# UN AUDITED ANNUAL REPORT

2024-25

AMATHOLE DISTRICT MUNICIPALITY

AMAHLATHI LOCAL MUNICIPALITY

RAYMOND MHLABA MUNICIPALITY

MNQUMA LOCAL MUNICIPALITY

GREAT KEI MUNICIPALITY

MBHASHE MUNICIPALITY

NGQUSHWA MUNICIPALITY

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## REVISED ANNUAL REPORT TEMPLATE

The purpose of this Annual Report template is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. This template provides an update to the MFMA Circular No. 11, issued in January 2005.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance Management arrangements in Chapter 6. This opens up greater possibilities for financial and non financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others. Notes are included throughout the format to assist the compiler to understand the various information requirements.

The financial years contained in this template are explained as follows:

- Year -1: The previous financial year;
- Year 0: The financial year of reporting;
- Year 1: The following year, mostly requires future targets; and
- The other financial years will follow a similar sequence as explained above.

We wish to express our gratitude to the members of the Annual Report Reference Group, consisting of national, provincial and municipal officials for their inputs and support throughout the development of this document.

MFMA Implementation Unit, National Treasury July 2012.

# Chapter 1

## CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR'S FOREWORD

**MAYOR'S FOREWORD**

The Local Government accountability cycle provides for municipalities to account to communities and stakeholders on the performance of the municipality on service delivery and governance on an annual basis.
The time has come for the District Municipality to report back to the citizens on the road travelled so far, I am pleased to present a summary of the performance of the ADM for the 2024/25 financial year.

The Annual report is a reflection on the performance of the Municipality on key development objectives articulated in the Integrated Development Plan and the Budget. These the key Strategic Planning instruments provide a framework to guide the Municipality in responding systematically to the development needs of communities and improve the lives of the people.

I am delighted to report that the District Municipality has recorded constant improvement in performance compared to previous years, and the Annual Report records areas in which the municipality has improved.
With improvement in political and administrative stability, the Municipality has recorded concomitant improvement in project expenditure with all the conditional grants spent according to plans. This bodes well for accelerated infrastructure investment and improvement in the quality of life of the citizens of district. I am proud to report that we have also recorded improvement in Audit outcomes for the last financial year with a qualified opinion for the first time in more than five years.
The road we have traversed thus far has convinced us that the choices we made set the Institution on the path to stability and financial recovery and we will continue in this path.

The alignment of our vision to the National Development Plan and the Provincial Growth and Development Plan, with view to achieve synergy in long term planning of the three spheres has been achieved, enabling greater cooperation between the three spheres of government. The District Development Model provides a framework for cooperation amongst the three spheres to realize the long term development objectives of the country.

The Municipality is under the Financial Recovery Plan, with all workstreams constituted and working well, we hope that soon the Municipality will be taken out of the recovery plan thus giving Council unfettered control of finances. We have recorded significant improvement in implementation of Financial Recovery Plan, with all workstreams working hard to get us closer to financial independence.

Within the framework of the District Development Model, the ADM has collaborated with National and Provincial Government Departments in a number of areas, including support to the Back-to-School Campaign. The District Development Model is working well with full participation of municipalities and government departments.

The Annual report outlines successes that have been recorded in pursuit of our mandate, on service delivery, good governance, economic transformation and social cohesion.

# Chapter 1

ADM continues to suffer from poor revenue collection, inadequate delivery of water and sanitation services, infrastructure vandalism, and illegal connections. We remain convinced that these challenges will soon be a thing of the past if we are patient and consistent in our approach.

The key pillars of good governance are Public Participation, Accountability and Oversight. The Annual report confirms that the Municipality has performed in all these key areas, and the presentation of the report is indication that the Municipality conforms to the basic principles of good governance and accountability. All our governance structures have been strengthened and are fully functional, with Council and Standing Committee meeting as per approved calendar.

During this period, we have been steadfast in strengthening interface with citizens of the district, through IDP/Budget Roadshows, Annual Report Public Hearing's, Civic Education, and other initiatives intended to strengthen relations between government and citizens. We affirm that active citizenry is the cornerstone of democratic and accountable governance.

Cllr Anele Ntsangani

**EXECUTIVE MAYOR: AMATHOLE DISTRICT MUNICIPALITY**

*T 1.0.1*

# Chapter 1

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

**MUNICIPAL MANAGER'S OVERVIEW**

The 2024/2025 financial year marked a renewed commitment by the Amathole District Municipality to rebuild institutional credibility, accelerate basic service delivery, and reassert its role as a responsive, developmental district in the Eastern Cape.

This reporting year was delivered under the guiding theme "Efficiency 2025", which speaks to our strategic intent to modernise operations, tighten performance monitoring, and entrench a culture of accountability across all levels of the institution. Amidst fiscal tightening, persistent drought conditions, and infrastructure backlogs, ADM worked to consolidate gains made in the previous year while pushing forward with key service delivery interventions, particularly in water and sanitation — the core mandate of the district.

Through the Expanded Public Works Programme, borehole drilling, spring protection, and the distribution of water tanks, we responded decisively to the growing needs of rural communities. The professionalisation of public works and infrastructure initiatives continued to open opportunities for local skills development, creating pathways for youth and graduates to contribute to development.

In the spirit of strengthening institutional coordination and performance alignment, this year also saw the reinforcement of our governance and oversight systems, from SDBIP implementation and quarterly performance reviews to internal audit engagements and compliance with MFMA reporting timelines. All these processes were executed in strict adherence to the Municipal Accountability Cycle, ensuring that planning, budgeting, implementation, and performance reporting remained integrated and transparent.

