

MBDA INTEGRATED ANNUAL REPORT

1 JULY 2023–30 JUNE 2024



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Introduction

AFS	Annual Financial Statements
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
CBD	Central Business District
CCI	Cultural and Creative Industries
CEO	Chief Executive Officer
CPF	Community Policing Forum
CSI	Corporate Social Investment
DBE	Department of Basic Education
DSD	Department of Social Development
DTIC	Department of Trade, Industry and Competition
ECPHRA	Eastern Cape Provincial Heritage Resources Authority
EDTA	Economic Development, Tourism and Agriculture
EIA	Environmental Impact Assessment
EMEs	Exempted Micro Enterprises
FY	Financial Year
HURP	Helenvale Urban Renewal Programme
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
KfW	German Development Bank
MBDA	Mandela Bay Development Agency
NMB	Nelson Mandela Bay
NMBM	Nelson Mandela Bay Municipality
NMBSTC	Nelson Mandela Bay Science and Technology Centre
NMB Stadium	Nelson Mandela Bay Stadium
NMU	Nelson Mandela University
SAPS	South African Police Service
SDA	Service Delivery Agreement
SSIF	Strategic Spatial Implementation Framework
SMMEs	Small, Medium and Micro-sized Enterprises
SPUU	Safety and Peace through Urban Upgrading
SPV	Special Purpose Vehicle
SRA	Special Ratings Area
SSIF	Strategic Spatial Implementation Framework

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Organisational Review

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Board Chairperson's Report

It is with immense gratitude that we accept the privilege to serve the people of Nelson Mandela Bay as part of the leadership collective of the Mandela Bay Development Agency board. The Nelson Mandela Bay Municipal Council appointed us to be independent directors and stewards of the entity, ensuring that high governance standards are upheld, that the entity has a long-term development strategy, a competent structure, and a high-performance culture to deliver for the people of Nelson Mandela Bay. It is the responsibility of the board to provide the guardrails for management to execute this mandate.

Our duty is to uphold governance, drive strategy, and ensure high performance.

The period under review (1 July 2023–30 June 2024) was particularly challenging for the entity, as related by matters already in the public domain. The challenges we faced for the first nine months of the period are well behind us, and, thanks to the efforts of management led by an able and strong Chief Executive Officer, the entity has navigated the choppy waters and surfaced stronger, resilient, and more determined.

Within this context, the performance of the entity against city-monitored performance targets is testament to the robustness of the MBDA staff across all three offices—namely, the Tramways Building in Gqeberha, the Nelson Mandela Bay Stadium, and the Nelson Mandela Bay Science Centre in Kariega.

During this time, the board adopted several strategies that we believe will set the entity up for even greater success in the long run. One of the highlights is the

adoption of a first-ever Fundraising Strategy and Implementation Plan, a key intervention for future financial sustainability.

As we close the year, we look forward to carrying the momentum forward and achieving positive performance outcomes against the mandate set for us by the shareholder: that is, to transform spaces, people, and the economy for Nelson Mandela Bay within our operating precincts. Further into this annual report, we elaborate on the various milestones, programmes, and project performance reports, giving you, the reader, a look into the operations of the MBDA for the period in review.

We believe that the coming year will bring rewards from the interventions, strategies, and plans we have implemented over the past twelve months. We extend our heartfelt thanks to all our stakeholders in and around Nelson Mandela Bay. Additionally, we express our deep gratitude to our personal partners, spouses, and families for the support that enables us to contribute to the development of our city, and ensure that no one is left behind.



Ms Glenda Perumal
Board Chairperson



Board Chairperson's Report

A departure point that is often missed when discussing the mandate and scope of a special purpose vehicle such as the Mandela Bay Development Agency (MBDA) is the history and rationale for its establishment in 2003. Thanks to the visionary city fathers of the time, led by then-Mayor Nceba Christopher Faku and his cohort, the Municipality, in partnership with the Industrial Development Corporation (IDC), took the bold step to reinvigorate service delivery. The backdrop at that time was the global economic and financial meltdown caused by factors such as subprime mortgage rates, lapses in financial regulations, easy credit, and the effect of globalisation. Developing countries like South Africa could not escape the crisis.

Visionary leadership and partnership sparked the MBDA's creation.



The ripple effect permeated across the world, leading to capital flight, properties being abandoned, and businesses migrating out of once-vibrant inner cities. Some scholars have twinned this phenomenon to the post democratic dispensation and change in government from 1994, capital fearing the unknown entity that has assumed leadership. Regardless, what we do know is that a new model of intervention and an increase in the speed of urban redevelopment was needed, as municipalities were not designed to respond with urgency and efficiency. The joint venture between South Africa's local Government and the IDC led to a pilot programme that saw the establishment of the MBDA along with others around the country.

The entities' model was benchmarked against similar programmes in cities such as London, where the development agency model had been established in 1999. Development agencies are, by their nature, hybrid organisations that are public sector companies simultaneously operating on business principles. Entities are not only mandated to deliver, but they must ensure value creation and a return on investment - and do so efficiently. Whilst each entity has a specific mandate, and in South Africa there are many, the MBDA's mandate is to drive economic rejuvenation through the implementation of Urban Renewal and Rejuvenation programmes.

Such urban renewal programmes are focussed on economically-depressed areas, leading with public sector investment to stimulate private sector participation, to catalytic effect. For many years, private sector investment followed MBDA developments and areas such as the Donkin received a facelift from the private sector. The Baakens Valley is also a good example of the effectiveness of this strategy: what was once an industrial area has turned into a cosmopolitan, hip and vibrant art and entertainment node with a mushrooming of small enterprises.



In the 21 years since its establishment, the MBDA has spent over R1bn on infrastructure and urban renewal programmes across the Bay. Projects delivered by the MBDA stretch from Kariega CBD, to the Veeplaas Business Centre, to Helenvale, Walmer-Sakhasonke, Schauderville-Korsten, New Brighton, Gqeberha CBD, Lower Baakens Valley, Humewood and Kings Beach. I am familiar with this work because for many years the MBDA reported into Economic Development, Tourism and Agriculture, a Directorate I led until I assumed the role of Acting City Manager.

The unfortunate regress we are now dealing with in the CBD's is partly due to the withdrawal of security funding in favour of Metro Police in 2016. This caused a serious setback for the work delivered due to rampant vandalism that ensued. The lessons we have learnt have driven us to pursue a three-pronged strategy that looks at Total Precinct Management, Delivery of Project Management Services, and Game Changing Catalytic Programmes, or Special Projects.

The financial period under review marked the first year of the MBDA's new five-year strategic plan, a consolidation and phasing out as we brought in new programmes. The year allowed the entity to not only put the strategy into practice in some areas, but it did this whilst capacitating a new structure.

*In 21 years, the MBDA
has invested over R1bn in
transforming the Bay.*

With all the critical positions now filled with competent and skilled personnel, we know that the coming year will deliver the results we have been preparing for. We also have our work cut out for us in making sure that all our stakeholders, particularly those within the shareholder organisation, understand the MBDA, its mandate, strategy, and how best to integrate with the entity to achieve maximum developmental impact.

The MBDA exists to complement the work of government by bringing in a specialised focus and delivery model that has been honed over 20 years. It is also important for the MBDA to continue to build on external relationships, locally and abroad, to spread the risk and impact. For that reason, we have either renewed or entered new agreements with like-minded organisations to foster a collective approach. Recently, the Board approved an Investment Promotion Policy, a key instrument that will allow us to give effect to the Fundraising Strategy by proactively seeking investments into the areas in which we operate.





For this to work, the shareholder must consider an obligation founded in our mandate and establishment document, to allow the MBDA to manage unproductive assets such as land and buildings, or to acquire such assets in pursuit of the urban renewal agenda.

Other areas that require urgent attention to reclaim the CBD's include stricter Informal Trading regulation, revised rezoning, and attention to problem buildings. Until such matters are managed in a cohesive manner, the work of the MBDA will continue to be hampered by the side effects caused by these issues, and that means uncontrolled and rampant crime, increased homelessness and hijacking of buildings.

Whilst we acknowledge that the road ahead is full of opportunities, we are also mindful of the modest gains we have made in this period. These include a 50% Capital Budget performance, 52% KPI achievement, and 87% Operational Budget expenditure, all during a strenuous operating period where resources were unavailable until the fourth quarter.



For the first time, an Internal Audit department has been established.

The challenges with the audit opinion, which is a regress, are in the main, historic, meaning they are issues predating the year in review, and consequence management steps are being taken to ensure that the regress is not repeated, that controls are strengthened and consequences implemented.

I am optimistic that this legacy issue that I have inherited will be overcome, because for the first time, the entity has established an Internal Audit department, staffed and supported by a network comprised of an Auditor's panel which we lean on as and when required. The control environment is receiving significant attention from my office as it is the cornerstone of our vision to regain clean audit outcomes in this current financial year. The work has started.

Mr Anele Qaba
Chief Executive Officer





Corporate Governance

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Founding Mandate

The Mandela Bay Development Agency (MBDA) is an entity of the Nelson Mandela Bay Municipality and was established in 2003 to reverse the urban decay of the then Port Elizabeth inner city through urban renewal. In August 2023, the Agency marked 20 years of existence. Since inception, notable successes of the entity include pioneering the regeneration of the Kings Beach precinct, Helenvale Resource Centre and the Safety and Peace through Urban Upgrading (SPUU) Kariega central business district (CBD) upgrades as well as a significant part of the Gqeberha CBD and Central.

