Trotting)

RESPONSIBLE STAKEHOLDER

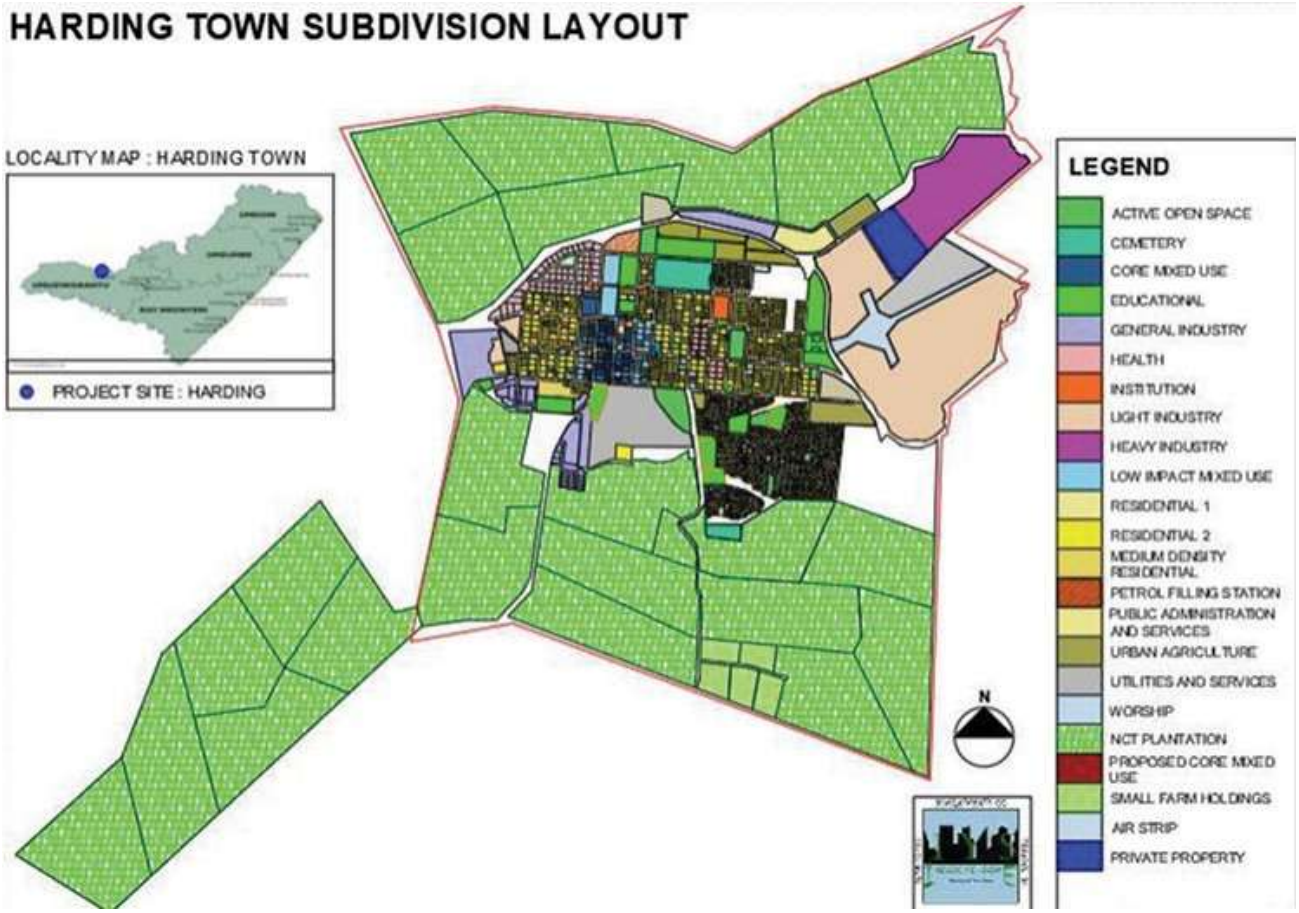
Umuziwabantu, SCTIE, PPP and Private Partners
(Designs and special studies to be conducted) (Open for Business)

PROJECT DESCRIPTION

The establishment of Rural Horse Racing aimed at embracing community-based tourism model. This is centered around utilizing horse racing to enhance the local economy, attract Local, national and international tourists, create job opportunities, and also develop professional horse racers.

This ground-breaking initiative does not only aim to bring about significant economic growth and development to the region but also seeks to nurture talent and provide employment opportunities within the community.