One of the most strategic steps taken during this period was the elevation of communication as a central lever of governance and service delivery. In line with the "Efficiency 2025" campaign, the Municipal Managers Forum endorsed the integration of District and Local Communicators into formal intergovernmental planning, enabling better message alignment, proactive community engagement, and responsive public information systems. This repositioning affirms that strategic communication is not a peripheral support function — it is a key driver of legitimacy, trust, and developmental impact.

The institution also continued its trajectory toward financial maturity and improved audit outcomes. While challenges remain, we are seeing improved budget compliance, grant performance, and oversight committee engagement. Our internal teams have shown commendable resilience and focus, and I wish to extend my appreciation to all departments, our municipal entity Aspire, Council leadership, and our dedicated staff who drive service delivery under often trying conditions.

As we prepare for the next local government transition, we do so under the banner adopted by the Municipal Managers Forum:

“A Capable District in Pursuit of Clean Governance, Delivery Impact and People-Centred Service.”

This Annual Report stands not only as a compliance obligation but as a mirror through which the people of Amathole must see progress, accountability, and their voices reflected in our programmes.

**DR B.J. MTHEMBU**
**MUNICIPAL MANAGER: AMATHOLE DISTRICT MUNICIPALITY**

*T 1.1.1*

## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA

The Amathole District Municipality as Water Services Authority and Water Services provider, plans, constructs and operates water and sanitation services throughout the Amathole District. The predominantly rural nature of the district is a constraint to ensure all consumers have access to services. However, the municipality is continuously rolling out services to areas previously not served. With the assistance of additional grant funding from the Department of Water Affairs, interim water supply is being provided in areas where formal systems will still take some time to roll out. The 2011 Census reflects that Amathole District Municipality has a population of 892 637 people as compared to 968 920 from Census 2001. From analysis of these trends since 1996, it is clear that the population has been decreasing steadily from more than 1 million people to around 900 000 in 2011. This suggests that the Amathole Region has been affected by outward migration since the official statistics indicate that almost 100 000 people have left the region during this period.

This Trend is not unique This trend is not unique to the Amathole Region only, as people across the Eastern Cape have migrated over the last 10 years to the Metropolitan Areas of Buffalo City and Nelson Mandela as well as other more economically prominent provinces of South Africa like Gauteng and the Western Cape.

However, the Stats SA Community Survey conducted in 2016 reflected below shows that ADMs total population is currently 914, 820.