The MBDA was established through the Municipal Systems Amendment Act of 2000 as well as the Municipal Finance Management Act. The parent municipality's Council appoints Independent Directors to constitute a board, which then establishes the organisational structure and appoints Senior Management.

Since the adoption of the Municipal Finance Management Act of 2000, the MBDA has an uninterrupted record of successive unqualified or clean audit outcomes from the Auditor General of South Africa. In 2021-2022 the MBDA received a clean audit.



Vision, Mission, Strategic Objectives, and Values

Vision

Our vision is to contribute to the development of Nelson Mandela Bay as a world-class city to live in and a destination of choice.

Our Values

- Accountability
- Appreciation
- Communication
- Equality
- Growth

Mission

Our mission is to be an agent of strategic and sustainable change through impactful development that transforms the space, people, and economy of Nelson Mandela Bay.

Strategic Objectives

- To become a change agent for inclusive development.
- To drive economic growth.
- To leverage the NMB Stadium to drive the North End precinct development.
- To leverage the NMB Science Centre to drive the Kariega precinct development.
- To pursue financial sustainability by diversifying revenue sources.
- To operate as an agile entity able to respond to environmental changes.



Governance Structures

The NMBM Council-appointed Board of Directors provides strategic oversight to ensure that the MBDA reaches its objectives and delivers on its mandate.

Board of Directors

The Board retains full and effective control over the entity and monitors the implementation of the MBDA's strategic programmes. It sets the Agency's strategic direction and monitors overall performance. The duties of the Board include:

- Providing effective, transparent, accountable, and coherent oversight of MBDA's affairs.
- Ensuring that the MBDA complies with all applicable legislation, the service delivery agreement and the various shareholder policy directives issued by its parent municipality from time to time.
- Dealing with the NMBM in good faith and communicating openly and promptly on all pertinent matters requiring the attention of its shareholders.
- Determining and developing strategies that set out the organisation's purpose and values following the shareholder mandate and strategic documents such as the integrated development plan.
- Reviewing and approving financial objectives, including significant capital allocations and expenditure as determined by the Nelson Mandela Bay Municipality.
- Considering and ensuring that the entity's size, diversity and skills are sufficient to achieve its strategic objectives.



Directors as at 30 June 2024:

1

Ms Glenda Perumal

appointed to the Board: 9 November 2020 (extended on 1 December 2021) appointed as Chairperson of the Board on 24 November 2022.

2

Mr Khwezi Gideon Ntshanyana

appointed to the Board: 9 November 2020 (extended on 1 December 2021)

3

Mr Mxolisi Moolman

appointed to the Board: 9 November 2020 (extended on 1 December 2021)

4

Ms Nomnikelo Pinky Kondlo

appointed to the Board: 9 November 2020 (extended on 1 December 2021)

5

Mr Vuyani Dyantyi

appointed to the Board: 9 November 2020 (extended on 1 December 2021)

Board Charter

The Board of Directors has incorporated the City of NMBM's corporate governance protocol into its charter, which regulates its relationship with the City of NMBM as its sole member and parent municipality

in the interest of good corporate governance and good ethics. The protocol is premised on the principles of the King 4 Code of Good Governance. The charter sets out the composition and powers of the Board.



Board Committees

The MBDA consists of three Board Committees, who execute their duties as specified in their terms of reference.

Corporate Services Committee:

- Vuyani Dyantyi: Chairperson
- Pinky Kondlo
- Mxolisi Moolman

Capital Programmes Planning and Implementation Committee:

- Mxolisi Moolman: Chairperson
- Glenda Perumal
- Khwezi Ntshanyana

Risk, Compliance and Finance Committee:

- Nomnikelo Pinky Kondlo: Chairperson
- Khwezi Ntshanyana
- Vuyani Dyantyi

Audit Committee:

- Mr Younus Amod: Chairperson
- Mr Sizwe Nyenyiso
- Ms Michelle Wait
- Mr Danie de Lange
- Ms Ronel Shaw

The mandate of the MBDA Audit Committee expired on 21 May 2024 and no new committee has been appointed since.

Company Secretary

The Company Secretarial acts as a link between Management, the Board of Directors, and the MBDA's stakeholders. The unit is responsible for ensuring the flow of information (governance, knowledge and advice) and sound corporate governance practice—ensuring corporate integrity takes precedence over short-term gain and personal benefit.

In addition to the various statutory functions, the Company Secretary provides appropriate guidance, advice, orientation, induction, and training to the Board of Directors on their roles, duties and responsibilities and ensures compliance with laws in the interests of good governance.

All Directors have access to the advice and services of the Company Secretary as well as external legal advice as and when required.



Record of Committees and Board meetings

Together, the MBDA directors have a range of different skills and experience that they bring to bear for the benefit of the entity. These include accounting, finance, legal, business management, human resources and labour relations, marketing, construction, and development management.

The Board meets regularly, retains full and effective control over the development agency and monitors the implementation of the Agency's strategic programmes by the executive management through a structured approach of reporting and accountability. It sets the strategic direction of the MBDA and monitors overall performance.

Board and Committee meetings and attendance (1 July 2023–30 June 2024)

Name	Board				Risk Compliance and Finance Committee				Corporate Service Committee				Corporate Service Committee		
	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology
G Perumal	10	10	n/a	n/a	6	6	n/a	n/a	6	6	n/a	n/a	4	4	n/a
N P Kondlo	10	10	n/a	n/a	6	6	n/a	n/a	6	6	n/a	n/a	n/a	n/a	n/a
M Moolman	10	10	n/a	n/a	n/a	n/a	n/a	n/a	6	6	n/a	n/a	4	4	n/a
K Ntshanyana	10	10	n/a	n/a	n/a	n/a	n/a	n/a	6	6	n/a	n/a	4	4	n/a
V Dyantyi	10	10	n/a	n/a	6	6	n/a	n/a	6	6	n/a	n/a	n/a	n/a	n/a

Board Remuneration

The MBDA remunerates the non-executive directors and independent audit committee members following the policy and, in the amounts determined from time to time by the NMBM acting in its capacity as the sole shareholder of the MBDA. The foregoing position was reaffirmed by special resolution at the 2022 Annual General Meeting. The non-executive directors and independent audit committee members are paid per meeting. Executive directors and prescribed officers are employees of the MBDA and do not receive any additional remuneration because of their office. The table below reflects the gross or cost to company amounts paid by the MBDA concerning executive directors, non-executive directors', and independent audit committee members' fees.



Board (1 July 2023–30 June 2024)

Name	Designation	Board Fees
G Perumal	Chairperson (non-executive)	R440 000.00
N P Kondlo	Non-executive director	R225 500.00
M Moolman	Non-executive director	R208 000.00
K Ntshanyana	Non-executive director	R166 000.00
V Dyantyi	Non-executive director	R217 500.00

Statutory and Shareholder Oversight

The Audit Committee

The Audit Committee is not a Board subcommittee but an independent statutory (MFMA of 2003, Section 166) structure that performs an oversight right.

The members of the Audit Committee are:

- Mr Younus Amod: Chairperson
- Mr Sizwe Nyenyiso
- Ms Michelle Wait
- Mr Danie de Lange
- Ms Ronel Shaw

Term ended 28 May 2024

Political Oversight

The Executive Mayor's Office takes accountability over the MBDA; however, the Deputy Executive Mayor is delegated to oversee the affairs of the entity and continuously engages with the Board through the Board Chairperson.

Members Representatives

A structure of Council referred to as Members representative body is mandated to represent Shareholder interests in the affairs of the MBDA. The structure is comprised of both political and administrative heads of specific directorates.

Administrative Oversight

The MBDA administratively reports to the City Manager's office through the Office of the Chief Operating Officer (COO). This office plays a significant coordination function, linking the MBDA to relevant directorates and relevant oversight committees.

Annual Performance Report

 Institutional Scorecard

 KPI's in detail



In terms of section 122(1) (a) of the MFMA every municipality and every municipal entity must for each financial year prepare annual financial statements which fairly present the state of affairs of the municipality or entity, its performance against its budget, its management or revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position at the end of the financial year.

For the period under review, the Agency was in year one of its new five-year plan, having developed a more comprehensive and inclusive performance scorecard.

Institutional Performance

The MBDA's Institutional Scorecard and Business Plan for 2023–2024 is a comprehensive monitoring and reporting tool covering all key and strategic operations of the MBDA. For the year, the MBDA established 25 Key Performance Indicators. See Annexure A.

KPI Performance Summary

The 25 Key Performance Indicators are major projects tracked in the Institutional Scorecard and reflected in the Business Plan. **52% of the KPI's, 87% of OPEX and 50% expenditure on CAPEX** for the period in review have been overachieved or achieved.

2 out of 25 KPI's overachieved:

- Number of EPWP work opportunities created
- Number of programmes facilitated/hosted by the NMB Science and Technology Centre



11 out of 25 KPI's achieved:

- Completing the Bayworld Killer Whale Café
- Upgrading of Baakens Park Walkway (Phase 1A)
- Publishing an economic impact assessment by the Mandela Bay Development Agency in Nelson Mandela Bay
- Percentage implementation of the Mandela Bay Development Agency's Financial Sustainability Model
- Upgrading Nelson Mandela Bay Stadium
- Developing a Nelson Mandela Bay Stadium Strategic Commercial Plan
- Percentage implementation of Mandela Bay Development Agency's Cleansing Plan
- Percentage implementation of Mandela Bay Development Agency's Security Plan
- Completing planning for the Ward 34 Multi-purpose Centre
- Completing planning for the Ward 17 Multi-purpose Centre
- Completing the Bayworld Programme Land Alienation Plan

8 out of 25 KPI's partially achieved:

- Rehabilitating the St Peter's site
- Completing the Korsten / Schauderville Sports Field
- Completing the Korsten / Schauderville Heritage Building, Caretakers Cottage and Courtyard
- Completing the Korsten / Schauderville Walkway and Access Road
- Rehabilitating the Uitenhage Railway Sheds
- Completion of the Helenvale Extension 12 park
- Completion of the New Brighton Drop-off site
- Percentage of Mandela Bay Development Agency's Operational Budget Actually Spent

4 out of 25 KPI's not achieved:

- Completing the Bayworld Sanctuary and Park
- Completing the Korsten / Schauderville Pavilion
- Percentage of Mandela Bay Development Agency's Capital Budget Actually Spent
- Percentage of donor funding: KFW SPUU Budget Actually Spent



KPI's in Detail

Below is a detailed 2023-2024 report on the specific KPI's as contained in the Institutional Scorecard.

