



Service Delivery Optimisation, Building Back Better and Bouncing Forward



Report to National Council of Provinces - NCOP

14 September 2023



Presentation Outline

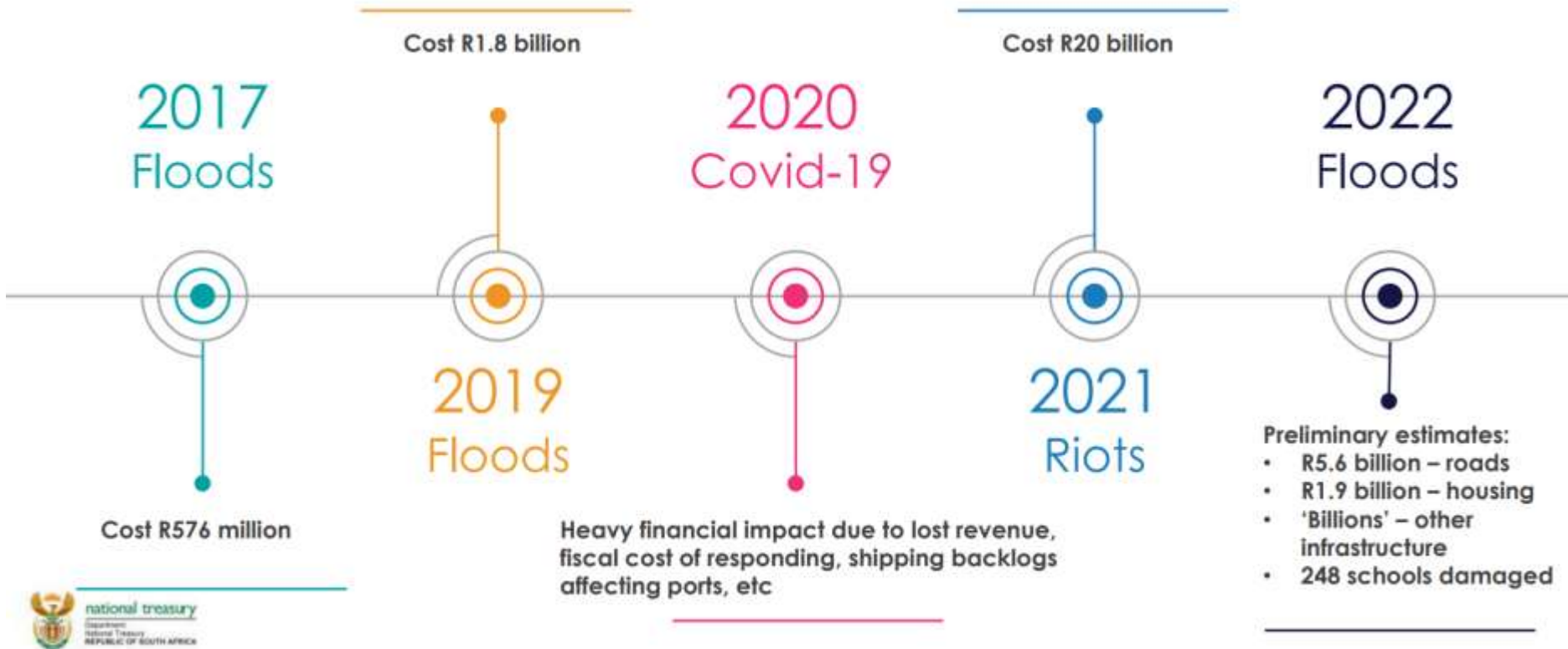
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- Introduction
- Revenue Management
- Progress on projects funded through MDRG – R185 million
- Progress on project funded through R&R – R1.5 billion
- Matters raised during the last visit of the Joint Ad-hoc Committee of Disaster Management
- Building resilience – Policy and Practice
- Recommended areas of improvement
- End



EThekweni in the face of Compounding Shocks

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Source: World Bank (2021) – Diagnostic Report on Disaster Risk Financing

BY 2030 ETHEKWINI WILL BE AFRICA'S MOST LIVEABLE CITY

01 | Revenue Management



FINANCIAL HIGHLIGHTS – KEY INDICATORS

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Indicator	Status
Audit opinion	The Municipality received an unqualified audit opinion for the past 5 years. There were no material misstatements identified in the 2021/2022 financial statements.
Credit rating	Downgraded on 30 May 2023 –triggered by the way the news about Section 154 was made public. Global Credit Ratings Long-term national scale rating of AA(ZA) and A1+(ZA) Short term with a negative outlook.
Collection rate	The Municipality achieved a collection rate of 94% based on unaudited figures in the 2022/2023 financial year.
Gearing	The gearing ratio has further improved by reducing to 21.51% as at 30 June 2023 compared to 23% as at 2021/2022 financial year end. The City's balance sheet is moderately geared due to prudent borrowings, as well as careful management of expenditure.
Days cash on hand	Improved to 76 days as at 30 June 2023, or 50 days excluding unspent grants compared to 48 days or 26 days excluding unspent grants at the end of the 2021/2022 financial year.
Capital spend	As at 30 June 2023 the capital spend was R4,7 billion on more than one thousand projects which represents 90% of the annual capital budget.
Operating Performance	Based on unaudited figures: Annual Revenue for the financial year ending 30 June 2023 was 3% below the annual Budget Annual Operating Expenditure 4% below the annual budget



REVENUE MANAGEMENT PLAN

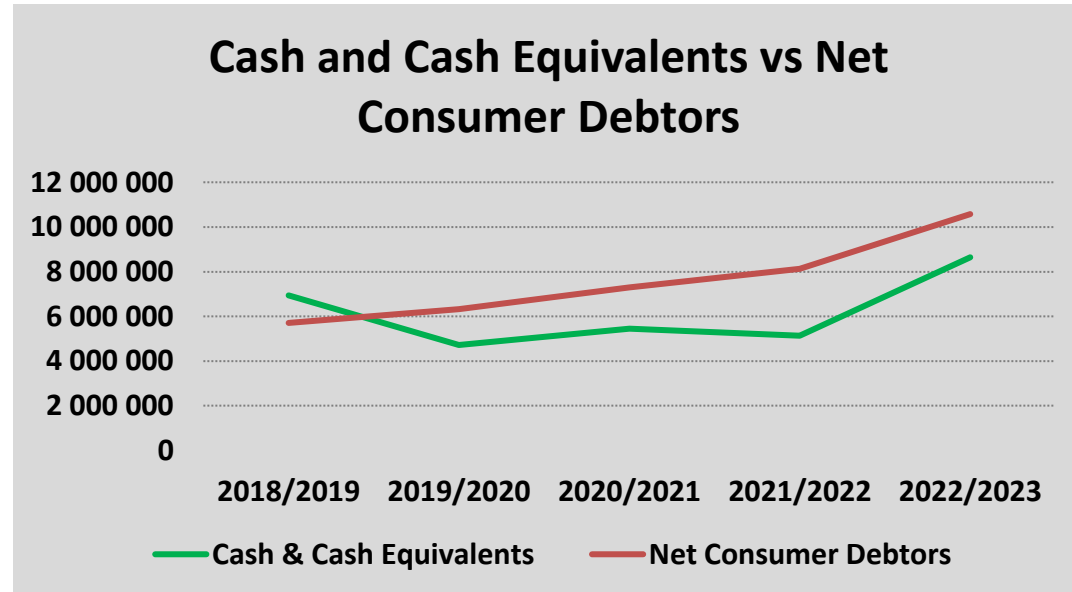
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Activity	Plan
Key Revenue streams/ revenue diversification	<ul style="list-style-type: none"> Property rates, service charges (electricity, water, sanitation and refuse removal, and grants. Exploring Public Private Partnerships Optimising existing revenue streams Introducing new fees – e.g. development charges Long term planning
Revenue goals	Manage tariff increases in line with prioritised expenditure for key programmes as per needs assessment per the IDP
Billing	<ul style="list-style-type: none"> Completeness of billing – monthly monitoring of eligible accounts for billing verses billed account Monthly reconciliation is done for rates and municipal services
Collection	<ul style="list-style-type: none"> Full implementation of credit control procedures including disconnections, Encouraging customers to enter into payment arrangements. Profiling of customers and their property portfolio within the Municipality. Continuing initiation of legal process. Implementation of write-off strategy approved by Council
Boycotting of payments	<ul style="list-style-type: none"> The Municipality will continue implementing credit control measures in line with the relevant policies and Municipal bylaws where accounts are in arrears. This includes disconnections which attracts a reconnection fee, provided there is no tampering with the meter. If there are illegal connections, the meter will be removed, and the new application process will have to be followed by the customer to get a new meter.