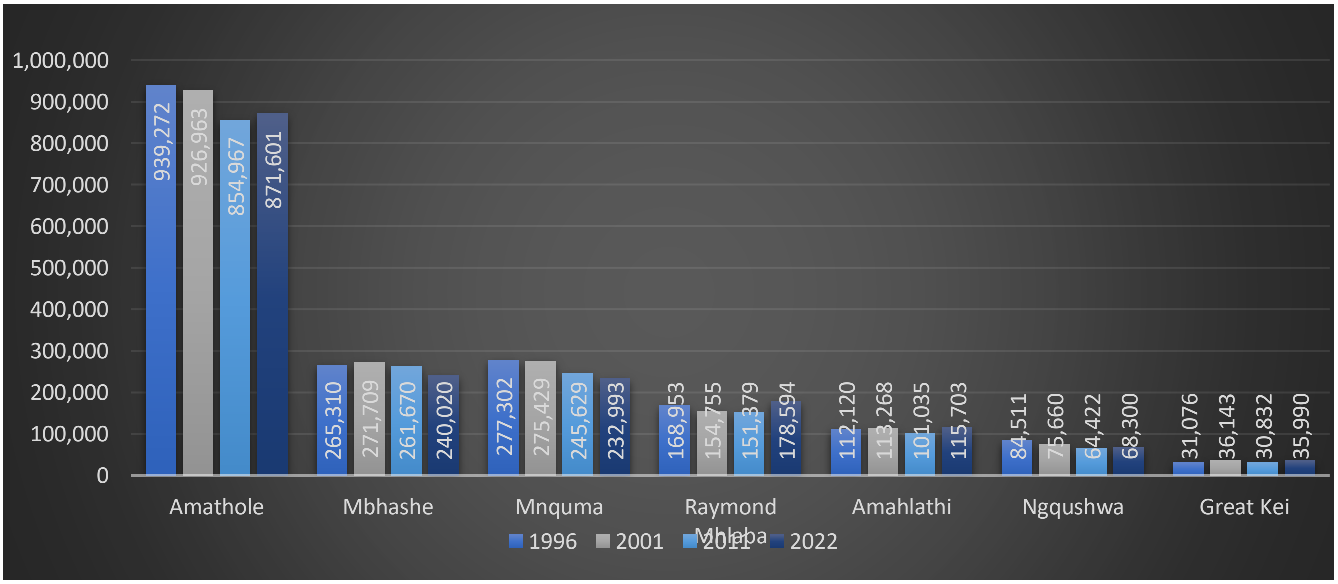
*T 1.2.1*

# Chapter 1

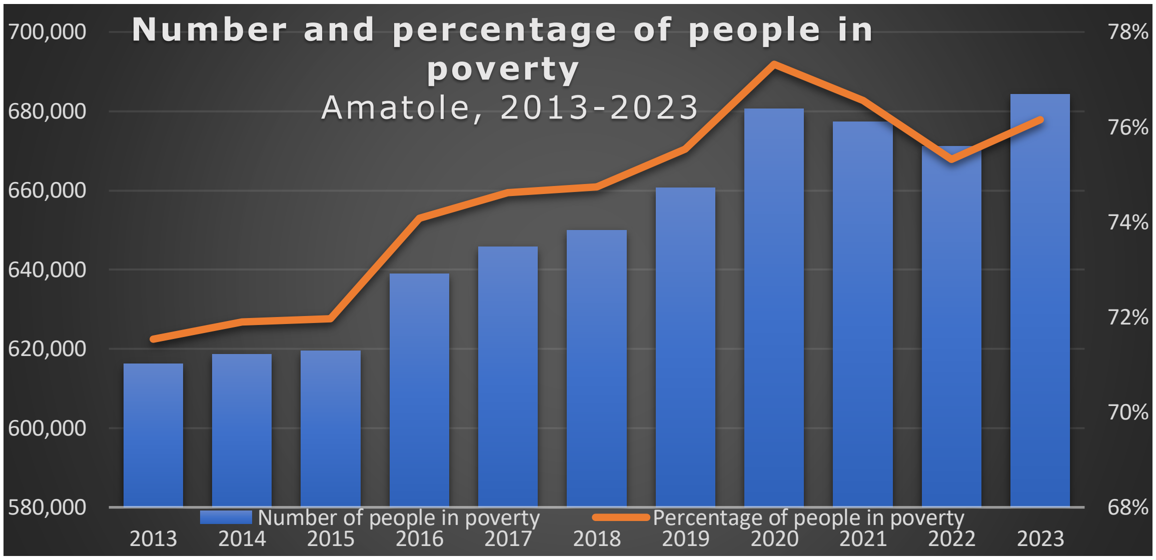
| Population Details | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Population '000 |
| Amathole District and Local Municipalities | 2016 Census | | | 2011 Census | | | 2022 Census | | |
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| DC12 Amathole | 432,295 | 482,525 | **914,820** | 419,247 | 473,389 | **892,637** | 415 004 | 456 597 | 871 601 |
| EC121 Mbhashe | 125,084 | 144,985 | **270,068** | 117,230 | 137,679 | **254,909** | 111 137 | 128 883 | 240 020 |
| EC122 Mnquma | 120,109 | 133,905 | **254,013** | 117,873 | 134,517 | **252,390** | 111 374 | 121 619 | 232 993 |
| EC123 Great Kei | 19,108 | 20,368 | **39,476** | 18,703 | 20,287 | **38,991** | 17 491 | 18 499 | 35 990 |
| EC124 Amahlathi | 58,732 | 63,816 | **122,548** | 58,647 | 64,131 | **122,778** | 56 463 | 59 218 | 115 705 |
| EC126 Ngqushwa | 32,423 | 36,776 | **69,200** | 33,984 | 38,206 | **72,190** | 32 614 | 35 686 | 68 3800 |
| EC129 Raymond Mhlaba | 76,840 | 70,676 | **159,516** | 72,810 | 78,569 | **151,379** | 85 924 | 92 670 | 178 594 |

*Source: Statistics SA* T 1.2.2

**TOTAL POPULATION - AMATHOLE AND THE REST OF EASTERN CAPE, 2023 [PERCENTAGE]**



NUMBER AND PERCENTAGE OF PEOPLE LIVING IN POVERTY - AMATHOLE DISTRICT MUNICIPALITY, 2013-2023 [NUMBER PERCENTAGE]