Completing the Bayworld Sanctuary and Park

Annual Target:

The annual target for this KPI was for the Bayworld Sanctuary and Park to be completed by 30 June 2024.

Performance Outcome:

The target was not met; however, the following work was undertaken during the period in review: the demolition was completed, progress was made on rubble removal from site. Under performance on this KPI was due to a delay in payment to the contractor in a previous quarter. This delay had a knock-on effect on progress on site. Landscaping was delayed as rubble removal was not completed during the period under review.

Corrective action has been instituted whereby the contractor will provide an updated programme to expedite work and ensure that work will be completed in the first quarter of the new financial year.



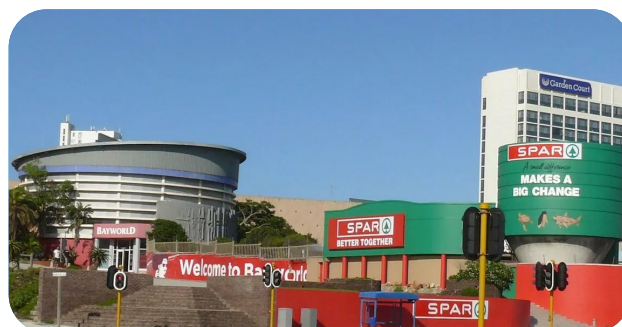
Completing the Bayworld Killer Whale Café

Annual Target:

The target for this KPI was to have the Killer Whale Café completed by 31 March 2024.

Performance Outcome:

Quarterly targets were met in the form of the installation of IT infrastructure and the creation of virtual reality content. The Killer Whale café was completed during the third quarter, and the target was thus achieved.



Rehabilitating the St Peter's site

Annual Target:

This KPI included the completion of work by both primary and secondary contractors by 31 December 2023: initial contracting work included the sanding and repainting of the existing walkways on site, and

secondary contracting work included landscaping, the cladding of containers placed on site, alterations to the boardwalk, the erection of signage and the installation of Wi-Fi services.

Performance Outcome:

The KPI of the rehabilitation of the St Peter's site by 31 December 2023 was partially achieved.

The initial contractor rehabilitation work was completed by March 2024. The secondary service provider was appointed on 22 May 2024. Landscaping was completed, the cladding of containers commenced, alterations to the boardwalk began, and signage and a Wi-Fi network were installed on site. The delay in the

appointment of the secondary contractor was as a result of delayed receipt of funding from the municipality in the third quarter. The delayed appointment meant that the contractor was only able to order material on 31 May 2024.

Corrective action includes the Project Manager engaging with the service provider to revise plans and expedite the work as much as possible.



Completing the Korsten / Schauderville Sports Field (Moor Dyke)

Annual Target:

The Annual Target for this KPI was for the completion of the sports fields (including the practical completion of

soccer and cricket pitches) by 31 March 2024.

Performance Outcome:

The requirements of this KPI have been partially achieved. Overall completion of the cricket field stood at 95%, while the soccer field was practically complete (as per the consultants' report). The lighting work for the sports field that was not achieved during the previous quarter was then recorded as complete as at 30 June 2024.

The practical completion of the sports fields (both cricket and soccer field) could not be achieved due to the earlier financial position of the Agency. Non-payment to the entity (and also thus the service provider) had a negative effect on achievement.

The Moor Dyke project will be carried over to the new financial year to ensure that the project will be complete during the next financial year.



Completing the Korsten / Schauderville Pavilion (Moor Dyke)

Annual Target:

The Annual Target was for the Korsten / Schauderville Pavilion to be completed. This would include the

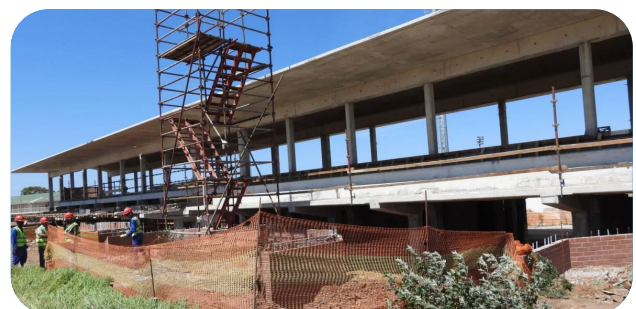
construction of the concrete roof, the completion of upper-level brick work, and internal finishes.

Performance Outcome:

This KPI was not achieved. The concrete roof was completed in the third quarter, and the upper-level brickwork was in progress during the fourth quarter (not in the third, as planned). As at 30 June, work on internal finishes had not commenced.

The practical completion of the sports fields (both cricket and soccer field) could not be achieved due to the earlier financial position of the Agency. Non-payment to the entity (and thus the service provider) had a negative effect on achievement.

The Moor Dyke project will be carried over to the new



Completing the Korsten / Schauderville Heritage Building, Caretakers Cottage and Courtyard (Moor Dyke)

Annual Target:

The target for this intervention was for the heritage building, including the caretaker's cottage and courtyard, to be completed.

Performance Outcome:

This KPI has been partially achieved. The heritage building's roof structure has been completed, plumbing and structural works are done, and cottage renovations are in progress. No further work has been undertaken to the courtyard paving.

Agency. Non-payment to the entity (and thus, the service provider) had a negative effect on achievement. The Moor Dyke project will be carried over to the new financial year to ensure that the project will be complete during the next financial year.

The practical completion of this project could not be achieved due to the earlier financial position of the

Completing the Korsten / Schauderville Walkway and Access Road (Moor Dyke)

Annual Target:

The Annual Target for this KPI was for the walkway and access road to be completed.

Performance Outcome:

The requirements of this KPI were partially fulfilled. Work to date includes the stormwater reticulation pipe installation in progress, with preparation underway for the walkway and access road paving. No work took place in the fourth quarter.

Agency. Non-payment to the entity (and thus limited payment to the service provider) had a negative effect on achievement.

The Moor Dyke project will be carried over to the new financial year to ensure that the project will be complete during the next financial year.



Upgrading of Baakens Park Walkway (Phase 1A)

Annual Target:

The Annual Target of this KPI was the practical completion of the Baakens Park walkway (Phase 1A).

Performance Outcome:

This KPI has been achieved. A contractor was appointed and construction commenced. Practical completion was thus achieved.

Rehabilitating the Uitenhage Railway Sheds

Annual Target:

The Annual Target of this KPI was for the Uitenhage Railway Sheds to be rehabilitated.

Performance Outcome:

The requirements of this KPI were partially achieved. During the period under review, the following work was undertaken: the site was established; the fabrication of new purlins commenced; structural steel works started in preparation for the building of the Block 1 mezzanine level; and Block 2 roof construction commenced.

Underperformance on this KPI is due to the late appointment of a contractor. This had an impact on the commencement date of construction. A revised programme of works has been prepared to expedite construction, including the simultaneous removal and new installation of purlins in Block 2 to speed up completion.

Completion of the Extension 12 Park (Helenvale)

Annual Target:

This KPI called for the practical completion of the Play Park, including walkways, wheelchair ramps, stormwater channelling, outlets and fencing.

Performance Outcome:

This KPI was partially achieved. Practical completion of the spectator stands and stairs was achieved. Fencing was not completed due to the contractor reaching contract value before the fencing could be constructed. As a result, work could not continue. To ensure that the project is finalised and completed, a new tender process will commence. Underperformance on this KPI

is due to the late appointment of a contractor. This had an impact on the commencement date of construction. A revised programme of works has been prepared to expedite construction, including the simultaneous removal and new installation of purlins in Block 2 to speed up completion.

Completion of the New Brighton Drop-off site

Annual Target:

This KPI required the completion of the New Brighton Drop-off site.

Performance Outcome:

This KPI was partially achieved. A contractor was appointed, the site was established, and work commenced during the period under review.

The initial project delay was due to the earlier financial situation of the MBDA, as indicated during the third quarter. Due to these financial constraints, the preferred bidder did not accept their appointment. Alternative

bidders were explored during April 2024. The next compliant bidder was appointed on 25 April 2024. Work commenced in the fourth quarter, after the bidder complied with specific requirements within 14 days.

Community consultations took place to facilitate a sense of ownership over the project, while safeguarding the facility to ensure speedy implementation.

Number of EPWP work opportunities created

Annual Target:

Meet a cumulative target of 546 Expanded Public Works Programme opportunities within the MBDA precincts of operation.

Performance Outcome:

This KPI was overachieved. A total of 665 EPWP opportunities were created during the period under review. The reason for the overperformance reported against this KPI is attributed to the fact that the MBDA increased its security back to the full complement allowed, following receipt of funds. Additionally, EPWP workers were required for Sunday Soul Sessions held at the NMB Stadium, resulting in an increase in the opportunities on offer.