REVENUE MANAGEMENT PLAN

CASH ON HAND AND CONSUMER DEBTORS

Activity	Plan
Electricity distribution losses	<ul style="list-style-type: none"> A range of activities are being implemented to reduce distribution losses, this includes : <ul style="list-style-type: none"> Increasing the frequency of the meter sweep program, i.e. identifying and investigating tampered supplies Replacing old and bypassed meters Auditing and checking of metering infrastructure to ensure correct recording Reduction of Technical losses through implementation of low-loss technologies. Implementation of smart metering technology to monitor and reduce incidences of illegal bypasses, theft and bolster network visibility
Cost containment	Targeted costs containment including expenditure items not covered by the cost containment regulations and value for money procurement.



- Cash and cash equivalents has improved to R 8,6bn since COVID which impacted significantly in the 19/20 financial year.
- COVID, the unrest, the current economic climate, high unemployment, high interest rates and inflation and various other factors contribute to slow payments and increasing net consumer debtors – the collection plan serves to curtail the increasing consumer debtors.

*2022/2023 financial information based on 30 June 2023 management accounts



Supply Chain Management

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Challenge	Action Plan
Acquisitions: Slow processing of tenders	<ul style="list-style-type: none">• Introducing automation to speed up the processes in line with MSCOA• CM has introduced intervention teams to support the departments• Procurement plans are in place as volumes of tenders are high• CM provided guidance of process to fast track
Increasing number of appeals	<ul style="list-style-type: none">• Providing bidders with reasons for being unsuccessful is requested
Non-compliance Of bidders	<ul style="list-style-type: none">• Introduction of standard templates in bid documents to guide bidders• Compulsory tender briefing/email enquiries
Increasing number of tenders due to threshold of R200K not being increased in line with PFMA to R1m (From R&R, over 40% of projects are between R200k and R1m i.e. 322 projects that would have gone through the already automated process)	<ul style="list-style-type: none">• Engagement with National Treasury is ongoing on the thresholds

Despite the challenges, 741 tenders were awarded in the 22/23 financial year amounting to R 6,3bn.

Cllr Kaunda, the Mayor and Exco Members continued to engage organized civil society and communities to strengthen partnership and address service delivery concerns

Mayor Kaunda commits to responding to ratepayers in 14 days

SIMPWE DLAMINI

FOLLOWING the successful first meeting of ratepayers and councillors at the Westville Civic Centre on 18 August, eThekweni Mayor Councillor Mkhulu Kaunda has committed to responding to grievances within 14 days.

Speaking during a meeting with the Westville Ratepayers Association, Mayor Kaunda said the Municipality had prepared a progress report but because the association submitted another memorandum, they decided to put this report aside.

"We agreed that we are not going to table the progress report since they have submitted another memorandum, we needed time to deal with the memorandum that they are making sure that they are making sure that we are going to incorporate them to our report which must be done again in the next 14 days," said Mayor Kaunda.

The mayor stated that the Council takes a decision on the amount of tariffs to be charged. The Municipality makes an executive commitment with all the stakeholders. A similar



eThekweni Mayor Councillor Mkhulu Kaunda met with the Westville Ratepayers Association on 19 August as part of a series of engagements he has embarked on with eThekweni ratepayers. Mayor Kaunda committed to responding to the ratepayers' grievances within 14 days after the meeting.

PHOTOS: THULI DLAMINI



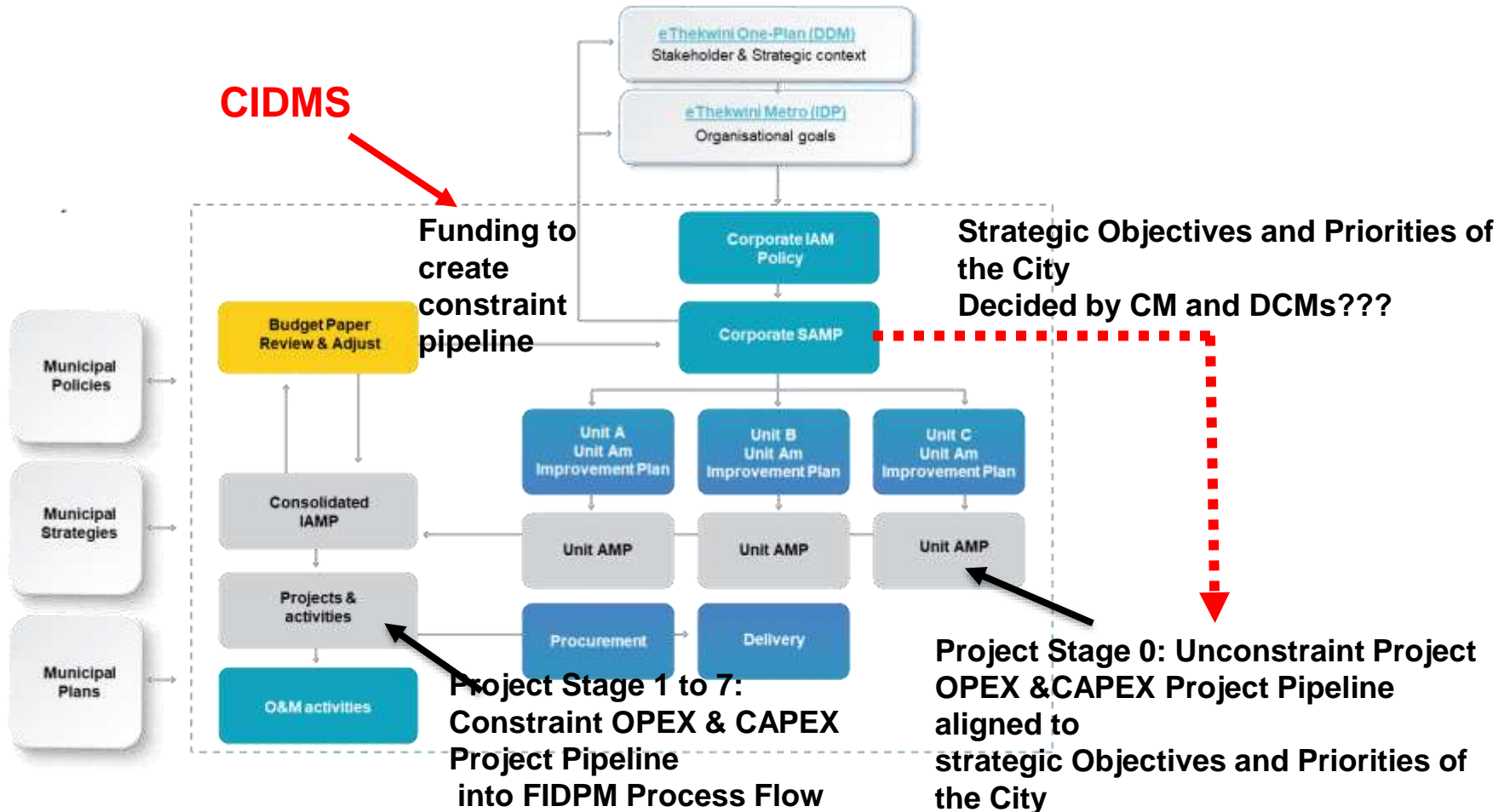
A successful engagement between the City and the uMhlanga Ratepayers and Residents Association was held where a plan of action to address service delivery challenges was discussed.