LATITUDE -30, 565556	LONGITUDE -29. 905071



PROJECT

Umsikazi Mountain

RESPONSIBLE STAKEHOLDER

Umzumbe LM, SCTIE, PPP, Infrastructure South Africa and EDTEA

PROJECT DESCRIPTION

The purpose of the proposed Umsikazi Mountain Development is to:

- Enhance opportunities for tourism as well, in the form of adventure and eco-tourism.
- To create community economic development opportunities through heritage based tourism.
- To create job opportunities and minimize the unemployment rate and improve living standard measure.
- Create and promote economic independence and sustainability among the local communities.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
MSIKAZI MOUNTAIN	FARM UMSIGAZI 10790, FARM LOT 60 UMTWALUMI 3476, FARM PULUMBANE 16088 & FARM NDELU B 17551	FARM	FARM UMSIGAZI 10790 ERF 17342, FARM LOT 60 UMTWALUMI 3476 ERF 33/3476, FARM PULUMBANE 16088 ERF 16088 & FARM NDELU B 17551 ERF 17551	30°27'10"E / 30,446719	30°26'32"S / -30,453842





UMZUMBE

PROJECT

Mawuleni Nature Reserve

RESPONSIBLE STAKEHOLDER

Umzumbe LM, SCTIE, PPP, Infrastructure South Africa and EDTEA

PROJECT DESCRIPTION

The purpose of the proposed Mawuleni Nature Reserve Development is to:

- Enhance opportunities for tourism as well, in the form of adventure and eco-tourism.
- To create community economic development opportunities through heritage based tourism.
- To create job opportunities and minimize the unemployment rate and improve living standard measure.
- Create and promote economic independence and sustainability among the local communities.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
MAWULENI NATURE RESERVE	CELE 17561	FARM	17561	30°15'20"E / 30,258313	30°35'23"S / -30,583704





UMZUMBE

PROJECT

Isivivane Senkosi Ushaka Heritage Site

RESPONSIBLE STAKEHOLDER

Umzumbe LM, SCTIE, PPP, Infrastructure South Africa and EDTEA.

PROJECT DESCRIPTION

The purpose of the proposed Isivivane Senkosi Ushaka Heritage Site is to:

- Enhance opportunities for tourism as well, in the form of adventure and eco-tourism.
- To create community economic development opportunities through heritage based tourism.
- To create job opportunities and minimize the unemployment rate and improve living standard measure.
- Create and promote economic independence and sustainability among the local communities.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
ISIVIVANE SENKOSI USHAKA	ALLERTON 15189	FARM	RE/16459	30°34'25"E / 30,5735890	30°30'44"S / -30,5122863





RAY NKONYENI

PROJECT
Kwa Xolo Caves Adventures

RESPONSIBLE STAKEHOLDER
RNM, EDTEA, Idwala and SCTIE

PROJECT DESCRIPTION
The site contains ancient San rock art and is preserved as a heritage site and a tourist attraction. It combines prehistoric human occupation, natural beauty, wildlife, and adventure tourism. Construction of 1.2km Zipline over the Gorge to promote the identified potential of a Rural Eco- Tourism Adventure around Khoisan Rock-Art. In addition, the construction of restaurant, ablution facilities and coffee shop.

INVESTMENT VALUE: R13 MILLION

JOB STATISTICS: +/-35





UMZUMBE

PROJECT

Ntelezi Msani Heritage Centre – Kurudi Afrika Experience

RESPONSIBLE STAKEHOLDER

Umzumbe LM, SCTIE, PPP, Infrastructure South Africa and EDTEA

PROJECT DESCRIPTION

The purpose of the proposed Ntelezi Msani Heritage Centre – Kurudi Afrika Experience is to:

- Enhance opportunities for tourism as well, in the form of adventure and eco-tourism.
- To create community economic development opportunities through heritage based tourism.
- To create job opportunities and minimize the unemployment rate and improve living standard measure.
- Create and promote economic independence and sustainability among the local communities.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
NTELEZI MSANI	ALLERTON 15189	FARM	RE/16459	30°34'25"E / 30,5735890	30°30'44"S / -30,5122863















sector: BLUE ECONOMY

PROJECT
Blue Economy – Marine Sector

RESPONSIBLE STAKEHOLDER
District Wide, SCTIE, PPP and
EDTEA (Open for Business)

PROJECT DESCRIPTION
By protecting marine habitats, creating skills and investing in the Blue Economy, opportunity awaits in sustainable fisheries. The demand for the sustainable supply of fish to both the domestic and international markets is high, and only set to grow. The proximity to Durban Port – the continent's busiest port with the largest container facility in Southern Africa and accessibility to key national routes also provide the KZN South Coast with investment opportunities related to maritime transport. Ocean trade, skills development and boating industry could all emanate from investment in this sector.