Publishing an economic impact assessment by the Mandela Bay Development Agency in Nelson Mandela Bay

Annual Target:

This KPI required that an economic impact assessment be published by the Mandela Bay Development Agency in Nelson Mandela Bay.

Performance Outcome:

This KPI was achieved. An assessment of the impact of the Mandela Bay Development Agency on Nelson Mandela Bay was published on 27 June 2024.

Percentage of Mandela Bay Development Agency's Operational Budget Actually Spent

Annual Target:

This KPI requires that 95% expenditure be achieved.

Performance Outcome:

This KPI was partially achieved. During the period under review, the operational expenditure was calculated at 87% against the target of 95%.

The requirement was only partially fulfilled due to a late tranche of payments from the parent municipality, in

accordance with the SDA. Despite the late payment, the MBDA was able to almost double its third quarter expenditure at year end, as compared to the previous financial year.

Percentage of Mandela Bay Development Agency's Capital Budget Actually Spent

Annual Target:

This KPI requires 95% expenditure against the Capital Budget.

Performance Outcome:

This KPI was not achieved. During the quarter under review the capital expenditure was calculated at 50%. The requirement was only partially fulfilled due to a late tranche of payments from the parent municipality,

in accordance with the SDA. The remainder of the incomplete projects will be carried over for final implementation during the 2024/25 financial year.

Percentage of donor funding: KFW SPUU Budget Actually Spent

Annual Target:

To fulfil this KPI, 70% of the KFW SPUU Budget should be spent.

Performance Outcome:

This KPI was not achieved. During the quarter under review the SPUU expenditure amounted to 8%. The SPUU budget was allocated during the adjustment budget period. The designs for the victim support centre changed, resulting in additional structural works. The tender had been advertised and values received were higher than the allocated budget. Additional budget, designs and scope will be sent to KFW for non-objection. The contract can be awarded once the non-objection is received. Thereafter, work can commence.



Percentage implementation of the Mandela Bay Development Agency's Financial Sustainability Model

Annual Target:

This KPI required a 100% implementation of the Mandela Bay Development Agency's Financial Sustainability Model.

Performance Outcome:

This KPI has been achieved. A service provider was appointed, and the Funding Strategy Project Implementation Plan was made to MANCO. The draft funding strategy was submitted for approval. Actions are 100% in line with the Financial Sustainability Model Implementation Plan KPIs. During the period under review, a donor database was completed, and the final fundraising framework and fundraising strategy was approved by the Board. The implementation plans facilitated discussions regarding the Science Centre Incubator, and a draft RFQ was completed. Terms of reference are in progress, as is the draft fundraising policy.



Upgrading Nelson Mandela Bay Stadium

Annual Target:

This KPI included an upgrade to facilities at the Nelson Mandela Bay Stadium.

Performance Outcome:

This KPI was achieved. To date, Phase 2 LED screens on level 3 and information screens have been replaced, the Nelson Mandela Bay Stadium Server Room has been upgraded, and the Changeroom Boilers have been completed and installed.



Developing a Nelson Mandela Bay Stadium Strategic Commercial Plan

Annual Target:

The Annual Target for this KPI was for a Strategic Commercial Plan to be developed for the Nelson Mandela Bay Stadium.

Performance Outcome:

This KPI was achieved. A Nelson Mandela Bay Stadium Strategic Commercial Plan was submitted to the MBDA Board for approval on 28 June 2024.

Number of programmes facilitated/hosted by the NMB Science and Technology Centre

Annual Target:

This KPI required 80 programmes to be hosted at the NMB Science and Technology Centre during the period under review.

Performance Outcome:

This KPI was overachieved. During the period under review, 90 programmes were facilitated/hosted by the NMB Science and Technology Centre, over a target of 80. The overperformance is credited to the diverse curriculum on offer, and the Science Centre's programme offering being aligned to the curriculum across grades.



Percentage implementation of Mandela Bay Development Agency's Cleansing Plan

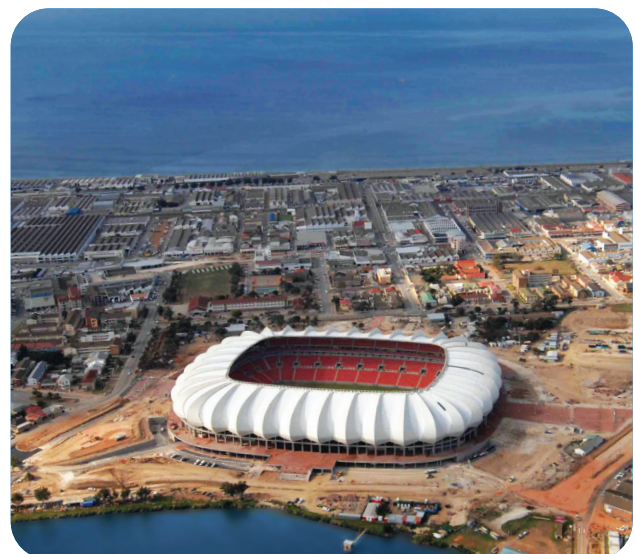
Annual Target:

This KPI required the implementation of the Mandela Bay Development Agency's Cleansing Plan.

Performance Outcome:

This KPI was achieved. During the period under review, all activities listed in the cleansing plan were implemented.

While certain activities were not completed in the third quarter as planned (such as the implementation of the waste minimisation strategy), these activities were carried over into the next quarter and cumulatively completed by year end.



Percentage implementation of Mandela Bay Development Agency's Security Plan

Annual Target:

This KPI's Annual Target was the implementation of the Mandela Bay Development Agency's Security Plan.

Performance Outcome:

This KPI was achieved at 100% in line with the Mandela Bay Development Agency's quarterly Security Plan. All work was implemented as planned

Completing planning for the Ward 34 Multi-purpose Centre

Annual Target:

This KPI's Annual Target was the completion of planning for the Ward 34 Multi-purpose Centre.

Performance Outcome:

This KPI has been achieved. Final designs were submitted to the Executive Director: Sports, Recreation, Arts and Culture for approval. The construction tender documents were drafted by 31 December 2023.

Completing planning for the Ward 17 Multi-purpose Centre

Annual Target:

The requirements for this KPI were the completion of planning for the Ward 17 Multi-purpose Centre

Performance Outcome:

This KPI was achieved. Final designs were submitted to the Executive Director: Sports, Recreation, Arts and Culture for approval. The construction tender documents were drafted by 31 December 2023.



Completing the Bayworld Programme Land Alienation Plan

Annual Target:

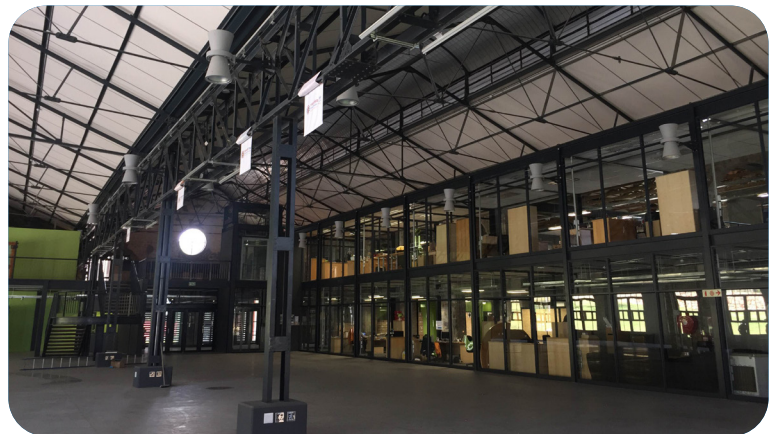
This KPI required the completion of the Bayworld Programme Land Alienation Plan.

Performance Outcome:

This KPI was achieved. A service provider was appointed through an addendum (in line with audit advice received on 12 January 2023). Investor road shows were arranged

and completed, and the draft Bayworld Programme Land Alienation Plan was prepared by 31 March 2024.





Labour Relations And Organisational Development

- 👤 Human Resources Management
- 👤 Labour relations
- 👤 Labour disputes
- 👤 Remuneration of senior personnel
- 👤 Organisational Structure Review 2023–2024
- 👤 Pay Parity, planned increases, and retrenchments



The Corporate Services department includes Human Resources Management (HR), Information Communication Technology (ICT), Risk & Compliance (R&C), as well as Marketing. The position of Corporate Services Executive was filled permanently on 15 April 2024.



Human Resources

The MBDA aims to be the employer of choice in its field. This is supported by the Agency's overall objective, as set out in its Employment Policy, to ensure that

its employment practices and remuneration policies motivate and retain talented employees and create an attractive work environment.

Organisational Profile—Staff establishment

Workforce profile snapshot date **30/06/2024**

Snapshot of workforce profile for all employees, including people with disabilities

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (23 -26)	0	0	0	0	0	0	0	0	0	0	0
Senior management (19-22)	2	0	0	0	1	1	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management (14-18)	6	3	0	0	3	2	0	1	0	0	15
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (9-13)	5	1	1	2	12	7	1	0	0	0	29
Semi-skilled and discretionary decision making (4-8)	6	4	0	0	9	2	0	0	0	0	21
Unskilled and defined decision making (1-3)	3	0	0	0	2	0	0	0	0	0	5
TOTAL PERMANENT	22	8	1	2	27	12	1	1	0	0	74
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	22	8	1	2	27	12	1	1	0	0	74

Labour Relations

The entity has one valid Recognition Agreement with Labour Union, SAMWU, however the entity is exempt from the national Bargaining Agreement and may only be incorporated at the approval of the Minister of Labour. The Recognition Agreement is managed

through a structure referred to as Management-Union-Meeting (MuM) and meets monthly chaired by the Corporate Services Executive. The meeting deals with all labour matters of common interest.