- **Liebenberg NO and Others v Bergrivier Municipality (CCT 104/12) [2013] ZACC 16; 2013 (5) SA 246 (CC); 2013 (8) BCLR 863 (CC) (6 June 2013)**
- *Constitutional Court Judgement : Local government... has to continue functioning for the common good; it, however, cannot do so efficiently and effectively if every person who has a grievance about the conduct of a public official or a governmental structure were to take the law into his or her own hands or resort to self-help by withholding payment for services rendered. That conduct carries with it the potential for chaos and anarchy and can therefore not be appropriate*

02 | Infrastructure Investment and Refurbishment



Infrastructure Management Planning Framework





Strategic Direction from SAMP

Investment Tactics over the short-, medium- and long-term horizons to optimally balance cost, risk and performance

Short term (next 3 years)

Investment Direction

Reduce costs and restore financial situation

- ✓ Mayor's 10-point plan
- ✓ Reduce overtime
- ✓ Reduce losses and waste
- ✓ Improve operational effectiveness and productivity
- ✓ Scope control through value engineering
- ✓ Refocus Unit Asset Mgmt planning for the next 10 years



Mid term (4-6 years)

Emphasise renewal and leverage alternative funding for loss reduction and growth

- ✓ Increase focus on renewal of existing infrastructure for revenue impact, reduced lifecycle cost, and high asset risk
- ✓ Maximize use of existing assets
- ✓ Leverage alternative methods to fund growth and delivery
- ✓ Prioritize growth and social spend on projects that improve the financial sustainability of EMM



Longer term (7-10 years)

Align spend with long-term needs

- ✓ Balance spend with long-term needs, substantiated in Asset Mgmt Plans using defined decision criteria
- ✓ Optimise expenditure against a wider basket of performance measures (long-term sustainability, spatial alignment, customer satisfaction, service levels, asset health index and repair response times)





CAPEX Plan

10-Year Unconstrained Needs vs 10-Year Prioritised Needs

	R470,475,884,093	100.00%	R8,108,624,034	R40,807,454,677	R32,064,715,609	R128,127,000	R3,545,979,746	R84,654,901,066	100.00%	R3,984,313,169	R28,565,733,350	R26,509,637,984	R121,727,000	R2,749,661,078	R61,931,072,581	100.00%
	CRC	CRC as %	10-Year Backlog Unconstrained Needs	10-Year Growth Unconstrained Needs	10-Year Renewal Unconstrained Needs	10-Year Legislative Unconstrained Needs	10-Year Organisational Enabler Unconstrained Needs	Total 10-Year Unconstrained Needs	10-Year Unit Unconstrained Needs as % of Total	10-Year Backlog Prioritised Needs	10-Year Growth Prioritised Needs	10-Year Renewal Prioritised Needs	10-Year Legislative Prioritised Needs	10-Year Organisational Enabler Prioritised Needs	10-Year Overall Prioritised Needs	10-Year Unit Prioritised Needs as % of Total
EWS	R120,545,123,750	25.62%	R1,328,996,000	R3,166,851,000	R9,259,331,000	RO	R1,187,787,000	R14,942,965,000	17.65%	R1,248,996,002	R2,790,850,998	R8,255,331,002	RO	R1,047,787,002	R13,342,965,004	21.54%
ELECTRICITY	R92,601,242,675	19.68%	R49,253,826	R3,896,097,147	R3,003,359,032	R85,360,000	R610,922,533	R7,644,992,537	9.03%	R49,253,826	R3,896,097,147	R2,927,252,139	R85,360,000	R610,922,532	R7,568,885,644	12.22%
ROADS	R189,794,814,561	40.34%	R4,300,000,000	RO	R3,700,000,000	RO	R732,000	R8,000,732,000	9.45%	R715,275,000	RO	R2,856,549,274	RO	R732,000	R3,572,556,274	5.77%
CSCW	R18,700,000,000	3.97%	RO	R304,218,680	R1,672,734,320	RO	R2,194,000	R1,979,147,000	2.34%	RO	R216,078,360	R1,286,254,640	RO	R2,194,000	R1,504,527,000	2.43%
CITY FLEET	R8,000,000,000	1.70%	R850,000	R785,844,000	R2,100,576,000	RO	R240,188,000	R3,127,458,000	3.69%	R850,000	R696,406,000	R1,336,674,000	RO	R239,938,000	R2,273,868,000	3.67%
STADIA	R5,412,000,000	1.15%	RO	R164,500,000	R2,414,909,542	R9,067,000	R50,719,000	R2,639,195,542	3.12%	RO	RO	R1,934,936,134	R6,067,000	R49,719,000	R1,990,722,134	3.21%
PRC	R12,537,974,806	2.66%	RO	R1,048,333,000	R1,562,407,000	RO	R570,699,000	R3,181,439,000	3.76%	RO	R448,183,000	R1,251,367,000	RO	R173,699,000	R1,873,249,000	3.02%
HUMAN SETT.	R7,734,207,950	1.64%	R460,302,000	R18,268,276,085	R1,162,332,038	RO	R1,655,000	R19,892,565,123	23.50%	R460,302,000	R9,603,613,083	R1,064,980,000	RO	R1,655,000	R11,130,550,083	17.97%
USHAKA	R2,563,688,008	0.54%	RO	R24,000,000	R193,074,000	R2,000,000	R22,196,000	R241,270,000	0.29%	RO	R24,000,000	R190,374,000	R2,000,000	R22,196,000	R238,570,000	0.39%
ETA	R1,638,413,346	0.35%	R751,072,000	R7,690,696,000	R211,000,000	RO	R49,841,000	R8,702,609,000	10.28%	R372,072,000	R7,290,696,000	R151,000,000	RO	R49,841,000	R7,863,609,000	12.70%
CSW	R2,317,049,247	0.49%	R919,662,875	R2,338,958,787	R2,893,503,041	RO	R69,051,000	R6,221,175,702	7.35%	R919,662,874	R1,743,958,786	R2,890,503,040	RO	R68,301,000	R5,622,425,700	9.08%
ARCHIRECTURE	R1,254,943,393	0.27%	R14,000	R104,784,284	R88,640,834	R2,500,000	R1,597,000	R104,784,284	0.12%	R14,000	R4,132,450	R81,894,834	R500,000	R1,597,000	R88,138,284	0.14%
VA	R1,000,000,000	0.21%	RO	RO	R29,000,000	RO	RO	R29,000,000	0.03%	RO	RO	R29,000,000	RO	RO	R29,000,000	0.05%
IMU	R557,497,431	0.12%	RO	R34,133,333	R252,126,667	RO	R253,483,333	R539,743,333	0.64%	RO	R34,133,331	R252,126,669	RO	R253,483,331	R539,743,331	0.87%
FESU	R603,000,000	0.13%	R93,493,334	RO	R141,451,729	R10,500,000	R70,130,880	R315,575,943	0.37%	R83,557,467	RO	R139,031,845	R10,500,000	R56,965,213	R290,054,525	0.47%
HEALTH	R1,005,689,301	0.21%	RO	R286,296,000	R320,695,000	RO	R28,332,000	R635,323,000	0.75%	RO	R87,296,000	R241,195,000	RO	R15,732,000	R344,223,000	0.56%
SIZAKALA	R406,146,294	0.09%	R46,150,000	R60,000,000	R132,500,000	R700,000	R100,710,000	R340,060,000	0.40%	R21,500,000	R450,000	R98,033,000	RO	R5,957,000	R125,940,000	0.20%
METRO POLICE	R351,396,359	0.07%	RO	R38,350,000	R171,389,384	R12,400,000	R6,500,000	R228,639,384	0.27%	RO	R4,200,000	R67,864,384	R11,700,000	R5,500,000	R89,264,384	0.14%
ECOD	R58,909,933	0.01%	R2,430,000	R46,056,218	R680,000	RO	R5,310,000	R54,476,218	0.06%	R2,430,000	R46,056,218	R680,000	RO	R5,310,000	R54,476,218	0.09%
DURBAN ICC	R1,030,642,890	0.22%	RO	R20,700,000	R178,330,000	RO	R17,970,000	R217,000,000	0.26%	RO	R19,800,000	R83,330,000	RO	R17,970,000	R121,100,000	0.20%
EDU	RO	0.00%	R124,400,000	R1,270,150,000	R1,348,126,000	R5,600,000	R225,850,000	R2,974,126,000	3.51%	R86,400,000	R362,320,000	R431,266,000	R5,600,000	R94,950,000	R980,536,000	1.58%
CATALYTIC	RO	0.00%	RO	R1,283,961,977	R763,309,023	RO	R200,000	R2,047,471,000	2.42%	RO	R1,283,961,977	R763,309,023	RO	R200,000	R2,047,471,000	3.31%
MARKETS	R2,363,144,149	0.50%	R32,000,000	R68,000,000	R465,241,000	RO	R29,912,000	R595,153,000	0.70%	R24,000,000	R13,500,000	R176,686,000	RO	R25,012,000	R239,198,000	0.39%