UMDONI

PROJECT

Proposed Scottburgh Beach Front Development

RESPONSIBLE STAKEHOLDER

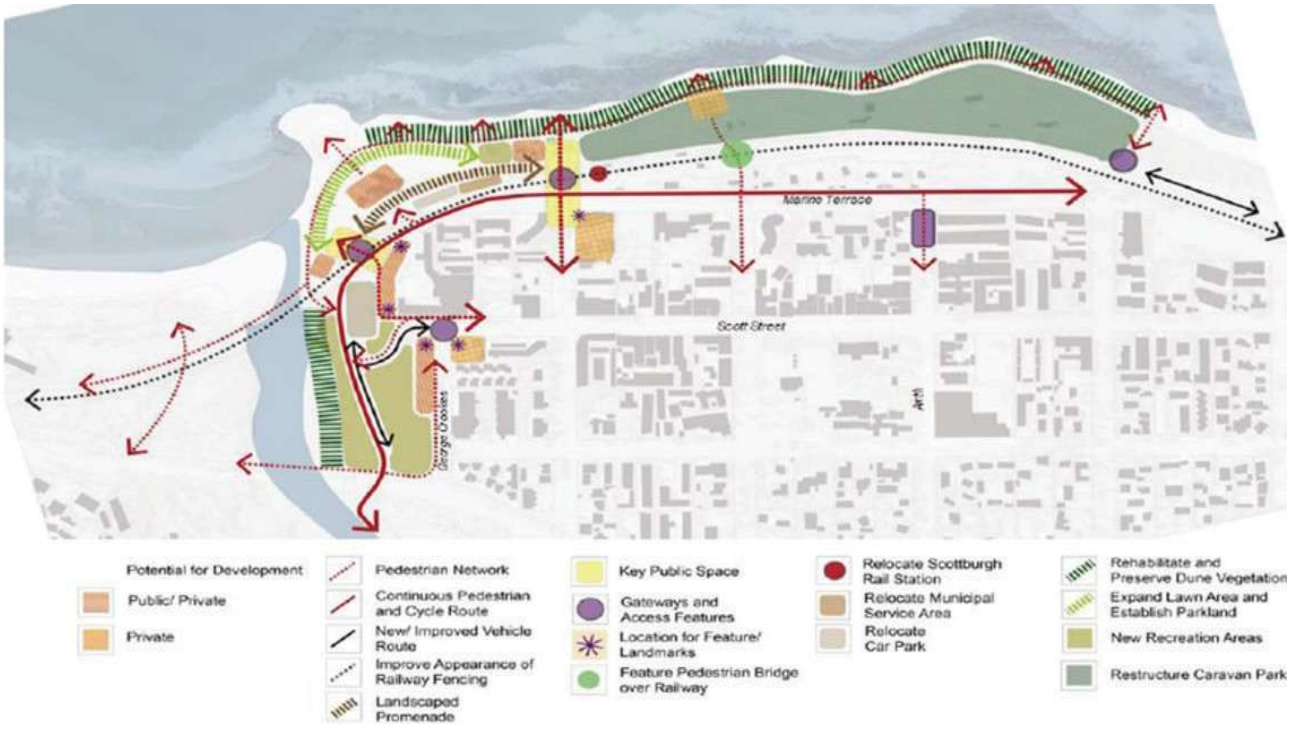
Umdoni Municipality, PPP and SCTIE

(Open for Business) (Designs and special studies In progress)

PROJECT DESCRIPTION

The plan focuses on accessibility, infrastructure improvements, and enhancing public spaces for community and tourism benefits.