Labour Disputes

During the period under review there was only one (1) recorded dispute lodged by the Union and the matter was finally and amicably resolved at the CCMA in August 2024. There are no pending labour disputes.

Remuneration of senior personnel is reported in the Audited Financial Statements.

Organisational Structure Review 2023-2024

In March 2024 the Board of Directors approved the new Organogram and its effective implementation. The Agency thereafter underwent a huge recruitment drive

to ensure that competent staff is employed as per the new structure and the objectives of the strategy are met. The structure implementation process is underway.

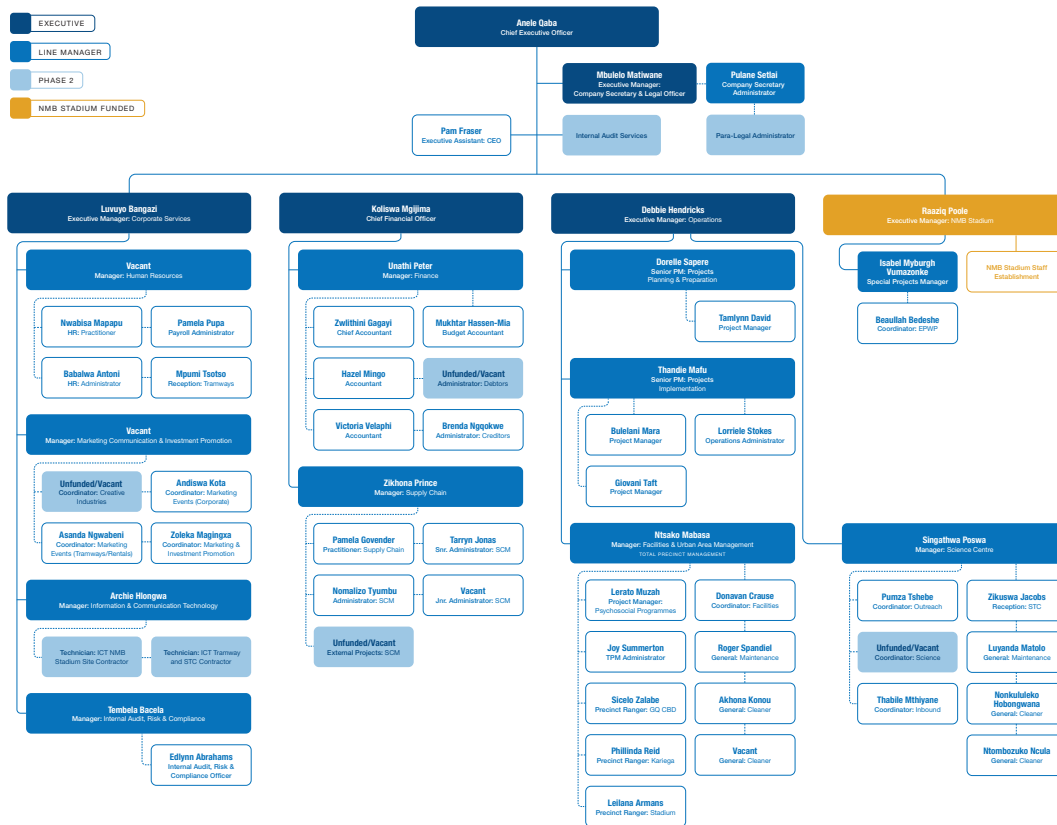
Pay Parity, planned increases, and retrenchments

As part of the structure implementation process, a companywide Job Evaluation process will be concluded at the end of quarter 3 of the current financial year. It is anticipated that based on outstanding benchmarking and updated grading, there will be a financial impact which is subject to budget availability and other prescripts. There are currently no plans for staff retrenchments.

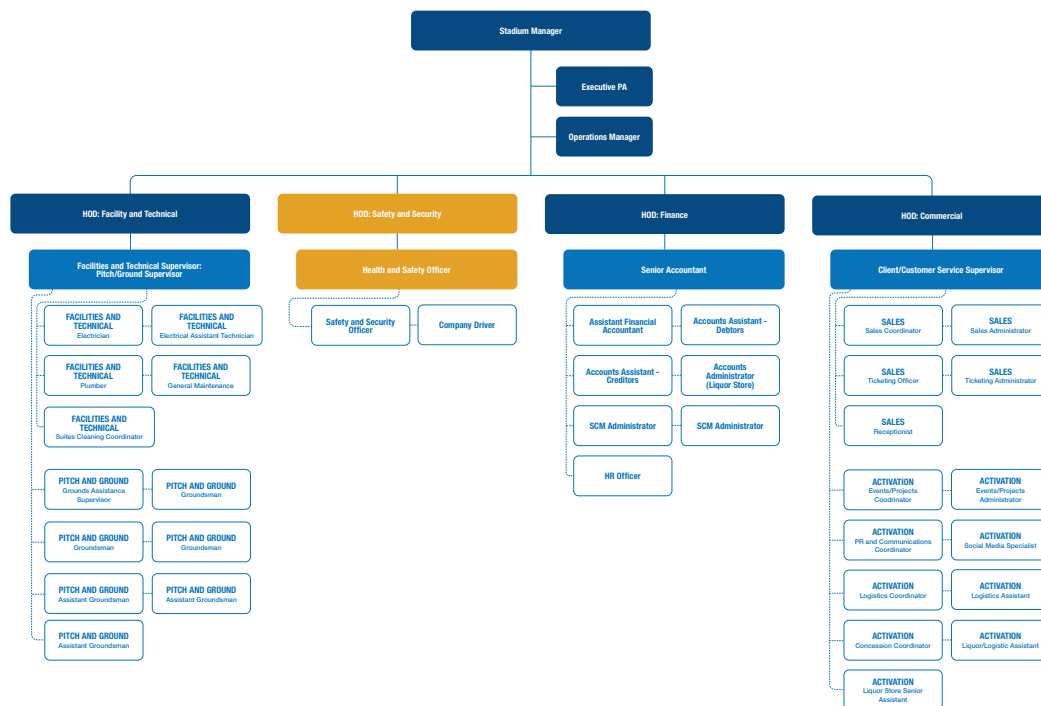
Current organisational structure (s).



2024 MBDA Organogram



NMB Stadium Organogram as adopted in 2019.



Information Communication Technology

The Information Communication Technology (ICT) Department is in its fifth year of existence at the MBDA since the role was insourced. Since establishment, the unit has been instrumental in the development of several ICT solutions for the entity including e-Tendering, SAGE Procurement and SharePoint, as well as much needed ICT Governance policies and procedures. The ICT Department will continue to be pivotal in enabling the MBDA to navigate its way towards the implementation

of the new strategy in an environment that must contend with advancements in Artificial intelligence and machine learning.

The ICT Governance framework of the MBDA is prepared according to the main domains of COBIT 5 to address all the key components of ICT governance broadly:

- Evaluate, Direct, and Monitor
- Align, Plan, and Organise
- Build, Acquire, and Implement
- Deliver, Service, and Support
- Monitor, Evaluate, and Assess



Risk & Compliance Management

During the period under review, the Agency engaged in the Risk Management Maturity assessment to look at ways of improving risk management as a strategic business tool, and the outcome of that process resulted in the development of a Risk Management Strategy,

Policy and SOP. The recommendations received are also being implemented continuously so as to take advantage of the benefits highlighted in the framework and to get value for money from the assessment done.

NMB Stadium Organogram as adopted in 2019.

- Facilitating institutional reporting to the Board of Directors, as well as the Parent Municipality.
- Identifying new and innovative ways of reporting.
- Administering the commercial insurances of the MBDA.
- Providing compliance-related guidance to the various internal stakeholders (departments).
- Reporting on the risks of the entity as well as mitigation measures.

The Agency has three (3) main risk categories namely, (1) Strategic Risks, which include the financial and governance risks, (2) Operational Risks, and (3) Project Risks, which captures all the risks for capital and operational projects of the agency.

These Risk Registers are drafted annually and updated quarterly to ensure progress is monitored and, where required, additional risks are added for closer monitoring.

Effective risk management is fundamental to the MBDA's business activities. The department evaluates various processes within the organisation to identify efficiencies to drive performance.



High Priority Strategic Risks

The top risks as identified by the Agency for the year under review and the status thereof based on the implementation of controls and mitigations are captured below.