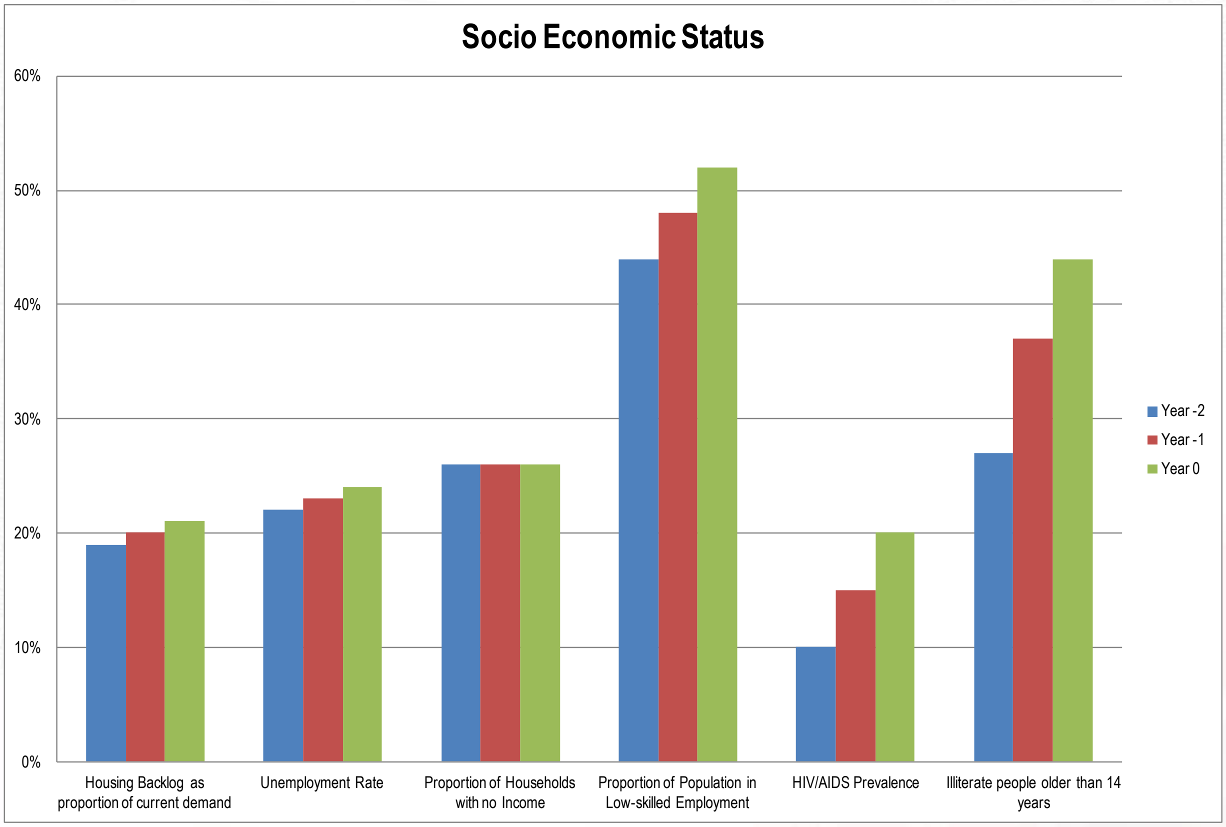

*Source: ECSECC, 2024*

In 2023, there were 684 000 people living in poverty, using the upper poverty line definition, across Amatole District Municipality - this is 11.02% higher than the 616 000 in 2013. The percentage of people living in poverty has increased from 71.54% in 2013 to 76.15% in 2023, which indicates an increase of – 4.61 percentage points.

*T1.2.3*

| Socio Economic Status | | | | | | |
|---|---|---|---|---|---|---|
| Year | Housing Backlog as proportion of current demand | Unemployment Rate | Proportion of Households with no Income | Proportion of Population in Low-skilled Employment | HIV/AIDS Prevalence | Illiterate people older than 14 years |
| Year 18/19 | 54.33% | 36.78% | None | 39.6% | 14.1% | 10.3% |
| Year 19/20 | 54.33% | 36.78% | None | 39.6% | 14.1% | 10.3% |
| Year 2020/21 | | | | | | |
| Year 2021/22 | | | | | | |
| Year 2022.23 | | | | | | |

*T 1.2.4*




*T 1.2.5*

| Overview of Neighbourhoods within '*Amathole District Municipality*' | | |
|---|---|---|
| **Settlement Type** | **Households** | **Population** |
| Towns | | |
| | | |
| | | |
| | | |
| | | |
| Sub-Total | 0 | 0 |
| Townships | | |
| | | |
| | | |
| | | |
| | | |
| Sub-Total | 0 | 0 |
| Rural settlements | | |
| | | |
| | | |
| | | |
| Sub-Total | 0 | 0 |
| Informal settlements | | |
| | | |
| | | |
| | | |
| Sub-Total | 0 | 0 |
| Total | 0 | 0 |
| | | *T 1.2.6* |

| Natural Resources | |
|---|---|
| **Major Natural Resource** | **Relevance to Community** |
| Misty Amathole Mountain<br>The Fish River<br>Well-watered Wild Coast | Opportunities for growth, development, agriculture, industry, biodiversity management, conservation and tourism, water resource management and provision. Opportunities |
| Mild and temperate climate | Wind Energy (Great Kei, Ngqushwa and some parts of Raymond Mhlaba) |
| The diverse range of vegetation types, including the semi-arid Karoo, thornveld, succulent and thicket areas. | Hydro Energy |
| ADM possesses 81.52 % of areas remaining natural and 18.48 % of areas where no natural habitat remains | Community based initiatives in rural coastal communities |
| The coastline extends for approximately 269 km | Recreation activities |
| The biodiversity of the Amathole DM is represented in 5 major biomes that describe the different biotic communities.<br><br>These biomesare Savanna (34.5%), Grasslands (31.5%), Albany Thicket (29.6% of the area), Indian Ocean Coastal Belt (3.7%) and Forests (0.6%) | Job creation through sustainable livelihood projects, Alien removal |
| There are 56 recorded rivers in the Amathole district municipality | Fish Farming |
| There are four major drainage regions in the ADM, i.e., Great Fish River catchment, Amathole catchment, Great kei River basin,and Mbashe River basin | Eco Tourism |
| There are 9565 wetlands at Amathole district municipality | Conservation Agriculture |
| Within the Amathole DM there areapproximately 49 functional estuarine systems | Working for the water and Coast Programs |
| Coastline which includes estuaries,conservancies, national heritage sites, rocky shores and sandy beaches. | Recreation and Tourism, research and education, cultural values, commercial and subsistence agriculture |
| Freshwater systems | Maricultural and aquaculture |
| Biodiversity and natural forests | Land-based projects, carbo credits, environmental projects |
| | *T 1.2.7* |

| COMMENT ON BACKGROUND DATA: |
| --- |
| ***Delete Directive note once comment is completed*** - Set out Key challenges and opportunities for the municipality arising from the data provided in this demographic section. Discuss the relevance of the 5 Major resources and the ways in which your municipality is trying to improve the positive impact they have on the local community. |
| *T 1.2.8* |