- **Access & Connectivity:** Improve vehicle and pedestrian access via Scott Street; build a pedestrian sky bridge over the rail line to the beach.
- **Parking & Open Space:** Upgrade parking behind the rail line, expand the beach lawn by relocating parking/event space, and adjust caravan park access.
- **Development & Design:** Prepare design briefs for key sites, including the beach pavilion, super tube site, and new underpass hub with public and youth spaces.
- **Redevelopment:** Replace the beach pavilion with a flexible event space above a promenade, with facilities like a restaurant, ablutions, and lifesaving services below.
- **Public Space Upgrades:** Enhance the beach entrance with improved steps, ramps, and gathering spaces; develop a pedestrian and cycle promenade.



gure 4-2: Development Concept - The Big Ideas

PROJECT
Hibiscus Coast Marine Route Project

RESPONSIBLE STAKEHOLDER
District Wide, SCTIE, PPP and Sparkling Water Pty Ltd (Open for Business)

PROJECT DESCRIPTION
The Hibiscus Coast Marine Route project aims to establish a modern marine transportation system that connects Durban to various coastal towns such as Ifafa, Hibberdene, Port Shepstone, and St. Michaels. The initiative will leverage hydrofoil and hovercraft technologies to enhance regional connectivity, unlock the tourism potential, and create sustainable economic hubs along the Hibiscus Coast. This initiative aligns with Vision 2030 by aiming to drive socio-economic development in the region through the following impacts:

- **Boosting Tourism:** The project will transform the region into a premier international tourist destination, capitalizing on its natural beauty, cultural heritage, and adventure tourism.
- **Job Creation:** The development will generate both immediate construction employment and long-term opportunities in tourism, retail, transportation, and other service sectors, which will contribute to reducing the area's unemployment rate.
- **Entrepreneurship:** Local entrepreneurs will be empowered through new business opportunities in sectors such as hospitality, artisanal crafts, transportation services, and food production.
- **Infrastructure Modernization:** The introduction of eco-friendly transport solutions will reduce congestion while promoting green development along the coast, making the region more sustainable.



PROJECT

Turton Beach Development

RESPONSIBLE STAKEHOLDER

Umzumbe LM, SCTIE, EDTEA and Infrastructure South Africa (Designs and Professional Studies) (Construction: PPP)

PROJECT DESCRIPTION

The purpose of the proposed Beach Development is to:

- Ensure that Umzumbe residents have access to recreation facilities of any kind and the beach development will be the most cost effective way to establish a recreation hub.
- To build on the competitive advantages of the Umzumbe Municipality which includes a coastal location, accessibility from national road and rail systems, and a unique natural environment (including unspoilt beaches, estuaries and nature areas).
- Act as a catalyst for the proposed Turton Beach development, which is currently being used by the community but has poor access and no infrastructure.

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
TURTON BEACH DEVELOPMENT	LOT 71 3538	FARM	1- 164/3538 & RE/3538	30036'47"E / 30,611057	30031'10"S / -30,518047



sector: RENEWABLE ENERGY

PROJECT

Green Energy Sources - Renewable Energy (Solar, Wind & Bio-energy Projects)

RESPONSIBLE STAKEHOLDER

MISA, District Wide, SCTIE and PPP

PROJECT DESCRIPTION

The National Infrastructure Plan 2050 (NIP 2050) outlines nine Strategic Integrated Projects (SIPs) in KwaZulu-Natal and the Eastern Cape to drive economic growth and improve service delivery. Among them, SIP-8, a top-priority energy initiative, focuses on Green Energy to support South Africa's economy. It promotes a diverse range of clean energy solutions in line with the Integrated Resource Plans (IRP 2010 & IRP 2019). The KZN South Coast has been identified as an ideal location for solar, bio- energy, hydro, and wind energy, ensuring a sustainable energy supply for all users.

INVESTMENT VALUE: R1.407 BILLION **JOB STATISTICS: +/-3857**

BPF0013 BIO-ENERGY 0.03MW	KZN	UGU	RAY NKONYENI	29.4	0.17	PORT SHEPSTONE SS	EROS MTS	30.4257 -30.7384
BPF0013 BIO-ENERGY 8.22MW	KZN	UGU	RAY NKONYENI	658.9	47.09	PORT SHEPSTONE SS	EROS MTS	30.2019 -31.0295
BPF0013 BIO-ENERGY 0.15MW	KZN	UGU	UMDONI	40.9	0.86	NKONKA MTS	ILLOVO MTS	30.6585 -30.3487
BPF0013 BIO-ENERGY 1.26MW	KZN	UGU	UMUZIWABANTU	149.6	7.22	EROS SS	EROS MTS	30.8684 -30.586
SPF0001 SOLAR PV 10.71 MW NO SENSITIVITY	KZN	UGU	UMZUMBE	172.3	10.56	IZOTSHA SS	EROS MTS	30.2797 -30.6004
SPF0001 SOLAR PV 14.258 MW NO SENSITIVITY	KZN	UGU	UMZUMBE	219.9	14.08	PLAINS SS	EROS MTS	30.2882 -30.6271
HPF0002 MKHOMAZI 1.2 MINI HYDRO	KZN	UGU	UMDONI	136.9	10.44	NKONKA MTS	ILLOVO MTS	30.606 -30.116