03 | Progress on MDRG Funded Projects



TOTAL EXPENDITURE FOR MDRG (88%)



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NO.	DEPARTMENT	NUMBER OF PROJECTS	APPROVED DISASTER GRANT	EXPENDITURE TO DATE.	COMPLETED PROJECTS	COMMENTS
1.	Roads & Storm water Maintenance	114	R 30,327,441.20	R 30 127 954.07 (99%)	114	100% implementation, savings identified R 23 661.29
2.	Road's Provision	3	R 34,584,468.48	R 34 570 000 (99%)	3	100% implementation of phase 1 of the bridge
3.	Coastal Stormwater Maintenance	2	R 6 200 000.00	R 5 936 536.72 (96%)	2	100% implementation of the projects savings identified R 263 463.28
4.	Water & Sanitation	33	R 114 328 090.32	R 92 980 649.1(81%)	24	<ol style="list-style-type: none"> 3 Projects were completed before September 2022- MDRG Transfer (R42 000 000 –R21359 000 reprioritise. 4 Projects completed beyond June 2023 –R2649 974 2 Projects not completed – R400 000
TOTAL EXPENDITURE		152	R 185 000 000.00	R 163 615 139.80 (88%)	143	Savings declared EWS R21 384 860.22 Engineering R296 935.57

R30 million road upgrade in uMlazi, following devastating KwaZulu-Natal floods

Damages as seen in April 2022



The extent of the damage following the April floods. File Picture

Post upgrade, rehabilitation September 2023



One of the busiest roads which were damaged in uMlazi during April floods have been repaired. Picture: Supplied

Published 9h ago

Source: Independent online [accessed on 11/09/2023]

04 | Water and Sanitation

Short-term priority

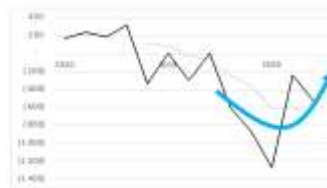
It will not be possible to address the service challenges without turning around the financial performance of the business and sustainably increasing the level of investment

Emergency financial turnaround of the business

Generate positive cash flows from operations by:

- Reducing non-revenue water
- Increasing cash collections

Cash flow from operations

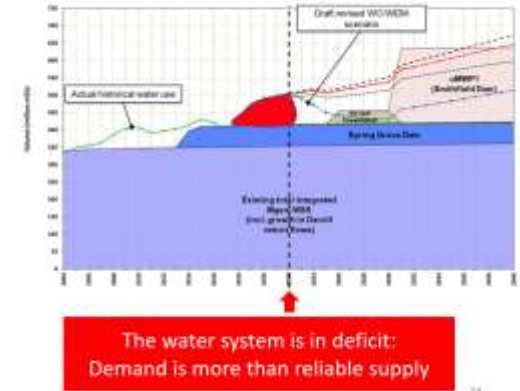


- Install meters in all properties and ensure accurate meter readings and billing – incl communal stands pipes
- Implement meter replacement programme – dysfunctional meters
- Leverage technological advancement – smart meters and use of AI meter data analysis
- Target 95% cash collection rate – targeted customer engagement

Medium term objective: Water security

Objectives

1. Reduce demand by 18% to 330 million kl pa
2. Ensure uMkhomazi project on track
3. Ensure reuse projects on track.



- Improve institutional efficiencies in the management of bulk water supply system – use of IoT
- Implement infrastructure investment programme, asset renewal inline with approved SAMP and IAMP
- Leverage existing guidelines on the participation of private sector in identified projects of water reuse, water remixing



Non-revenue water initiatives

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Initiatives	Budget allocation		
	2023/2024	2024/2025	2025/2026
Installation of water meters	R46m	R65m	R0
Pipe replacement	R89m	R145m	R146m
Upgrade of SCADA systems	R20m	R40m	R10m

Enhancing water security by refurbishing reservoirs

SIPHELELE BUTHELEZI

DETERMINED to ensure and improve existing reservoir infrastructure to enhance water security, quality, and the lifespan of the assets, eThekweni Municipality is rehabilitating several water reservoirs across the City.

These are reservoirs whose design lifespan was nearing the end and needed an extension.

Deputy Head of the Water and Sanitation Unit Ilwama Soti said the initiative has successfully revitalised critical water storage facilities in the region.

"There's a perception that the Municipality does not maintain its infrastructure,

which is not true. With this project, we used innovative technologies to minimise impact on the communities while work is underway," she said.