## 1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

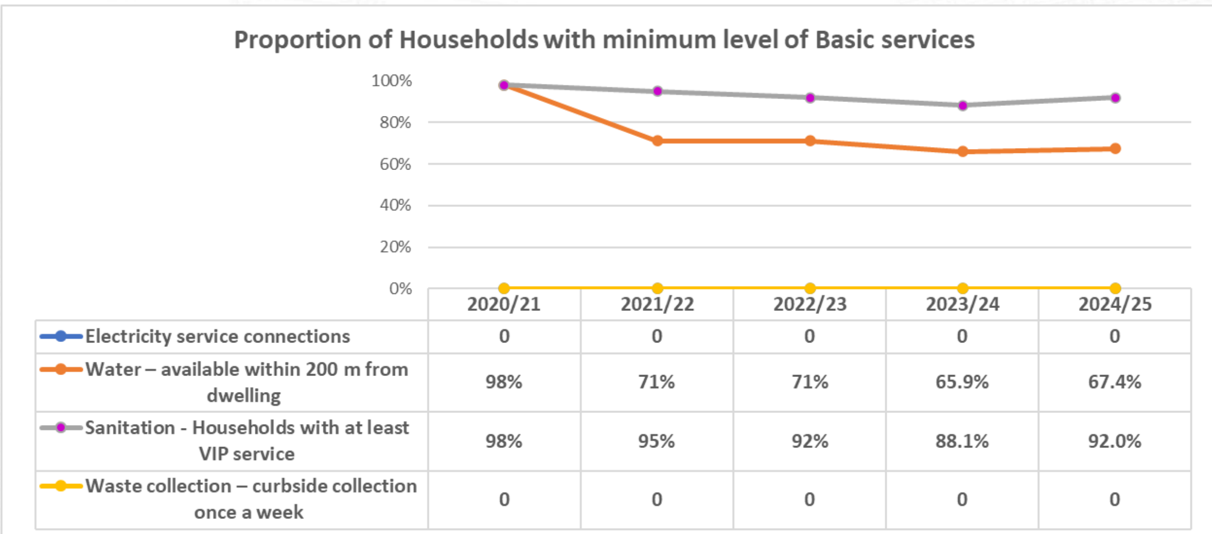
District Municipality (ADM) became a Water Services Authority in 2003 and through a subsequent Section 78 process, became the Water Service Provider for the Amathole District in July 2006;
Approximately 30% of water consumed in the District is purchased from the Amatola Water Board, while the balance is supplied from thirty (30) ADM owned Water Treatment Works and over eighty (80) borehole schemes;
Water is supplied through metered yard connections in the towns and through communal standpipes in rural areas and informal settlements;
During the last assessment which was in 2022, the ADM failed to achieve Blue Drop status for any of its water treatment works, and obtained an overall average score of 59.5% regressing from 80.24% in the previous assessment (2014);
It should be noted that the ADM operates more treatment works than any other municipality in the country and the remoteness of many of these treatment facilities makes management difficult and expensive;

- During the 2024/25 financial year the ADM continued with an aggressive Water Conservation and Demand Management Project in order to reduce unaccounted for and non-revenue water. Service Providers also continued with the refurbishment of both Water and Wastewater Treatment Facilities, pump stations and pipelines. This is a multiyear program that will continue on an annual bases till the whole district is covered.

- ADM continues with its comprehensive approach to planning and managing water services in the district. A (draft) detailed Infrastructure Asset Management Plan has been completed, the review (major) of the Water Services Development Plan and draft Water Services Master Plan have been completed. These plans will go a long way in ensuring a reliable, efficient and sustainable water system.

*T 1.3.1*

| Proportion of Households with minimum level of Basic services | | | | | |
|---|---|---|---|---|---|
| | Year 20/21 | Year 21/22 | Year 22/23 | Year 23/24 | Year 24/25 |
| Electricity service connections | n/a | n/a | n/a | n/a | n/a |
| Water - available within 200 m from dwelling | 98% | 71% | 71% | 65.9% | 67.4% |
| Sanitation - Households with at least VIP service | 95% | 95% | 92% | 88.1% | 92% |
| Waste collection - kerbside collection once a week | n/a | n/a | n/a | n/a | n/a |




*T 1.3.2*

COMMENT ON ACCESS TO BASIC SERVICES:

ADM in its mandate of providing both water and sanitation basic level of services is busy implementing Regional Projects to ensure that there is a significant impact once the projects are complete. These are multi-year projects as they take more than one financial year to be completed.

During 2024/25 financial year 3 582 households were provided water at RDP level of service and 9 287 households were provided with VIP sanitation in different Local Municipal Areas. The rate and pace in which these services are provided is determined by the MIG grant funding allocated to the Municipality in that particular financial year

*T 1.3.3*

## 1.4. FINANCIAL HEALTH OVERVIEW

| FINANCIAL OVERVIEW |
|---|
| The total ADM budget of R2.6 billion is made up of external and internal sources of income. The external source of income is more than half of the total budget and remains grant dependent. The municipality generates its own internal income from Water, Sanitation and Fire charges. |
| *T 1.4.1* |

# Chapter 1

| Financial Overview: Year 2024/2025 | | | |
|---|---|---|---|
| | | | R' 000 |
| **Details** | **Original budget** | **Adjustment Budget** | **Actual** |
| Income: | | | |
| Grants | 1 814 990 | 1 830 947 | 1 288 217 |
| Taxes, Levies and tariffs | 707 899 | 707 899 | 1 156 948 |
| Other | 32 450 | 34 712 | 24 138 |
| Sub Total | 2555339 | 2573558 | 2469303 |
| *Less:* Expenditure | 2555339 | 2573558 | 1371184 |
| Net Total* | 0 | 0 | 1098119 |
| ** Note: surplus/(deficit)* | | | *T 1.4.2* |

| Operating Ratios | |
|---|---|
| **Detail** | **%** |
| Employee Cost | 34% |
| Repairs & Maintenance | 3% |
| Finance Charges | 0.2% |
| Debt Impairment | 19% |
| | *T 1.4.3* |

COMMENT ON OPERATING RATIOS:

**Explain variances from expected norms: 'Employee Costs' expected to be approximately 30% to total operating cost; 'Repairs and maintenance' 20%; Finance Charges and Impairment 10%.**

**Employee Costs**

Employee costs remain the highest cost incurred by the Municipality at R75 235 million planned expenditure for the year. The 2024/25 financial year yielded a ratio of 34%, which is a decrease from the previous financial year.

ADM is actively working on reducing the employee costs and is included in the financial recovery plan.