UMUZIWABANTU

PROJECT

Establishment of Green Energy (Solar Plant)

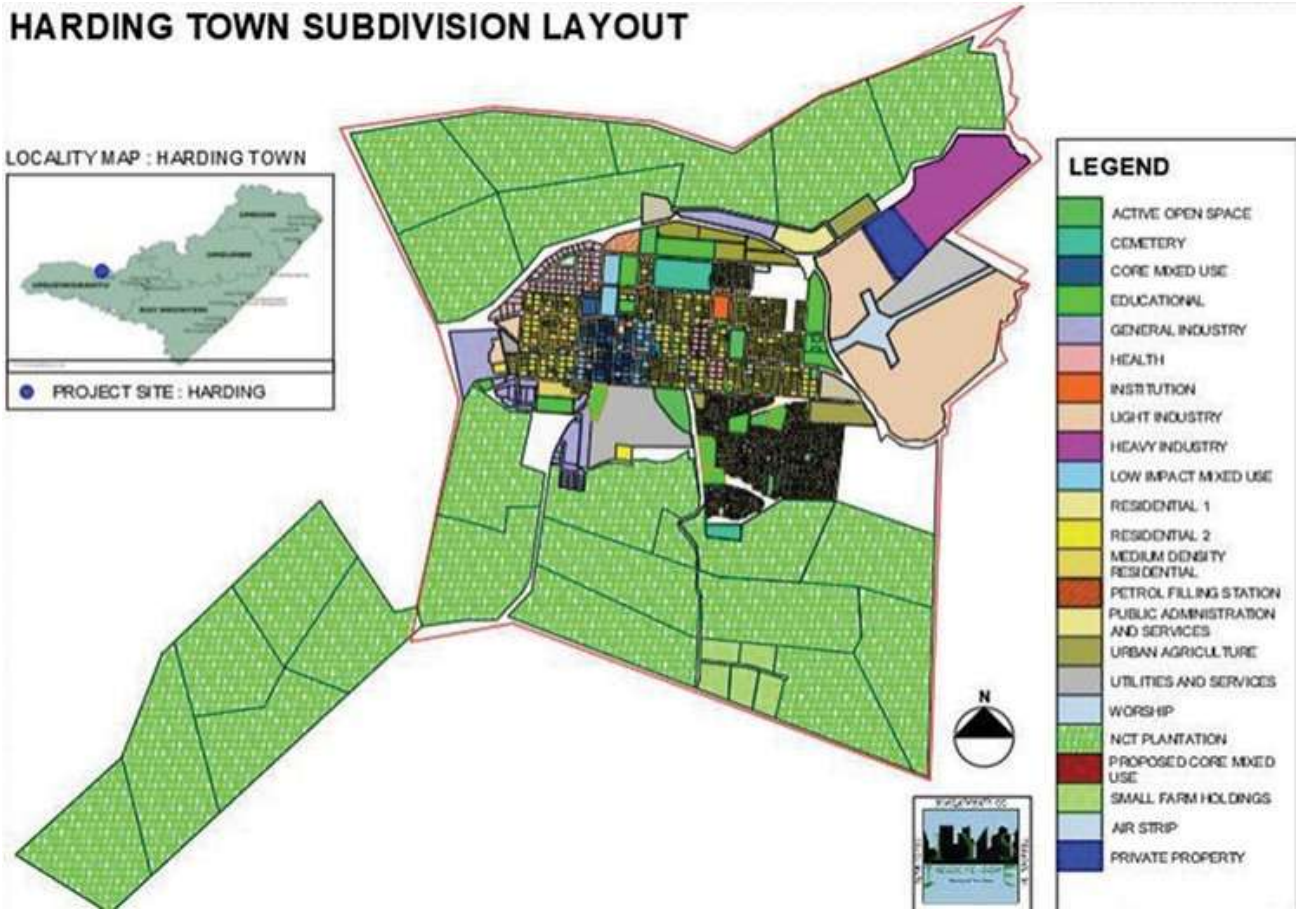
RESPONSIBLE STAKEHOLDER

Umuziwabantu, SCTIE and Private Partners(Solar Natal)
(Designs and special studies to be conducted) (Open for Business)