The rehabilitation project is in full swing and is already completed in some reservoirs while the overall project is expected to be completed in August.

Reservoirs included in the rehabilitation project are Mount Meriah, Cam Ridge, Glenwood, KwaMakhutha, Rosetta and the Ilwama Water Tower.

The scope of work includes various activities to ensure and improve the reservoir infrastructure.

These activities encompass concrete spill repairs,

crack sealing, dewatering, repair, expansion joint replacement, rehabilitation of corroded pipe work, installation of new pipe work, and the construction of new chambers and kiosks.

"By addressing these crucial aspects, the project aims to increase water security, enhance water quality, and extend the design life of the infrastructure. The successful rehabilitation of reservoirs has significantly improved the water supply stability, storage capacities, standard and infrastructure in the respective wards," she said.

"To minimise any potential interruption of water provision to nearby

communities, during the project's investigation stage, Soide Consulting opted to utilise an underwater drone for assessing and delineating the necessary tasks within the reservoirs instead of completely emptying each reservoir for physical inspection.

Although during the construction phase it was not easy to isolate reservoirs, arrangements for alternate water supply were made.

"This accomplishment will have a positive and lasting impact on the water supply systems and communities served by these rehabilitated reservoirs," said Soti.

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LEFT: Refurbished KwaMakhutha tanks.

RIGHT: Refurbishment of the Cam Ridge water reservoir is underway.

Pictures: SANELI MTHALANE

KwaNyuswa Pipeline upgrade at an advanced stage

SIPHELELE BUTHELEZI

A PIPELINE upgrade to improve water supply in KwaNyuswa is at an advanced stage.

The upgrade aims to augment the existing pipeline that receives water from the Thandokuhle Reservoir. The current pipeline no longer has enough capacity to supply the entire community due to increased demand for supply.

The pipeline upgrade is 7.2 km long and comprises of 300 and 400 diameter steel pipes.

Head of the Water and Sanitation Unit Ednick Msweli said several water infrastructure projects will reduce dependency on water tankers once completed.

"This is yet another



A pipeline upgrade to improve water supply in KwaNyuswa is at an advanced stage.

Picture: SUPPLIED



The recently commissioned Shongweni Reservoir (insert) was unveiled by, from left, Head of Water and Sanitation Ednick Msweli, Chairperson of the Economic Development Committee Councillor Bheko Ntuli, eThekweni Deputy Mayor Councillor Zandile Myeni, eThekweni Mayor Councillor Mxolisi Kaunda, City Manager Musa Mbhele, and Ward 83 Councillor Bheki Mngwengwe. Mayor Kaunda updated media on plans to maintain Municipal infrastructure in coming months and other pertinent issues. Pictures: THULI DLAMINI



Update on uMkhomazi Dam

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Umkhomazi Dam – notes from the last meeting with TCTA and DWS

1. We all need the project to proceed asap to provide water, curtail the ever-increasing escalation and not lose the grant funding.
2. We recognise the need for a better project estimate and must proceed with design and tender to obtain this. It is recognised that escalation is running in the order of R1bn pa and delay costs are significant.
3. As per the TCTA board approved Project Charter, the project costs of R23.2bn and TCTA admin costs of R700m are to be recorded in the current agreements as EM cannot sign an agreement without the cost implications being defined.
4. It is recognised that the above are estimates only and improved information will be forthcoming as the design and tender process proceeds.
5. Mechanisms exist within MFMA to adjust project costs - specifically S116(3). Time must be allowed for this process to be utilised if and when required. It is recognised that any significant cost increase will require the parties to develop acceptable solutions to meet the corresponding cost implications. MFMA Section 43(3) also has reference.
6. The above approach will allow the project to proceed, improve the design and cost information and further interrogate the financial model.

Umkhomazi Dam – notes from the last meeting with TCTA and DWS

The high-level processes required to finalise agreements are:

1. Updating of Information Statement (TCTA – 1 Sept)
2. Public consultation ito S33 (EM - 3 Sept to end Oct)
3. Written comment from Department and Treasury (EM, DWS and NT - 30 Sept)
4. Finalisation of Framework and User Agreements (EM and TCTA Legal – 30 Sept)
5. Submission of report to Council for authority of CM to sign agreement (EM 1 Nov to 8 Dec)
6. Signing of Agreement (ALL – 15 Dec)



The contract for boreholes has been awarded and the value is R15m over 3 years at this stage.

The allocation of R5m has been augmented by R10m in the current financial year.

Activity	In progress -wards
Desktop study	105, 108, 59 - completed
Geophysical survey	Wards 59, 105, 108, 56 in progress
Drilling	Ward 59 in progress
Pump-testing	0
Water Quality Testing	0



Improving Wastewater Management - Sanitation

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Engagement of Umngeni-Uthukela Water (UUW) to operate and maintain treatment works



Umngeni-Uthukela (UUW) Water visited and did due diligence on 16 treatment works.



UUW submitted a proposal to the city.



The proposal is for UUW to take over operation and maintenance of 10 out of 27 treatment works owned by the city. These 10 works constitute about 90% of the volume treated in the 27 treatment works.



A draft report was submitted to the City Manager's office last week to obtain formal approval to engage UUW. A final draft report was submitted on the 10th September 2023 after some corrections/changes had to be done.



A Service Level Agreement will be entered into between the city and UUW once all necessary approvals

WASTEWATER TREATMENT WORKS	DESIGN CAPACITY (ML/D)	PUMPSTATIONS
Southern	230	Nil
Central	135	Mahatma Gandhi
Northern	70	Quarry Road; Johanna Road; Kennedy Road ; Riverside Road
KwaMashu	65	Nil
Phoenix	50	Ohlanga New , Ohlanga Old , Sibaya, Waterloo, Ramroop, Trenance Park , Nettle Palm, Amora
Amanzimtoti	30	Avenue East, Umdoni, Joyner , Prospecton
Umbilo	23	Nil
Isipingo	18.8	Nil
Umhlathuzana	14.8	Birdhurst road, Blair road, Mhlathuzane Inlet
Umhlanga	6.8	Shellbourne , Portland , Somerset Park2, Armstrong



Upgrading of Wastewater Treatment Plants

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HAMMARSDALE WTW EXPANSION	Y6651A	269,999,000.00
KINGSBURGH WTW MODIFICATION	Y6977A	51,000,000.00
AMANZIMTOTI WWTW SLUDGE DEWATE	Y8118A	68,500,000.00
TONGAAT CENTRAL WWTW	Y8889C	31,000,000.00
Hillcrest WWTW upgrade	Y8913BZ1	53,000,000.00
KWAMASHU WWTW UPGRADE TO 80ML/	Y8939B	46,200,000.00
DASSENHOEK WWTW UPGRADE TO 35M	Y8942	37,400,000.00
SOUTHERN WWTW: REHAB & REFURB	Y9146	16,000,000.00
SWWTW-NEW INLET WORKS & TANKER BAY	Y9161	51,000,000.00
PHOENIX WWTW EMERGENCY FUNCTIO	Y9174	90,000,000.00
REPLACEMENT OF CAPITAL COMPONENTS OF M & E EQUIPME	Y9472	10,000,000.00
NORTHERN WWTW FUNCTIONAL UPGRA	Y9154	26,500,000.00
NORTHERN WASTEWATER TREATMENT WORKS REHABILATATION	Y9156C	86,530,000.00
NORTHERN WASTEWATER TREATMENT WORKS REHABILATATION	Y9156D	93,470,000.00
UMBILO WWTW-REHAB OF FLOOD DAM	Y9159	26,998,000.00
UMBILO WWTW-REHAB OF FLOOD DAM	Y9159B	190,002,000.00
KWANDENGEZI WWTW-REHABILITATION HEAD OF THE WORKS	Y9172E	16,500,000.00
UMHLANGA WWTW AND CATCHMENT	Y9173	65,000,000.00
UMDLOTI WWTW AND CATCHMENT TRE	Y9175C	35,000,000.00
HILLCREST GLENWOOD RD-REHAB OF FLOOD DAMAGED INFRA	Y9460	114,999,000.00
HILLCREST GLENWOOD RD-REHAB OF FLOOD DAMAGED INFRA	Y9460B	140,946,000.00