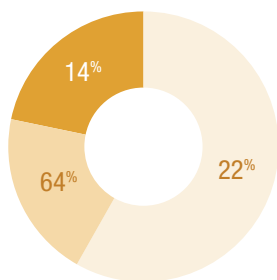
Strategic Risk Register of MBDA - 2024/25

Risk Ref.	Key Performance Areas	Risks Description	Root Cause/ Contributing Factor	Consequence	Risk Assessment				Inherent risk	
					Inherent Impact (value)	Inherent Impact	Inherent Likelihood (value)	Inherent Likelihood	Total	Total (value)
1	KPA 3: local Economic Development	Non Renewal of the Service Delivery Agreement.	1. Political instability. 2. Change in council priorities. 3. Relationship breakdowns. 4. Financial Pressure / strain on Councils	1. Dissolution of the MBDA. 2. Failure to deliver on the mandate/service delivery. 3. Going concern issues.	5	Critical	4	Likely	Maximum	20
2	KPA 4: Municipal Financial Viability and Management	Lack of diversified alternative and sustainable funding.	1. Diminishing budgets 2. Low spending 3. Potential withdrawal of the NMBM grant funding to the entity. 4. Lack of the MBDA pursuing alternative streams. 5. Lack of an approved alternative funding framework. 6. Over reliance on the NMBM Grants	1. Reputation & brand damage 2. MBDA objectives not achieved 3. Poor stakeholder confidence 4. Failure to deliver on the mandate/service delivery	3	Moderate	3	Moderate	Medium	9
3	KPA 3: local Economic Development	Failure to deliver on the mandate on time and within the budget.	1. Poor planning 2. Late confirmation of budget allocation 3. Lack of human resources and financial resources. 4. Mandate delusion.	1. Reputation & brand damage 2. MBDA objectives not achieved 3. Poor stakeholder confidence 4. Loss of investment potential.	4	Major	3	Moderate	Medium	12
4	KPA 3: local Economic Development	Ineffective stakeholder engagement.	1. Political instability. 2. Change in council priorities. 3. Relationship breakdowns. 4. Inadequate communication.	1. Reputation & brand damage 2. MBDA objectives not achieved 3. Poor stakeholder confidence 4. Failure to deliver on the mandate/service delivery	3	Moderate	3	Moderate	Low	9
5	KPA 3: local Economic Development	Lack of effective and functioning governance structures.	1. Lack of transparency 2. Lack of accountability 3. Addressing conflicts of interest	1. Unethical behavior, corruption, fraud, and regulatory violations which could lead to legal liabilities, fines, lawsuits, damage to reputation, and loss of stakeholder trust. 2. Financial mismanagement, such as inaccurate financial reporting, misappropriation of funds, or inadequate internal controls over financial processes 3. Failure to address conflicts of interest among board members, executives, and key stakeholders 4. Non-compliance with legislation and regulations 5. Negative organisational reputation 6. Financial losses 7. Litigation 8. Irregular expenditure	3	Moderate	3	Moderate	Low	9
6	KPA 3: local Economic Development	Inadequate fraud, corruption and cybersecurity	1. Inadequate systems to control for IT risks 2. Behavioural weaknesses around cybersecurity 3. Increase in cybercrime and inadequate security controls against cyber crime 4. Attack on monitoring system 5. Phishing and Other Social Engineering Attacks 6. Conflict of Interest 7. Unethical Behaviour 8. Use of confidential information for personal gain 9. Accepting bribes or gratuity to influence processes and decisions 10. Abuse of processes and systems (payroll, procurement, recruitment, etc.) for personal or related parties' gain. 11. Lack of formalised ethics management programme (relevant to functions & level)	1. Negative organisational reputation 2. Leaked information due to compromised systems might compromise enforcement processes, and litigation 3. Adverse impact on business continuity and ability to operate 4. Financial losses 5. Litigation 6. Irregular expenditure	4	Major	4	Likely	High	16
7	KPA 3: local Economic Development	Lack of a defined term and mandate for management of the Nelson Mandela Bay Stadium.	1. Lack of council resolutions for a determined terms	1. Not Delivering on the original mandate. 2. Inability to plan ahead. 3. Lack of confidence from the market (investors) 4. Loss of key personnel 5. Reduction in revenue	4	Major	5	Common	Maximum	20
8	KPA 3: local Economic Development	Lack of a Monitoring and evaluation framework for the entity.	1. Lack of capacity to drive the framework. 2. Lack of compliance management expertise	1. Reputation & brand damage 2. MBDA objectives not achieved 3. Poor stakeholder confidence 4. Failure to deliver on the mandate/ service delivery	3	Moderate	3	Moderate	Low	9
9	KPA 3: local Economic Development	Inadequate business continuity management	1. Lack of Business Continuity Strategy	1. Business interruption, loss and Reputational damage	5	Critical	2	Unlikely	Medium	10

Marketing & Communications

The Marketing, Communications and Events Department within the MBDA plays an enabling role for the rest of the Agency and its operating units. The reach and control of the department extends to the Nelson Mandela Bay Science and Technology Centre (NMB STC) and provides consultation on request by the Nelson Mandela Bay Stadium.

359 total clippings were recorded for this period, showing an increase from the 214 clippings recorded for the previous year. The cumulative value of this coverage, including print, broadcast, and online media, amounted to R10 664 281,28 in Advertising Value Equivalence (AVE).



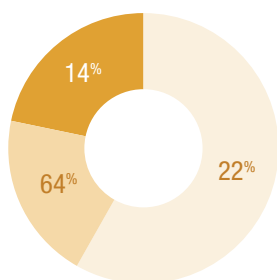
Total Combined

Monitoring units for MBDA/Mandela Bay Development Agency

1 July 2023 - 30 Jun 2024

Print	208
Broadcast	73
Online	78

Total combined clippings for 1 July 2023–30 June 2024



MBDA Yearly Statistical Report

Media coverage across all services, including a graphical representation of the clip count as a percentage

1 July 2023 - 30 Jun 2024

Print	6,386,221
Broadcast	1,718,391
Online	1,559,669

Total volume tracked 1 July 2023–30 June 2024

Social media channels remain a solid platform for engagement between the Mandela Bay Development Agency and its partners and constituents. Content reach is down from the previous reported period for both Facebook and Instagram. However, content

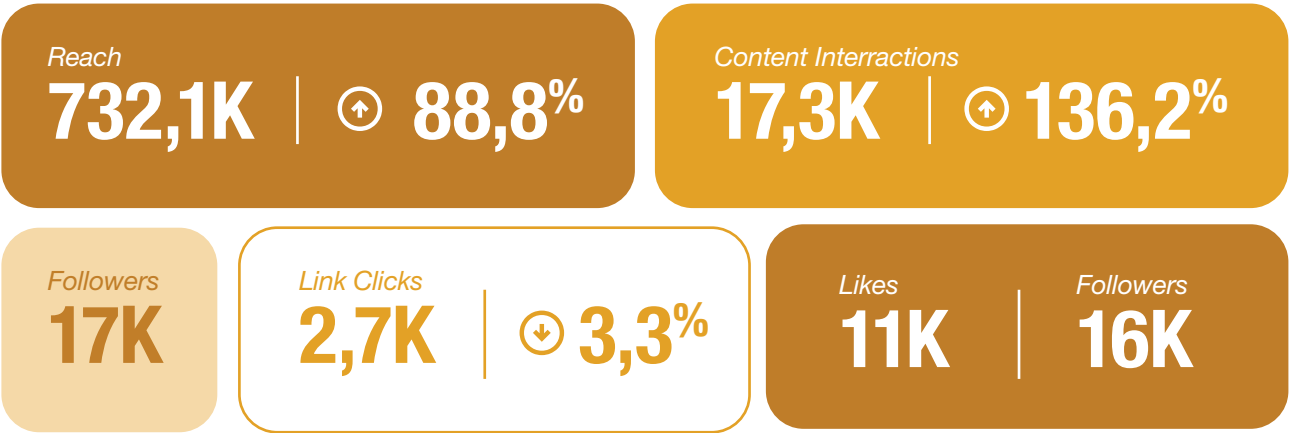
interactions rose for both channels, which indicates an increase in engagement with posts of all kinds presented to the MBDA's social media audience. Analytics are not available for X (formerly Twitter).

Facebook followers to date

Performance



Facebook Social Media Performance 1 July 2023–30 June 2024



Instagram Social Media Performance 1 July 2023–30 June 2024



Current basic analytics for X



SUPPLY CHAIN MANAGEMENT AND BBBEE

For the financial year under review, the Procurement Plan for the 2023–2024 financial year was approved by the Chief Executive Officer and informed the tenders to be issued in line with the operational requirements of the Agency. For the period, twenty-five (15) tenders

were awarded out of thirty (28) tenders planned. The entity did not receive its quarterly tranches during the financial year, therefore other projects were replaced due to limited funds.

TENDER DESCRIPTION	NO. OF TENDERS
Awarded	15
Cancelled	0
Closed—no successful bidder	3
Closed—no responses	1
Bid advertised	2
Bid advertised closed	3
Evaluation stage	2
Adjudication	2
TOTAL	28

Progress on Procurement Plan as at 30 June 2024



Mandela Bay Development Agency Po Report From 1 July 2022 To 30 June 2024				
B BBEE LEVEL 2	15	R19,694,786.14	22%	54.45%
B BBEE LEVEL 3	2	R2,359,414.11	3%	6.52%
B BBEE LEVEL 4	3	R455,827.19	13%	1.26%
B BBEE LEVEL 5	0	R0.00	0%	0.00%
B BBEE LEVEL 6	1	R199,836.84	1%	0.55%
B BBEE LEVEL 7	0	R0.00	0%	0.00%
B BBEE LEVEL 8	0	R0.00	0%	0.00%
Non-Compliant B-BBEE Contributor	0	R0.00	0%	0.00%
TOTAL	68	R36,170,947.55	100%	100%

AUDIT REPORTS

Report of the Auditor General—Annexure B.

Annual Financial Statements—Annexure C.

Audit Action Plan—Annexure D.