PROJECT DESCRIPTION

Coal-fired power stations generate 85% of South Africa's electricity, making the country the largest emitter of harmful greenhouse gases in Africa. To support South Africa's goal of achieving net-zero emissions by 2050, the Umuziwabantu Municipality's Spatial Development Framework (SDF) has approved the establishment of a solar power plant as part of its commitment to renewable energy solutions and a just transition to green energy. This initiative aligns with the country's strategic direction to drive inclusive growth, necessitating collaboration between the government and businesses. To attract private sector investment, the framework will soon be officially inaugurated by the Minister of Electricity and Energy.

LATITUDE -30, 565556	LONGITUDE -29. 905071



RAY NKONYENI

PROJECT
Small Craft Harbour

RESPONSIBLE STAKEHOLDER
RNM LM, SCTIE, Public Works, EDTEA, PPP and Infrastructure South Africa.
(Open for Business)

PROJECT DESCRIPTION
The purpose of the proposed Small Craft Harbour:

- Creation of Small Craft Harbour in line with Operation Phakisa inclusive of boat launching site, fisheries and related facilities (Hibberdene, Port Shepstone and/or Port Edward). Facilitation of declaration of the area as an industrial park - ultimately to be designated as Special Economic Zone.

INVESTMENT VALUE: R1.041 BILLION **JOB STATISTICS: +/-2852**





UMZUMBE

PROJECT

N2 Mnafu / Turton Interchange

RESPONSIBLE STAKEHOLDER

Umzumbe (Designs and Professional Studies) and Sanral (Construction)

PROJECT DESCRIPTION

The purpose of the proposed interchange is to:

- Provide vehicular access to residential areas within the Mnamfu community (immediate), surrounding communities and the municipality at large.
- Alleviate the proliferation of illegal accesses that have been developed as a result of poor access for the community.
- Act as a catalyst for the proposed Turton Beach development, which is currently being used by the community but has poor access and no infrastructure.

INVESTMENT VALUE: R550 MILLION **JOB STATISTICS: +/-1500**

PROJECT	PROPERTY NAME	PROPERTY TYPE	ERF	LATITUDE	LONGITUDE
TURTON INTERCHANGE	LOT 71 3538	FARM	RE/3538, 164/3538, 121/3538, 120/3538, 163/3538, 130/3538, 22/3538, 119/3538, 84/3538, 98/3538, RE/14/3538, 111/3538, 110/3538, 67/3538 & 113/3538	30036'47"E / 30,611057	30031'10"S / -30,518047



RAY NKONYENI

PROJECT
Margate Airport

RESPONSIBLE STAKEHOLDER
RNM, SCTIE, PPP and EDTEA

PROJECT DESCRIPTION
The municipal-owned Margate Airport, which has been identified as a critical contributor to tourism and investment in the KZN South Coast, has undergone an R11-million refurbishment to better position it for the logistics sector. The renovation has upgraded the airport to a Category 4 which allows for two scheduled flights daily - morning and afternoon – (except Saturdays) with an aircraft capacity of 47 passengers. The Investment opportunities amongst others include: aviation schools, hangars, restaurants & hotels and car hire agencies, parking areas, runway, taxiway and development of commercial prencint.