BY 2030 ETHEKWINI WILL BE AFRICA'S MOST LIVEABLE CITY

The Municipality is intensifying its efforts and building relevant capabilities to address sewer challenges including the following:

- New jetting machines are being procured as follows:
 - ✓ 3 – delivered
 - ✓ 16 – delivery is expected from October 2023
 - ✓ 24 – R70m approved by council at the last meeting and procurement processes are commencing
- The storm disaster war room that takes place every Friday will now focus on sanitation issues:
 - ✓ Pump repairs
 - ✓ Sewer network repairs
 - ✓ Functionality of treatment works
- Rolling out tested alternative sanitation (toilets) in different areas within the Municipality
- Emptying of VIP toilets is intensified with increased frequency to promote healthy environments

MAYOR KAUNDA SATISFIED WITH PROGRESS OF REPAIRS OF PUMPSTATIONS ALONG COASTLINE

TO ENSURE that all Durban beaches are operational ahead of the festive season, eThekweni Mayor Councillor Mxolisi Kaunda and Deputy Chairperson of the Human Settlements and Infrastructure Committee Councillor Bheki Mngwengwe conducted an oversight visit to the Warner Beach and the Kingsway pumpstations to assess progress of repairs of sewer pumpstations in the area. Mayor Kaunda was satisfied with the progress that has been made to replace the old pumps which were extensively damaged during the floods last year. This damage contributed to the contamination of several beach-



To ensure that all Durban beaches are operational ahead of the festive season, eThekweni Mayor Councillor Mxolisi Kaunda and Deputy Chairperson of the Human Settlements and Infrastructure Committee Councillor Bheki Mngwengwe conducted an oversight visit to Warner Beach and the Kingsway Pumpstation to assess the progress on the repairs of sewer pumpstations in the area.

Mayor and Exco Members are inspecting the work done to address sewer impact on beaches on weekly bases.



Howlong Park – South Region, Umlazi

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Howlong Park - Replacement of 600mm diameter steel pipe, trunk approximately 50m laid on concrete piers.

Location of Project : Umlazi

Brief Scope of Works done:

The existing damaged sewer pipe crossing was in How Long Park over the Isipingo River. There were severe wash aways and damage to the pipe bridge which allowed effluent to discharge into the Isipingo River. The damaged pipe posed a major health and safety risk to the community. The effluent discharge into the Isipingo River also adversely affects the natural ecosystem within the area.

Costs: R2,409,897,61





Cashflows for R&R Grant

	September 23	October 23	November 23	December 23	January 24	February 24	March 24	Total
Sanitation		R411,000.00	R454,500.00	R43,335,960.00	R15,636,500.00	R13,994,700.00	R38,662,000.00	R112,124,660.00
Water	2,471,604.29	8,718,448.75	8,218,448.75	20,846,145.40	20,846,235.40	20,877,905.40	33,891,212.02	115,870,000.00

05 | Progress on RR Funded Projects



RECONSTRUCTION & REHABILITATION IMPLEMENTATION PLAN



WWW.ETHEKWINI.MDC

NO.	DEPARTMENT	NUMBER OF PROJECTS	APPROVED DISASTER GRANT	EXPENDITURE TO DATE.	COMPLETED PROJECTS
1.	eThekweni Water	15	R 115,870,000.00	Framework Panel of contractors in established Project scope , design and work package being finalised.	0
2.	eThekweni Sanitation	207	R 112 810 969.00	Framework Panel of Contractors established Project scope , design and work package being finalised.	0
3.	Roads & Stormwater Maintenance	196	R213 730 000.00	R 4 731 044.29	1
4.	Roads Provision	98	R 371,795,000.00	7 Projects have started work on the ground on major bridges. Balance of the projects have been evaluated and recommendation made for award to BAC	0
5.	Coastal & Stormwater Catchment	177	R 626, 579,031.00	R 21 948 915.95	3
6.	eThekweni Human Settlement	25	R 94,000,000.00	R 3 406 200.91	0
TOTAL		718	R 1 534 785 000.00	R 30 086 161.15 (2%)	2

BY 2030 ETHEKWINI WILL BE AFRICA'S MOST LIVEABLE CITY



PROCUREMENT SUMMARY – 12 MONTH PERIOD

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DEPT	PROCUREMENT MECHANISM	NUMBER OF PROJECTS				BUDGET			
		SCM to Start	SCM in progress	SCM Complete	Total	SCM to Start	SCM in progress	SCM Complete	Total
CSCM	PANEL – Framework in place	0	122	55	177	0	461,155,131	165,423,900	626 579 031
RSWM	FRAMEWORK - Framework in place		194	1	195		227 994 454	15 000 000	242 994 454
Roads Provision	OPEN TENDER	0	72		72	0	354 108 630	5 200000	354 108 630
Grand Total		317	138		455	584 588 517	656 779 968		1 241 368 485

Panels/frameworks are in place, a list of preapproved service providers is available. Task orders are issued as necessary for pricing and award follows and expedited process. Whilst these are reflected as “SCM to Start” they are considered to be substantially progressed as the panel is being used.



EXPENDITURE AND CASHFLOW PROJECTIONS

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Dept	Expenditure to end July'23 (Rm)	Projected Expenditure (Rm)											
		Aug'23 (Rm)	Sept'23 (Rm)	Oct '23 (Rm)	Nov'23 (Rm)	Dev '23 (Rm)	Jan''24 (Rm)	Feb'24 (Rm)	Mar'24 (Rm)	Apr'24 (Rm)	May'24 (Rm)	Jun'24 (Rm)	Total (Rm)
CSCM	8,788	18,061	58,037	82,114	102,567	92,425	76,038	60,066	46,322	30,731	27,911	23,211	626,579
RSWM	3,672	1,500	10,000	40,000	40,000	15,000	15,000	23,365	23,365	23,365	23,365	23,365	242,000
Roads Provision	0	17,891	20,755	37,477	46,718	52,093	54,768	54,948	68,208	0	0	0	352,859
Grand Total	8,788	61,094	112,965	160,064	176,545	153,534	138,868	135,844	136,006	55,809	39,484	42,436	1,221,438