**Repairs and Maintenance**

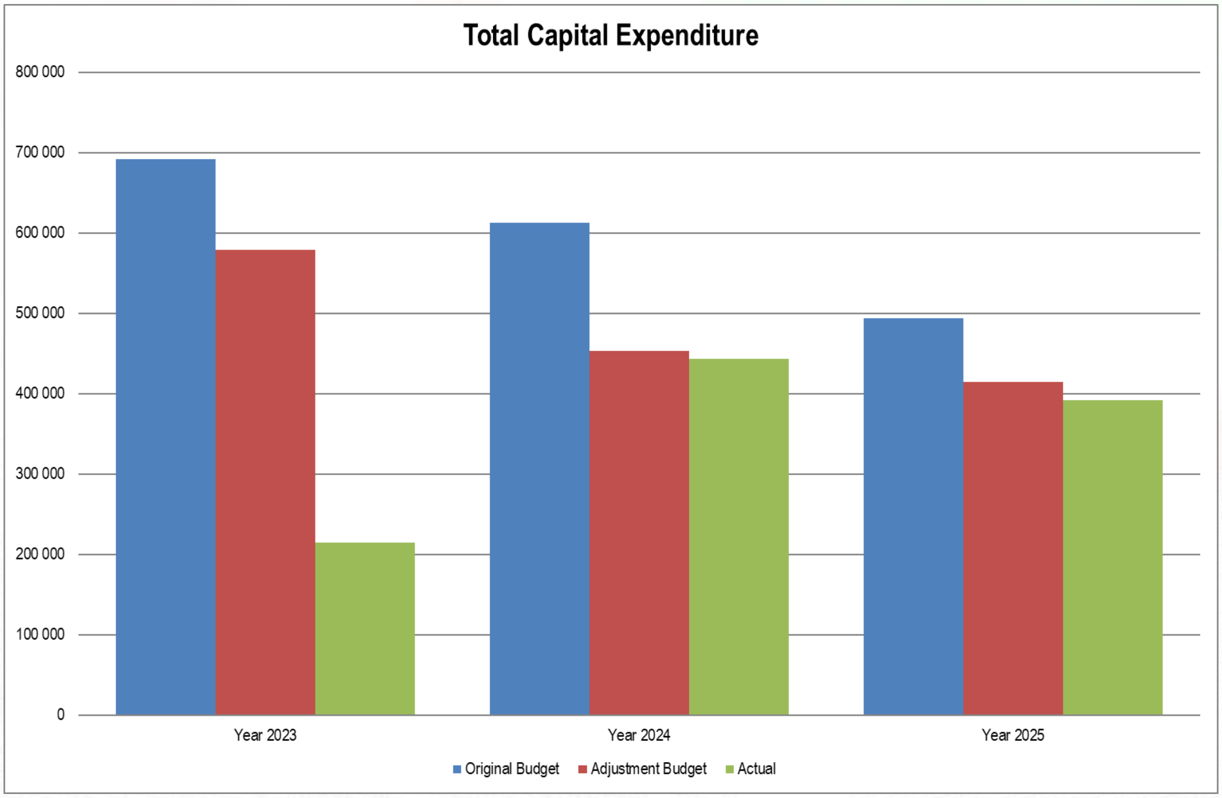
This ratio can be used to assess whether asset management is effective or not. The expenditure is adhoc in nature and is mainly incurred when pipes burst or when pumps need to be fixed. To ensure that assets are adequately maintained, a program for the planned maintenance and replacement is essential.

**Debt impairment**

The municipality has a provision for doubtful debt of R4399 million which provides for 79% of the consumer debt. The debt impairment expense comprises 19% of the 2024/25 operating expenditure in comparison to 23% in the 2023/24 financial year.

*T 1.4.3*

| **Total Capital Expenditure: Year 2024 to Year 2025** | | **R'000** |
|---|---|---|
| **Detail** | **Year 2022/23** | **Year 2023/24** |
| Original Budget | *612 520* | *493 748* |
| Adjustment Budget | *453 327* | *415 055* |
| Actual | *443 572* | *391 518* |
| | | *T 1.4.4* |




*T 1.4.5*

COMMENT ON CAPITAL EXPENDITURE:

**Explain variations between Actual and the Original and Adjustment Budgets.**

Investment in infrastructure decreased over the years due to the reduction in the capital budget allocation. The capital budget is mainly funded by grants and therefore if capital grant allocations are reduced for a financial year, it directly impacts the capital budget.

T 1.4.5.1

## 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

As part of the broader strategy on institutional arrangement, ADM decided on a list of key interventions that were to enable the Municipality to move closer to the envisaged goal, while ensuring that all functions are at accurate skills levels and T.A.S.K grades as contained in the South African Local Government Association Job Evaluation Policy. The list, accompanied by the envisioned deliverables and a comprehensive implementation plan was submitted and approved by Council. To-date, a significant ground in respect of implementation plan has been covered and concluded, which will lead to the migration of incumbents from the old to the new structure.

## 1. Migration of Staff to the New Organogram

The Job Evaluation Final Outcomes Results were approved by Council on 28 July 2023, after which the placement process resumed. In January 2024, the reviewed organogram was also approved by Council after consultations with relevant structures like Local Labour Forum and MEC for comments.
The migration of staff is at 99% completion and facilitated through placement and internal recruitment processes.

## 2. Job Evaluation Update

Progress on the grading and auditing of positions on the structure that was reviewed in 2024 is at 87%. However, with the current review of the structure, the number of outstanding positions is expected to increase due to modifications in positions in the structure under review. The TASK Job Evaluation System licence contract expired making the job evaluation process dormant. SALGA has also issued a Circular advising municipalities to use a Master List/Job Catalogue meanwhile the job evaluation process is still on hold. The Master List / Job Catalogue is not yet finalized. The job descriptions have therefore not been evaluated since 30th June 2024.