INVESTMENT VALUE: R285 MILLION

JOB STATISTICS: +/-780






MARGATE Airport
RAY NKONYENI MUNICIPALITY
PARADISE

UMDONI

PROJECT

Proposed Mangosuthu University of Technology Campus

RESPONSIBLE STAKEHOLDER

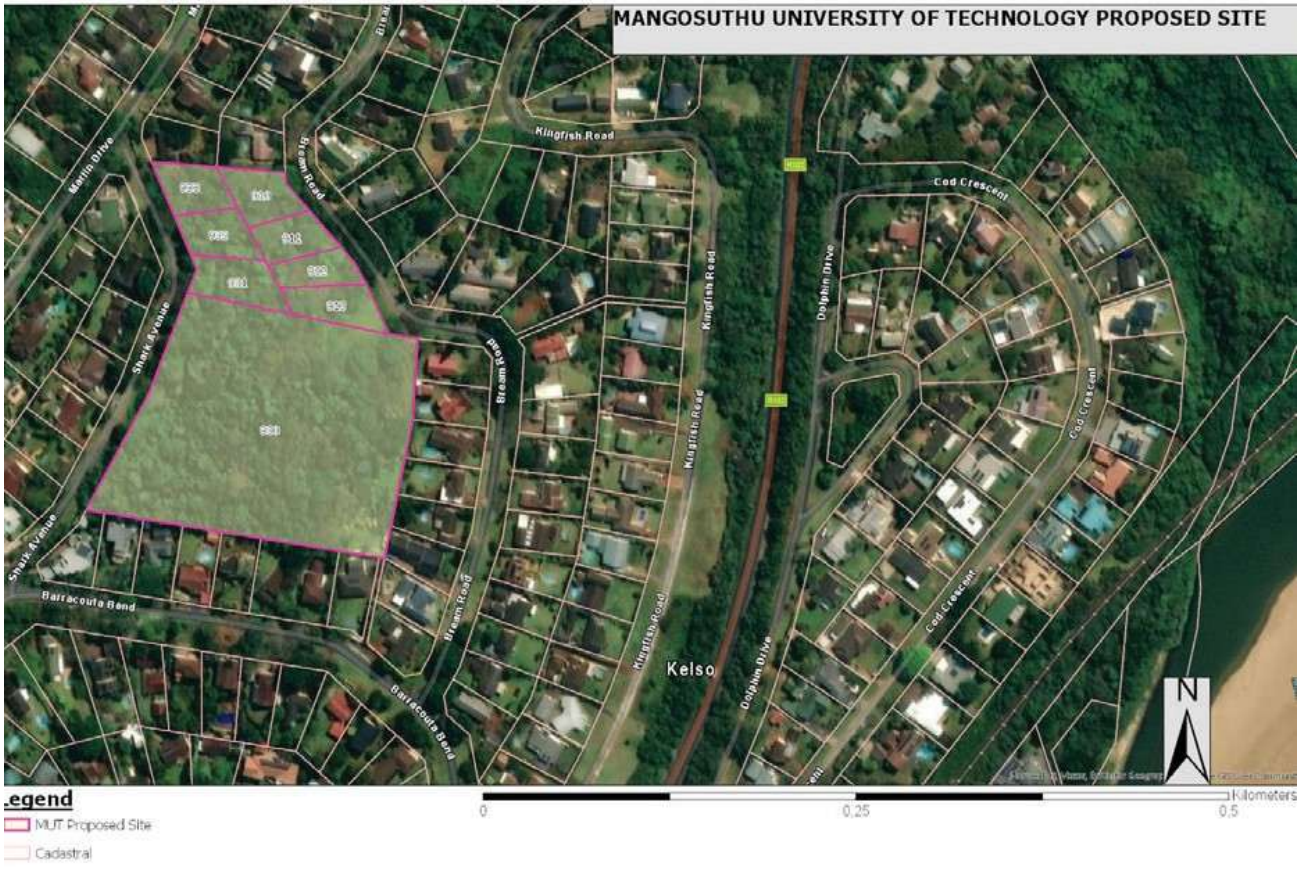
RSA, Umdoni Municipality, PPP, MUT and SCTIE (Designs and special studies in progress)

PROJECT DESCRIPTION

The KZN South Coast faces persistent structural unemployment, worsened by a skills mismatch. In response, the establishment of an institute of higher learning is seen as a strategic step toward fostering a knowledge-based economy and aligning workforce skills with economic demands.

This initiative is particularly crucial in complementing the recently designated Eastern Seaboard Development region. Additionally, Umdoni Municipality's efforts will drive employment creation, enhance local participation in development initiatives, and promote research and innovation - key contributors to any developing economy.

PROJECT	PROPERTY NAME	ERF	ZONE
MANGOSUTHU UNIVERSITY OF TECHNOLOGY	PENNINGTON	910, 911, 912, 913, 930, 931, 932 & 933	EDUCATION





RAY NKONYENI

PROJECT
Techno Hub Development

RESPONSIBLE STAKEHOLDER
RNM, KZN Treasury, European Union (EU), PPP and DBSA (Open for Business)

PROJECT DESCRIPTION
Developing a Techno Hub in the Ray Nkonyeni Municipality can drive economic growth, attract investments, and create job opportunities. Here are some key strategies to improve the development of the hub:

- Ensure high-speed internet access and reliable power supply; Develop modern office spaces, co-working areas, and innovation labs; and establish smart infrastructure with sustainable energy solutions.