06 | Permanent Re-Settling of families affected by Floods



12 OUT OF 15 LAND PARCELS BEING PLANNED PERMANENT SOLUTION

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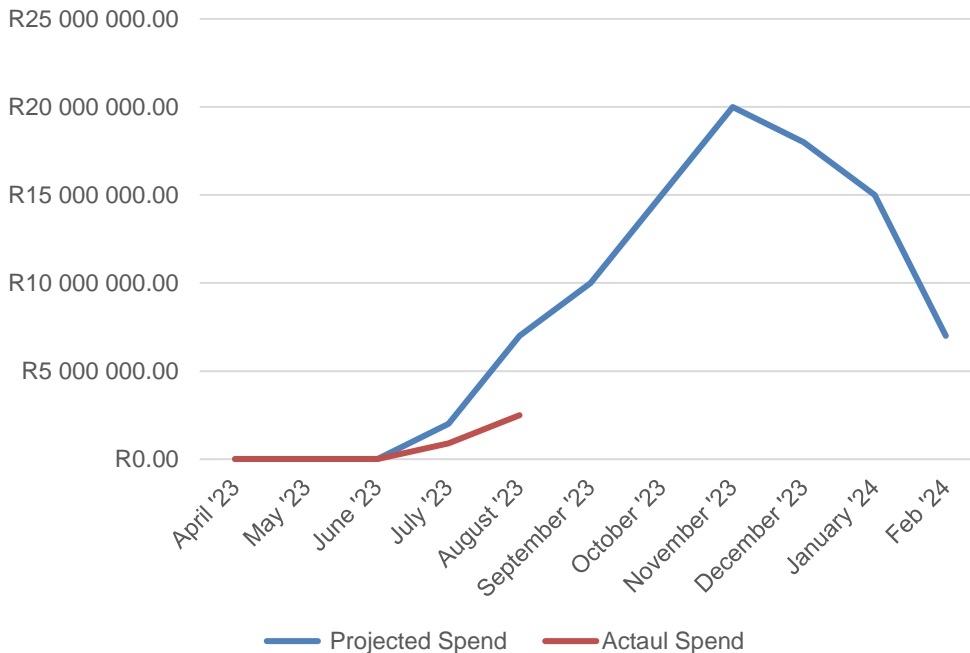
SITE	PROPERTY DESCRIPTION	WARD NO.	REGION	ANTICIPATED YIELD	ENVIRONMENTAL AUTHORISATION	ANTICIPATED PRE SPLUMA SUBMISSION	SPLUMA APPROVAL DATE	ANTICIPATED PROJECT COMPLETION DATE
1	Erf 3213 Reservoir Hills	23	West	84	Pre-Application meeting with EDTEA HELD 14 March 2023. Environmental Authorization not required	Completed	September 2023	December 2025
2.	Erf 1765 Shallcross Extension 1	17	West	72	Pre-Application meeting with EDTEA was held on 2 March 2023. It was confirmed that this site doesn't trigger any listed activities and such EDTEA will issue a formal response. Environmental Authorization not required	Completed	September 2023	December 2025
3.	Erf 4519 Reservoir Hills	23	West	60	Pre-Application meeting with EDTEA was held on 2nd March 2023. Due to the site being located in a threatened ecosystem, Enviropro will submit the vegetation report compiled by David Styles to Dominic Wiens at EKZN Wildlife for review and comment on the potential for the site to trigger LN3 Activity 12. Once feedback is received back from Dominic the way forward will be determined. Environmental Authorization not required.	Completed	September 2023	December 2025
4.	Erf 165 Shallcross	17	West	60	Pre-Application meeting with EDTEA was held on 2nd March 2023. At the time of project inception, this site did not fall within a threatened ecosystem however following the release of the revised list of threatened ecosystems the site now does fall within a threatened ecosystem. EDTEA has requested Enviropro to touch base with Dominic Wiens at EKZN Wildlife to find out if the revised list of threatened ecosystems is being applied in KZN. Dominic has confirmed that the revised list of ecosystems must be implemented therefore the site will require Basic Assessment	Completed	Dec-23	November 2025
6.	Erf 113 Burlington Heights	65	West	90	Pre-Application meeting with EDTEA to be held. Basic Assessment may be required.	Completed	Dec-23	December 2025
7.	Erf 4687 Kwandengezi A.	TBC	West	18	Pre-Application meeting with EDTEA to be held. Basic Assessment may be required.	June 2023	Dec 2023	
8.	Portion 21 Of the Farm Uitkomst & Doornug No. 852	5	West	1385	Pre-Application meeting with EDTEA held on 14/03/2023.	Completed	Dec-23	March 2026
9.	Rem Of Ptn 97 Of the Farm Klaarwater No.951	17	West	246	Pre-Application meeting with EDTEA to be held. EIA may be required.	September 2023	Dec-23	December 2025
10.	Rem Of Ptn 63 the Farm Langefontein No.5981	9	West	TBD	Pre-Application meeting with EDTEA to be held. EIA may be required.	Completed	Feb-24	April 2026
11.	Rem Of PTN 2139 Cotton Lands	58	North	414	Pre-application meeting with KZN EDTEA on the 14 th of February 2023. Awaiting response from EDTEA	October 2023	Feb 2024	April 2026
12.	Erf 1615 Ntuzuma A	38	North	216	Pre-application meeting with KZN EDTEA on the 14 th of February 2023. Awaiting response from EDTEA	September 2023	Feb 2024	March 2026
13.	PTN 85 Of The Farm Roodekrans No 828	60	North	174	Pre-application meeting with KZN EDTEA on the 14 th of February 2023. Awaiting response from EDTEA	September 2023	Feb 2024	March 2026
14.	Rem Of Portion 2 Of Erf 2066 Gato Manor	30	South	138	Query not submitted, However Appointed Environmentalist confirmed EIA will be Required.	30 April 2023	Nov-23	
15.	Portion No. 215 Of Erf 80-Chatsworth	73	South	77	Pre-application meeting with KZN EDTEA on the 3 March 2023. Basic Assessment Required.	15-Apr-23	January 2024	



SUMMARY OF SCM STATUS 94.000'M ALLOCATION

75.000'M SCM COMPLETE	15M SCM IN PROGRESS (AWAITING CONTRACTOR ALLOCATION)	4.000'M SCM TO START	55.000'M IPW ISSUED 43 Projects
80% 63 projects	16% 10 projects	4% 4 projects	58%

CASHFLOW PROJECTION



Month	Projected Spend	Actual Spend
April '23	R0.00	R0.00
May '23	R0.00	R0.00
June '23	R0.00	R0.00
July '23	R2,000,000.00	R900,000.00
August '23	R7,000,000.00	R2,500,000.00
September '23	R10,000,000.00	
October '23	R15,000,000.00	
November '23	R20,000,000.00	
December '23	R18,000,000.00	
January '24	R15,000,000.00	
Feb '24	R7,000,000.00	
	R94,000,000.00	R3,400,000.00



1. Conway building at Tongaat

- None functioning of toilets – electricity supply has been repaired/fixed in order for a water pump to pump water to the toilets. The matter has been resolved.
- Conflict between community of Frazer and flood victims - meetings have been held with both leadership and ward 62 Cllr. Mass meeting is being arranged with both communities.
- Additional water tanks – assessment have been conducted and 2 water tanks to be supplied before end of September 2023.