## 3. 2023/24 Staff Establishment Review Update

ADM has embarked on a fresh review of its 2018 structure by taking into consideration the recently enacted Municipal Staff Regulations and the amended Municipal Systems Act to ensure that the Organogram is credible and compliant. Sessions have also been held in the Local Labour Forum regarding the reviewed structure to allow Organised Labour to make meaningful input. On the 31 May 2023 the structure was submitted to Council for approval and to be further submitted to COGTA for comments. The structure review underwent numerous consultative processes with the relevant structures such as the management echelon and the Local Labour Forum. Thus, a comprehensive consultation culminated .and the recommendation by Council was that a councillor workshop be conducted prior the COGTA submission. On the 22 June 2023 a Councillor workshop was organised and the structure was discussed and a follow up on the certain grey arrears was conducted virtually on the 28 June 2023. The structure was adopted by Council on the 14th July 2023 will be further submitted to COGTA for comments.

The 2023/2024 structure was approved by Council in January 2024, with comments from COGTA. The structure is in the process of reviewal. the consultations have been done with Local Labour Forum for meaningful input from Organized Labour on the 27 May 2025 and subsequently submitted to Council on 29 May 2025 for further submission to COGTA for comments.

**ELEMENTS OF THE PROPOSED STRUCTURE**

The 2023/2024 approved structure has a total of 1897 positions, with Technical Services and Infrastructural Development and Community Services Departments having a total of 1426 positions. This is a confirmation that the core mandate of the municipality with regards to powers and functions was considered. The review yielded a reduction of 187 positions since the 2018 review.

ADM structure is undoubtedly huge, but without compromising service delivery to communities, total staff complement in the structure is intended to be reduced by a big margin from the one that was approved in 2018 with a total of 2084 positions. Thus, concentration in populating the organogram is mainly on service delivery departments than those with support responsibilities. Thus, the core mandate of the municipality with regards to powers and functions is being considered. The ADM is in a process of reviewing its 2023/2024 structure. The proposed 2025/2026 structure has a total of 1958 positions with 61 adjusted positions from the 2023/2024 structure. Consultations on the proposed 2025/2026 structure are still in progress

*T 1.5.1*

## 1.6. AUDITOR GENERAL REPORT

| AUDITOR GENERAL REPORT: YEAR 2023.24 |
|---|

## Report of the auditor-general to Eastern Cape Provincial Legislature and the council on Amathole District Municipality and its subsidiary

### Report on the audit of the consolidated and separate financial statements

#### Qualified opinion

1. I have audited the consolidated and separate financial statements of the Amathole District Municipality and its subsidiary (the group) set out on pages xx to xx, which comprise the consolidated and separate statement of financial position as at 30 June 2024, consolidated and separate statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the group as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and Division of Revenue Act 5 of 2023 (Dora).

#### Basis for qualified opinion

##### Property, plant and equipment

3. I was unable to obtain sufficient appropriate audit evidence for property, plant and equipment and depreciation and amortisation due to the lack of adequate records that supports the balance of infrastructure assets. In addition, infrastructure disposals were not supported by sufficient evidence. Furthermore, the municipality did not have adequate internal control systems in place for the adequate maintenance of the fixed asset register for infrastructure assets. I was unable to determine by alternative means whether any adjustments were necessary to property, plant and equipment stated at R5,26 billion (2023: R4,98 billion), depreciation, amortisation and impairment stated at R160,18 million (2023: R104 million) and loss on disposal of assets stated at R20,68 million in the consolidated and separate financial statements.

##### Receivables from exchange transactions

4. The municipality did not recognise all the receivables from exchange transactions in accordance with GRAP 104, Financial Instruments, due to incorrect billing in the previous year. Additionally, the amounts written off as uncollectable debts was more than the write-off approved by council. Furthermore, the calculations for allowance for impairment were not supported by accurate and consistent information that is aligned to the credit risk policy of the municipality. Consequently, receivables from exchange transactions is overstated by R137,31 million

*T 1.6.1*

## 1.7. STATUTORY ANNUAL REPORT PROCESS

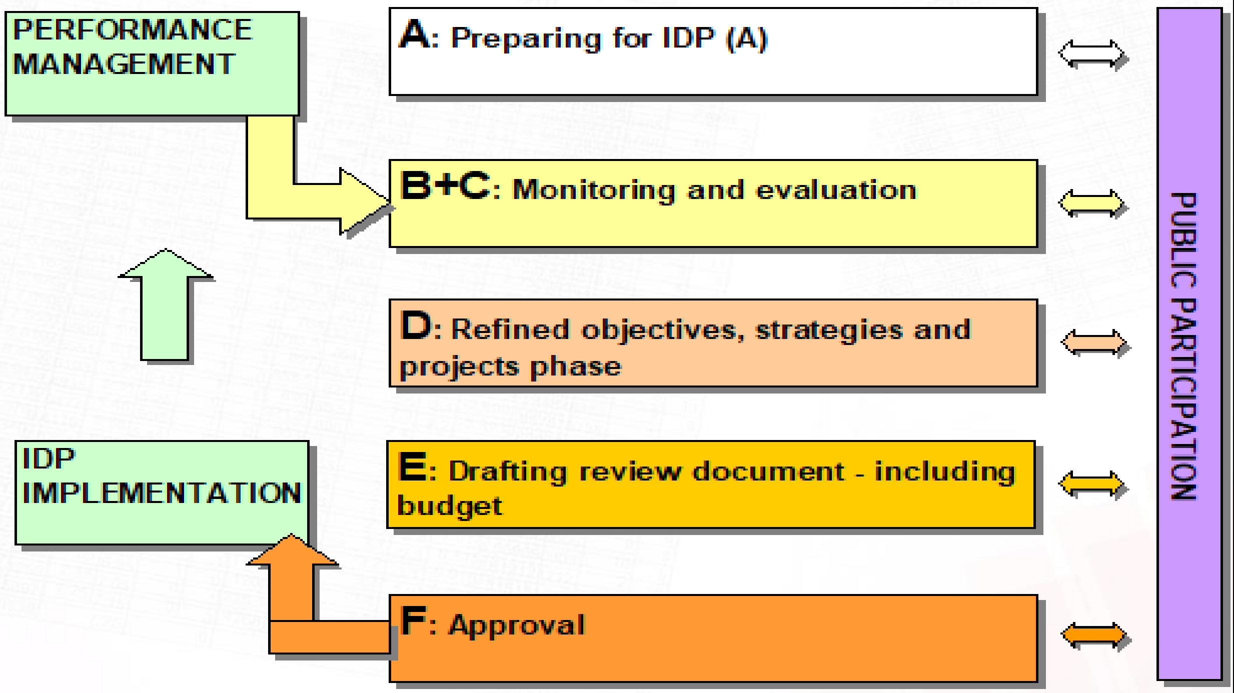
| No. | Activity | Timeframe |
|---|---|---|
| 1 | Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period | July 2024 |
| 2 | Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting). | |
| 3 | Finalise the 4th quarter Report for previous financial year | |
| 4 | Submit draft year 0 Annual Report to Internal Audit and Auditor-General | |
| 5 | Municipal entities submit draft annual reports to MM | |
| 6 | Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant) | August 2024 |
| 8 | Mayor tables the unaudited Annual Report | |
| 9 | Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General | |
| 10 | Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase | |
| 11 | Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data | September – October 2024 |
| 12 | Municipalities receive and start to address the Auditor General's comments | November 2024 |
| 13 | Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report | |
| 14 | Audited Annual Report is made public and representation is invited | |
| 15 | Oversight Committee assesses Annual Report | |
| 16 | Council adopts Oversight report | December 2024 |
| 17 | Oversight report is made public | |
| 18 | Oversight report is submitted to relevant provincial councils | |
| 19 | Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input | January 2025 |
| | | *T 1.7.1* |