Phase 1: Information Centre & Bulk Infrastructure

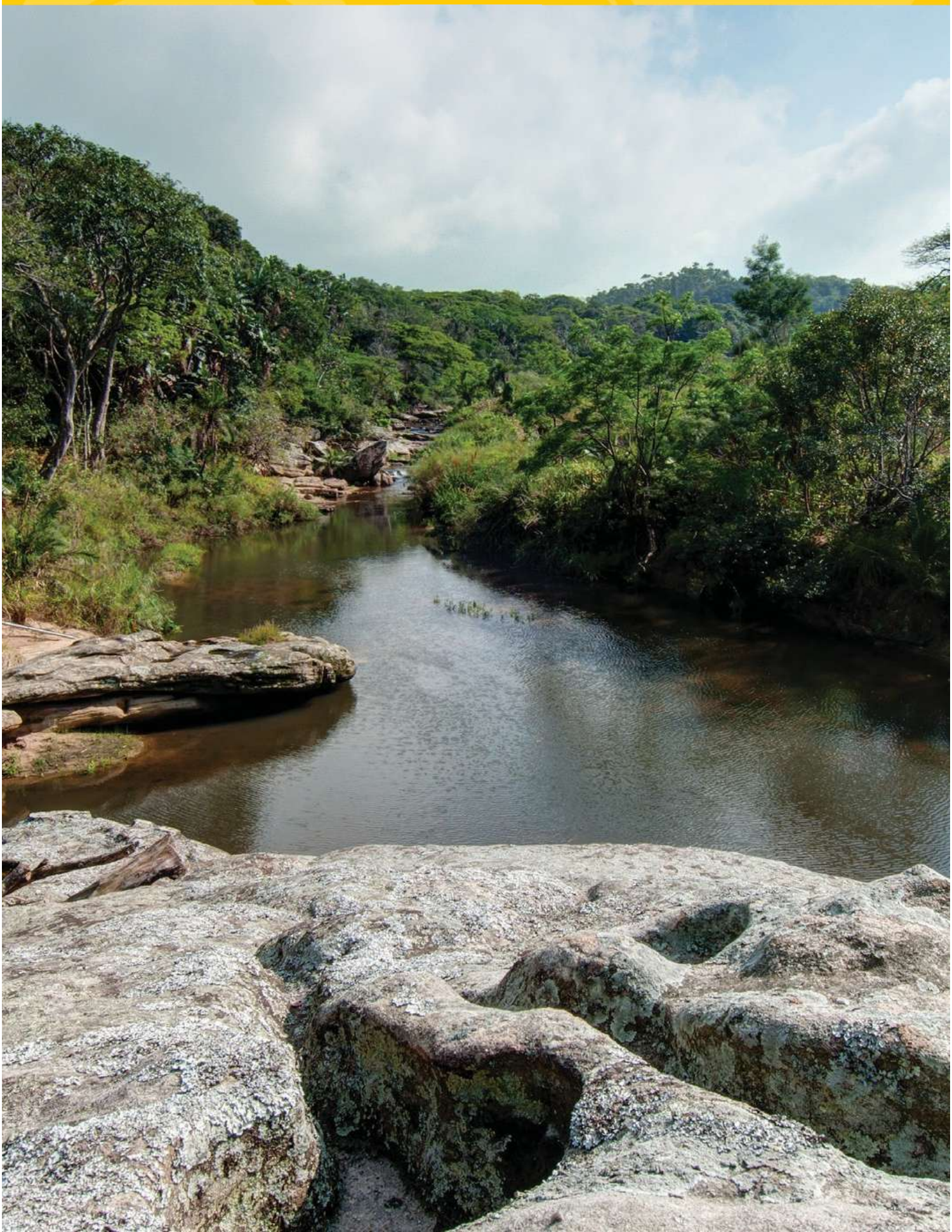
Phase 2: Internal Infrastructural Services

Phase 3: Estate Development and Investment Attraction (Technology and Innovation)

INVESTMENT VALUE: R1.916 BILLION

JOB STATISTICS: +/-7989





KZN South Coast 'One-Stop-ShoP'



WE HAVE TWO DEDICATED OFFICIALS WHO CAN ASSIST YOU WITH ALL YOUR DEVELOPMENT/ INVESTMENT RELATED QUERIES:

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UGU DISTRICT









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