2. Astra Building

- List of families living in this building - list has been shared by HDA who are administrators of this building
- Issuing of letters for confirmation of address by Ward Cllr - letters are now being issued by Ward Cllr



Disaster (Floods) Risk Reduction – South Durban Basin

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Project	Responsible Govt Department	Estimated Cost (R.m)	Available Funding(Rm)	Current action	Projected Timeframe for completion	Urgency in reducing risk of business uninsurability
Risk 1 – Localized Storm - Proposed Projects for Implementation (28 Aug 2023)						
Clark Road Sea Outfall	eThekweni Municipality	R90 million	Yes	Environmental authorisation issued 29 May 2023. Funding provided by council (23/24 – R35.66 mil & 24/25 – R30.5 mil) Detail Design complete. BSC target Sept 2023. Duration of work 12 months. Contractor to be onsite Feb 2024. Section 36 report required for facilitation of temporary relocation on informal settlement.	Dec 2024	Urgent – for Prospecton Businesses including Toyota
Prospecton Road Canal and Road Upgrade	eThekweni Municipality	R130 million	Yes	Design complete. Documentation in progress. BSC target Sept 2023, Funding provided by council (23/24 – R30.352 mil, 24/25 – R40 mil & 25/26 – R23.75 mil). Duration of work 18 months. Contractor to be onsite March 2024.	Sept 2025	Urgent – for Prospecton Businesses
Upstream Attenuation Facilities	eThekweni Municipality	R15 million	Yes	Detail Design complete (Target July 2023), Funding provided by council (23/24 – R6.636 mil & 24/25 – R7.2 mil.) Duration of work 4 months. Documentation in progress. BSC target Sept 2023. Contractor to be onsite April 2024.	August 2024	Urgent – for Prospecton Businesses including Toyota -
N2 Relief Culvert and Canal	SANRAL	R350million	Yes	Layout and design finalized, Tender closed- awaiting award. Portion of the new asset to be handed to the city	Construction to start July 2023 – 10 Month construction duration	Urgent – for Prospecton Businesses including Toyota –SANRAL has indicated that they are separating this work from the main contract to make priority

Project	Responsible Govt Department	Estimated Cost (Rm)	Available Funding(Rm)	Current action	Projected Timeframe for completion	Urgency in reducing risk of business uninsurability
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Risk 2 – Regional Storm - Proposed Projects for Implementation (28 Aug 2023)

Maintenance of Mbokodweni and Isipingo River diversion berms	eThekweni Municipality	R0.2m for Technical Investigation	Yes Operating budget	Investigation of the berms underway – lidar survey. Isipingo Berm complete. Mbokodweni berm in progress. Implementation cost to be determined on completion of the technical analysis.	6 months	Urgent – for Prospecton Businesses including Toyota
Upgrade of the Umlazi Canal	Transnet Properties and Department of Transport	R1.4 billion	R0	TWG feedback - Preliminary concepts based on 1987 flood committee recommendations. Present day investigation required by role players. Technical task team is meeting regularly. Toyota funding studies on the Umlazi River Dutch funding approved for studies to look at options.	Unknown	Urgent – for South Durban Basin Businesses including Toyota, Mondi and SAPREF

Risk 2 – Regional Storm - Proposed Projects for Implementation (28 Aug 2023)

Repair of the Existing Umlazi Canal	Transnet Properties	R80 million	R0	Transnet Properties – Temporary reinstatement (sandbags) -Cancelled Final Reinstatement of canal walls/floor planned to start October 2023, completion November 2024. TNPA to take over the canal. Looking at the funding model for the upgrading of the canal.	Interim repairs, in progress	Extremely Urgent – for South Durban Basin Businesses including Mondi and SAPREF
Repair Existing Diversion Berm	Department of Transport	R30 million	R30 mill	Project is being undertaken by eThekweni, Berm is reinstated. Erosion Protection works have being installed. The testing of the road layer works failed and therefore the contractor has to redo the road works.	Complete	Extremely Urgent – for Prospecton Businesses including Toyota
Shongweni Dam	Department Water Affairs /Land Owner	TBA	TBA	Initial concept presented at TWG - Land Owner/community representative now part of the Technical Working Group meeting. Dutch funding approved for studies to look at options. Toyota has agreed to fund some hydraulic and sediment studies on the Shongweni Dam	Dependent on workgroup decisions	Urgent – for South Durban Basin Businesses including Toyota, Mondi and SAPREF



Building Resilience

Policy and insight-driven decisions

Durban Resilience Strategy -priorities



Collaborative informal settlement action:

- Informal settlements are vulnerable spaces for people living there; they can also exacerbate risk through their location.
- There needs to be an improving coordinated action within the Municipality, along with other decision-making, resource allocation, and monitoring.

Addressing integrated and innovative planning between municipal and traditional governance systems:

- The lack of governance integration and overly unregulated development in areas under traditional governance puts strain on service delivery, compromises critical upper catchment services and biodiversity, and exacerbates risk (e.g. through development in floodplains).



- Insight-driven risk reduction through Greenbook MetroView

Some implemented Projects

TRMP Priorities for eThekweni Municipality



- Establish a **municipal TRMP 'hub'** to facilitate upscaling by providing support to implementation departments, aligning work within the Municipality, building strategic partnerships with external stakeholders and leveraging funding and technical support.
- Resource the **expansion of existing river management** programmes e.g. Sihlanzimvelo.
- Sihlanzimvelo** has upscaled from 60 cooperatives (300km) early in the programme to 107 cooperatives (535km) in the 21/22 financial year
- Financial commitment in the current MTRF:
 - 22/23 - R41 672 100
 - 23/24 - R49 714 730

BY 2030 ETHEKWINI WILL BE AFRICA'S MOST THRIVING AND LIVABLE CITY

Community Reforestation Programme (CRP)

Climate Change Adaptation
Improved resilience of communities and ecosystems to climate change (e.g. water supply)

Green Economy
Growth of local Green Economy

Social upliftment
Improved livelihoods
+ job creation
+ food security
+ education

KPIs for 2021/22

- + 66 jobs
- + 329 active trepreneurs
- + 75 000 plants in the ground
- + 950 000 planted since inception
- + 3 small businesses subcontracted

Financial commitment for 23/24 – R11 000 000

- Community based disaster preparedness plans** and early warning system saved lives – Palmiet Informal Settlement



Recommended improvement

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- There is a great need for policy shift – Investment of **Disaster Preparedness** (building resilience) rather than response.
- Projects should be approved upfront and allow implementation if Metros are able bridge finance
- Speedy decisions in terms of **assessments of damages, approvals and disbursement of funds**
- Metros to be allowed to **bridge finance expenditure** in anticipation of national funding and when funds are transferred, city to be allowed to apply funds to the approved projects
- Policy to be adjusted for appeals in the event of emergency/disaster
- Flexibility in respect of disaster – estimates are not always accurate – funds must be able to be **reallocated to any disaster project identified**
- Technical capacity to be provided to assist with **project packaging** as these are not business as usual times depending on the scale disaster or number of projects that require response
- Law reform - Increase SCM **quotation thresholds** for Metros in line with PFMA
- Consider partnership with insurance sector and establish relevant **insurance products or Funds** targeting lower and most vulnerable communities who are not even able to pay premiums.

An aerial photograph of a bustling port area. In the foreground, a large dark-hulled cargo ship is docked at a pier, with several yellow and red cranes positioned on its deck. The water is a deep blue, and a few smaller boats are visible. In the middle ground, a large industrial facility with a prominent blue roof is situated on the pier. The background shows a dense urban cityscape with numerous buildings and a hazy horizon. The image is framed by large, overlapping geometric shapes in shades of yellow and blue.

THANK YOU