Annexure B: Mandela Bay Development Agency 2023/24 Institutional Scorecard

MANDELA BAY DEVELOPMENT AGENCY PO REPORT FROM - 1 JULY 2022 TO 30 JUNE 2024

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/ FOCUS AREA	KEY PERFORMANCE INDICATOR	4TH QUARTER PLANNED TARGET (1 JULY 2023 - 30 JUNE 2024)
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#2: ECONOMIC DRIVERS	1	Happy Valley/Telkom Park/ Bayworld Precinct	Completing the Bayworld Sanctuary and Park.	• Bayworld Sanctuary and Park completed By 30 June 2024.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#2: ECONOMIC DRIVERS	2		Completing the Bayworld Killer Whale Café.	• Bayworld Killer Whale Café completed By 31 March 2024.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	3	Baakens Precinct	Rehabilitating the St Peter's site.	• St Peter's site rehabilitated By 31 December 2023 Amended to: • Initial contractor rehabilitation work completed by December 2023. • Secondary contractor rehabilitation work completed. (Landscaping, Cladding of containers, alterations to boardwalk, signage and Wi-Fi).
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	4	Korsten/Schauderville Precinct	Completing the Korsten/ Schauderville Sports Field.	• Sports Fields (Soccer and Cricket practical completion achieved By 31 March 2024.

ACTUAL PERFORMANCE AS AT 30 JUNE 2024	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS: - REASONS FOR OVERPERFORMANCE - REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE - BUDGETARY COMMENTS	PM COMMENTS
- Demolition completed. - Site clearing in progress.	Not Achieved	WORK DONE: During the period under review, it may be noted that the following work had been undertaken: The demolition has been completed. Clearing of the site was in progress (i.e. rubble removal). REASONS FOR UNDERPERFORMANCE: Due to the delay in payment of the contractor in the previous quarters, this had an effect on the progress on site. It may further be noted that because the rubble had not been completed/the site cleared, the landscaping on site could not commence either. CORRECTIVE ACTION: The contractor will provide an updated programme to expedite work as far as possible, to ensure that the works will be completed in the first quarter of the new financial year.	
Bayworld Killer Whale Café completed By 31 March 2024.	Achieved	WORK DONE: The Killer Whale Café was completed during the third quarter.	Refer to Q3 POE
- Initial contractor rehabilitation completed by 31 March 2024. - Secondary contractor works in progress. (Landscaping completed, cladding of containers commenced, alterations to boardwalk commenced, signage and Wi-Fi completed).	Partially completed	WORK DONE: During the period under review, the initial contractor rehabilitation work was completed by March 2024. The secondary service provider was appointed on 22 May 2024. NOTE: Because the project SCM processes were sourced through informal tendering processes, it may be noted that the service provider already forms part of the appointed internal service provider database. In this regard, the issuing of a purchase order serves as the appointment of this internal provider. Furthermore, the following work was undertaken in terms of the secondary contractor rehabilitation work: - Landscaping completed, - Cladding of containers commenced, - Alterations to boardwalk commenced, signage and Wi-Fi network installation completed REASON FOR UNDERPERFORMANCE: The underperformance reported is as a result of the fact that the service provider was appointed late in May 2024. This delay in appointment was as a result of the delayed receipt of funding from the municipality during the third quarter. The delayed payment resulted in SCM being inundated with requests which resulted in a delay in the appointment of the contractor. The contractor was only able to order materials on 31 May 2024 leaving little time to commence work on site. CORRECTIVE ACTION: The project manager will engage with the service provider on the delays experienced and will request revised plans to expedite works to catch up on time lost.	
Soccer field is practically complete and 95% overall cricket field completed.	Partially Achieved	WORK DONE: During the period under review, the soccer field was practically complete as per the consultants report. It may be noted, however, that the overall completion of the cricket field stood at 95% . Noting that the third quarter lighting target had not been achieved during the previous quarter, it may be noted that the lighting work for the sportsfield as a whole was recorded as follows as at 30 June 2024: - Concrete bases: 100% - Galvanised masts installation: 100% - Cables: 0% - Commissioning: 0% REASONS FOR UNDERPERFORMANCE: The practical completion of the sports fields as a whole (both cricket and soccer field) could not be achieved due to the earlier financial position of the agency which resulted in ripple effects into the fourth quarter. The non payment to the entity and also thus service provider, had a negative effect on achievement. CORRECTIVE ACTION: The Moore Dyke project has been carried over to the new financial year to ensure that the project as a whole will be complete during 2024/25.	

Annexure B: Mandela Bay Development Agency 2023/24 Institutional Scorecard

MANDELA BAY DEVELOPMENT AGENCY PO REPORT FROM - 1 JULY 2022 TO 30 JUNE 2024

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/ FOCUS AREA	KEY PERFORMANCE INDICATOR	4TH QUARTER PLANNED TARGET (1 JULY 2023 - 30 JUNE 2024)
		5		Completing the Korsten/Schauderville Pavilion.	• Korsten/Schauderville Pavilion Practical Completion achieved.
		6		Completing the Korsten/Schauderville Heritage Building; Caretakers Cottage and Courtyard.	• Korsten/Schauderville Heritage Building; Caretakers Cottage and Courtyard completed By 31 March 2024.
		7		Completing the Korsten/Schauderville Walkway and Access Road.	• Korsten/Schauderville Walkway and Access Road completed.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	8	Baakens Precinct	Upgrading of Baakens Park Walkway.	• Phase 1A - Baakens Park Walkway practical completion achieved.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	9	Kariega Precinct	Rehabilitating the Uitenhage Railway Sheds.	• Uitenhage Railway Sheds rehabilitated (Alteration work; Surface beds; lift pit preparation; block 1-GF electrical works completed). Amendment to : • Removal of existing purlins in block 2 completed. • Structural Steel works commenced in preparation for the mezzanine level in Block 1. • Installation of new purlins completed in Block 2. • Roof construction commenced in Block

ACTUAL PERFORMANCE AS AT 30 JUNE 2024	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS: - REASONS FOR OVERPERFORMANCE - REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE - BUDGETARY COMMENTS	PM COMMENTS
- Concrete roof completed. - Upper level brick work in progress.	Not Achieved	WORK DONE: During the period under review, the concrete roof had been completed during the third quarter, upper level brickwork was in progress during the fourth quarter, noting that the target was to have commenced during the third quarter but did not happen. It may be noted that as at 30 June 2024 the internal finishes had still not commenced. REASONS FOR UNDERPERFORMANCE: The practical completion of the sports fields as a whole (both cricket and soccer field) could not be achieved due to the earlier financial position of the agency which resulted in ripple effects into the fourth quarter. The non payment to the entity and also thus service provider, had a negative effect on achievement. CORRECTIVE ACTION: The Moore Dyke project has been carried over to the new financial year to ensure that the project as a whole will be complete during 2024/25.	
- Heritage building flooring and plumbing; structural works; new roof structure completed. - Cottage renovations in progress.	Partially Achieved	WORK DONE: During the period under review, the heritage building flooring and plumbing; structural works and new roof structure were complete. It may be noted that cottage renovations remained in progress with work such as timber floor sanding being completed in Q4. With regards to the courtyard paving, there was no further work that had been undertaken. REASONS FOR UNDERPERFORMANCE: The practical completion of the sports fields as a whole (both cricket and soccer field) could not be achieved due to the earlier financial position of the agency which resulted in ripple effects into the fourth quarter. The non payment to the entity and also thus service provider, had a negative effect on achievement. CORRECTIVE ACTION: The Moore Dyke project has been carried over to the new financial year to ensure that the project as a whole will be complete during 2024/25.	
- Stormwater reticulation pipe installation maintained. - Preparation work for walkway and access road paving maintained.	Partially Achieved	WORK DONE: During the period under review, no further work was completed on the access road, walkway or overall stormwater reticulation since the third quarter. REASONS FOR UNDERPERFORMANCE: The practical completion of the sports fields as a whole (both cricket and soccer field) could not be achieved due to the earlier financial position of the agency which resulted in ripple effects into the fourth quarter. The non payment to the entity and also thus service provider, had a negative effect on achievement. CORRECTIVE ACTION: The Moore Dyke project has been carried over to the new financial year to ensure that the project as a whole will be complete during 2024/25.	
Phase 1A - Baakens Park Walkway practical completion achieved.	Achieved	WORK DONE: During the period under review, practical completion was achieved for Phase 1A of the Baakens Park Walkway.	
- New Purlin fabrication commenced. - Structural steel works commenced in preparation of Block 1 mezzanine level. - Block 2 roof construction commenced	Partially completed	WORK DONE: During the period under review, the following work was undertaken: - Site established - Fabrication of new purlins commenced - Structural steel works commenced in preparation of Block 1 mezzanine level - Block 2 roof construction commenced REASONS FOR UNDERPERFORMANCE: The underperformance reported against this KPI is due to the late appointment of the contractor in the third quarter only. This impacted the commencement of construction activities. CORRECTIVE ACTION: A revised programme of works has been prepared to expedite construction works. The contractor's methodology also proposed that the process of removal and new installation of purlins in Block 2 be done simultaneously to fast track completion.	

Annexure B: Mandela Bay Development Agency 2023/24 Institutional Scorecard

MANDELA BAY DEVELOPMENT AGENCY PO REPORT FROM - 1 JULY 2022 TO 30 JUNE 2024

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/ FOCUS AREA	KEY PERFORMANCE INDICATOR	4TH QUARTER PLANNED TARGET (1 JULY 2023 - 30 JUNE 2024)
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	10	Helenvale	Completion of the Extension 12 park.	• Practical completion achieved.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	11	New Brighton	Completion of the New Brighton Drop off site.	• Practical completion achieved.
TRANSVERSAL / CROSS-CUTTING KPI's					
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	12	Entire MBDA	Number of EPWP work opportunities created.	• 546
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#6: AGILITY AND SYNERGY	13	Entire MBDA	Publishing an economic impact assessment by the Mandela Bay Development Agency in Nelson Mandela Bay.	• Economic impact assessment published.
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: SUSTAINABILITY	14	Entire MBDA	Percentage of Mandela Bay Development Agency's Operational Budget Actually Spent.	• 95% (Operating budget)
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: SUSTAINABILITY	15	Entire MBDA	Percentage of Mandela Bay Development Agency's Capital Budget Actually Spent.	• 95% (Capital budget)

ACTUAL PERFORMANCE AS AT 30 JUNE 2024	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS: - REASONS FOR OVERPERFORMANCE - REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE - BUDGETARY COMMENTS	PM COMMENTS
• Practical completion for spectator stands and stairs achieved.	Partially Achieved	WORK DONE: During the period under review, practical completion of the spectator stands and stairs was achieved. REASONS FOR UNDERPERFORMANCE: The reason for underperformance and noncompletion of the fencing at Extension 12 was due to the fact that the contractor had reached the contract value for the project but had only completed the spectator stands and stairs. As a result the current contractor could not continue with work after having reached the contract value. CORRECTIVE ACTION: To ensure that the project is finalised and completed, the process of a new tender to complete works will commence.	
• Contractor appointed. • Site established and work commenced.	Partially completed	WORK DONE: Contractor appointed. Site establishment and work commenced. REASONS FOR UNDERPERFORMANCE: The initial project delay was due to the MBDA financial situation as indicated during the third quarter. Following these financial constraints, the preferred bidder did not accept their appointment and as such alternate bidders were explored during April 2024. The next compliant bidder was only appointed on 25 April 2024 following which they first had to comply with specific requirements within 14 days before work could commence. This resulted in work starting late in Q4. CORRECTIVE ACTION: Consultation with the community was undertaken. Engaging a community for any project also assists with them taking ownership and safe-guarding the facility to ensure that speedy implementation of the project has no hassles.	
• 665	Over-Achieved	WORK DONE: During the quarter under review the number of work opportunities created was calculated at 665. REASONS FOR OVERPERFORMANCE: The reason for overperformance reported against this KPI is attributed to the fact that MBDA increased its security back to the full complement following receipt of funds, furthermore there was a Sunday Soul Session at the stadium which resulted in an increase of EPWP workers.	Refer to Q3 for overperformance POE
• Economic impact assessment published.	Achieved	WORK DONE: The economic impact MBDA has in NMBM was published on 27 June 2024.	
• 87%	Partially Achieved	WORK DONE: During the period under review, the capital expenditure was calculated at 87%. REASONS FOR UNDERPERFORMANCE: Due to quarterly tranche payment that had been paid extremely late by the parent municipality in accordance with the SDA. CORRECTIVE ACTION: Noting that the MBDA received its tranche payment late, it was still able to almost double its third quarter expenditure at year end.	
• 50%	Not Achieved	WORK DONE: During the quarter under review the capital expenditure was calculated at 50%. REASONS FOR UNDERPERFORMANCE: Due to quarterly tranche payment that had been paid extremely late by the parent municipality in accordance with the SDA. CORRECTIVE ACTION/MITIGATION: Noting that the MBDA received its tranche payment late, it was still able to double its third quarter expenditure at year end. It may be noted that the remainder of the incomplete projects will be carried over for final implementation during the 2024/25 financial year.	

Annexure B: Mandela Bay Development Agency 2023/24 Institutional Scorecard

MANDELA BAY DEVELOPMENT AGENCY PO REPORT FROM - 1 JULY 2022 TO 30 JUNE 2024

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/ FOCUS AREA	KEY PERFORMANCE INDICATOR	4TH QUARTER PLANNED TARGET (1 JULY 2023 - 30 JUNE 2024)
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: SUSTAINABILITY	16	Entire MBDA	Percentage of donor funding: KFW SPUU Budget Actually Spent.	• 70%
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: SUSTAINABILITY	17	All MBDA precincts	Percentage implementation of the Mandela Bay Development Agency's Financial Sustainability Model.	• 100% (in line with the Financial Sustainability Model Implementation Plan KPIs).
TRANSVERSAL / CROSS-CUTTING KPI's					
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#NMB Stadium Catalyst	18	North End Precinct	Upgrading Nelson Mandela Bay Stadium.	- Part 1 server room UPS batteries replaced Amended to: - Nelson Mandela Bay Stadium Server. - Room upgraded. - Changeroom Boilers completed.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#NMB Stadium Catalyst	19		Developing a Nelson Mandela Bay Stadium Strategic Commercial Plan.	• Nelson Mandela Bay Stadium Strategic Commercial Plan submitted to MBDA Board for approval.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#4: STC CATALYST	20	Kariega Precinct	Number of programmes facilitated/hosted by the NMB Science and Technology Centre.	• 80
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	21	All MBDA precincts	Percentage implementation of Mandela Bay Development Agency's Cleansing Plan.	• 100% (in line with Mandela Bay Development Agency's Quarterly Cleansing Plan).
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	22	All MBDA precincts	Percentage implementation of Mandela Bay Development Agency's Security Plan.	• 100% (in line with Mandela Bay Development Agency's Quarterly Security Plan).

ACTUAL PERFORMANCE AS AT 30 JUNE 2024	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS: - REASONS FOR OVERPERFORMANCE - REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE - BUDGETARY COMMENTS	PM COMMENTS
• 8%	Not Achieved	WORK DONE: During the quarter under review the SPPU expenditure amounted to 8%. REASONS FOR UNDERPERFORMANCE: The SPUU budget had been allocated during the adjustment budget period. The designs for the victim support centre had changed resulting in additional structural works. The tender had been advertised and values received were higher than the allocated budget. CORRECTIVE ACTION: The additional budget, designs and scope will be sent to KFW for non-objection. The contract can only be awarded once the non-objection is received and thereafter work can commence.	
• 100% (in line with the Financial Sustainability Model Implementation Plan KPIs).	Achieved	WORK DONE: During the period under review, the implementation plan was 100% implemented as follows: 1) Donor Database completed. 2) Final Fundraising framework and fundraising strategy approved by the board. 3) Actioning of the implementation plan commenced as follows: a) Discussions have commenced for the Science Centre Incubator and a draft RFQ have been completed. b) Terms of reference in progress. c) Draft Fundraising Policy in progress.	
• Phase 2 LED screens and information screens replaced. • Nelson Mandela Bay Stadium Server Room upgraded. • Changeroom Boilers completed.	Achieved	WORK DONE: During the period under review, the following work was undertaken: Phase 2 LED screens and information screens replaced. Nelson Mandela Bay Stadium Server Room upgraded. Changeroom Boilers completed.	
• Nelson Mandela Bay Stadium Strategic Commercial Plan submitted to MBDA Board for approval.	Achieved	WORK DONE: On 28 June 2024, the Nelson Mandela Bay Stadium Strategic Commercial Plan was submitted to the MBDA board for approval.	
• 90	Over-Achieved	WORK DONE: During the period under review, 90 programmes were facilitated/hosted by the NMB Science and Technology Centre.	
• 100% (in line with Mandela Bay Development Agency's Quarterly Cleansing Plan).	Achieved	WORK DONE: During the period under review, all activities listed in the cleansing plan had been implemented by the end of the financial year. It may be noted that whilst certain activities (such as the implementation of the waste minimisation strategy implementation) had not been completed in the third quarter as planned, these activities were carried over and all activities had been accumulatively completed by year end.	
• 100% (in line with Mandela Bay Development Agency's Quarterly Security Plan).	Achieved	WORK DONE: During the period under review, all work as planned in the security plan had been implemented.	

Annexure B: Mandela Bay Development Agency 2023/24 Institutional Scorecard

MANDELA BAY DEVELOPMENT AGENCY PO REPORT FROM - 1 JULY 2022 TO 30 JUNE 2024

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/ FOCUS AREA	KEY PERFORMANCE INDICATOR	4TH QUARTER PLANNED TARGET (1 JULY 2023 - 30 JUNE 2024)
PRONG 2: MBDA PROJECT MANAGEMENT SERVICES					
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#5: SUSTAINABILITY	23	Bethelsdorp	Completing planning for the Ward 34 Multi-purpose Centre.	• Construction tender documents drafted by 31 December 2023.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#5: SUSTAINABILITY	24	New Brighton	Completing planning for the Ward 17 Multi-purpose Centre.	• Construction tender documents drafted by 31 December 2023.
PRONG 3: GAME CHANGING CATALYTIC PROGRAMMES					
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#5: SUSTAINABILITY	25	Bayworld/Happy Valley Precinct	Completing the Bayworld Programme Land Alienation Plan.	• Draft Bayworld Programme Land Alienation Plan prepared by 31 March 2024.

ACTUAL PERFORMANCE AS AT 30 JUNE 2024	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS: - REASONS FOR OVERPERFORMANCE - REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE - BUDGETARY COMMENTS	PM COMMENTS
• Construction tender documents drafted by 31 December 2023.	Achieved	WORK DONE: Construction tender documents drafted by 31 December 2023.	Refer to Q2 POE
• Construction tender documents drafted by 31 December 2023.	Achieved	WORK DONE: Construction tender documents drafted by 31 December 2023.	Refer to Q2 POE
• Draft Bayworld Programme Land Alienation Plan prepared by 31 March 2024.	Achieved	WORK DONE: The Draft Bayworld Programme Land Alienation Plan was prepared in the third quarter.	Refer to Q3 POE

MBDA INTEGRATED ANNUAL REPORT

1 JULY 2023–30 JUNE 2024

Mandela Bay Development Agency

Corporate Services Executive

1st Floor, Tramways Building
Corner of Valley and South Union Street
Gqeberha, 6000



Tel: +27 (0)41 811 8200
E-mail: luvuyo.bangazi@mbda.co.za
mbda.co.za

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