COMMENT ON THE ANNUAL REPORT PROCESS:

The Amathole District Municipality has followed the prescribed format in the MFMA Circular No. 63 published in September 2012 in developing its Annual Report, and also considered its Integrated Development / Budge / Performance Management System process plan that is reviewed yearly. The prescribed Annual Report process has enhanced the oversight functions of Council.

The process plan for the 2023.24 financial year was tabled to Council at the end of August as guided by the Circular.

By nature, Annual Reports are aligned with the planning documents and municipal budget for the year reported on. This means that the IDP, budget, SDBIP, in-year reports, annual performance report and Annual Report should have similar and consistent information to facilitate understanding and to enable the linkage between plans and actual performance. Another benefit in following the prescribed timeframes is that the Annual Report information becomes the feeder to the IDP Situational Analysis.




*T 1.7.1.1*

# Chapter 2

## CHAPTER 2 – GOVERNANCE

**INTRODUCTION TO GOVERNANCE**

One of the key principles of good governance is the establishment of ethical leadership within an institution. In a municipal setting this translates into:

- The need to clearly define the roles and responsibilities of the leadership and individual leaders in a municipality;
- The embedding within the leadership of an ethical culture based on the vision and values of the institution and Constitutional principles, both to guide and to measure against, the actions of leaders; and
- The entrenchment of the principle of holding leaders accountable for their actions.

*T 2.0.1*

# Chapter 2

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Amathole District Municipality is an Executive Mayoral type with all the Executive powers of the Council vested in the Executive Mayor, who is assisted by members of the Mayoral Committee. The ADM Council has a Committee system in line with the provisions of Section 79 and 80 (1) of the Municipal Structures Act 117 of 1998, as amended. Committees established in terms of section 79 of the Municipal Structures Act (Act 117 of 1998 as amended) perform functions assigned to them by the Council, through terms of reference and report directly to Council under the Legislative Support Reports. Section 80 Committees referred to as Standing Committees, assist the Executive Mayor in the execution of his duties and their reports are submitted to the Mayoral Committee and processed through that Committee to Council.

The Standing Committees are constituted by both Portfolio [Mayoral Committee Members] and Part-Time Councilors and Traditional Leaders designated for participation in municipal council. The Standing Committees are chaired by Portfolio Councilors and attended by the Municipal Manager and Heads of Department. They have the power to consider and make recommendations to the Mayoral Committee/ Executive Mayor on all issues falling within the ambit of their functional areas. Standing Committees meet Bi-monthly in line with the Institutional Calendar developed by the Speaker and adopted by the Council

A report on the functionality and performance of Council and its Committees is submitted quarterly as part of the Speakers reports in terms of Rule 109 of the Standing Rules. The Municipal Public Accounts Committee convened meetings physically and virtually when need arises process all the reports at her disposal. The Rules Committee in the 2022.23 financial year reviewed the Standing Rules to be in line with Covid 19 regulations. This therefore made provision in the 2023.24 financial year that both options of virtual and physical meeting be in terms of the standing rules of Council.

*T 2.1.0*

# Chapter 2

## 2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The attainment of ADM's vision depends on the efficiency and effectiveness of Councils Governance structures including political oversight to ensure consistent focus on performance and service delivery. The office of the Speaker is entrusted with a responsibility to ensure that municipal systems are in place and are geared for effective service delivery and good governance. Such must include systems for effective management of the political /administrative interface and decision-making processes.
Council is fully Functional as meetings are held regularly for Council to consider reports including compliance matters. Special council meetings are also held to process certain compliance matters. ADM rotates some of its council meetings across all six Amathole Local Municipalities thus affording communities an opportunity to witness Council in action. There are currently no vacancies in council as they are filled as and when they arise.

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The Standing Committees are constituted by Portfolio [Mayoral Committee Members] and Part-Time Councilors and Traditional Leaders designated for participation in municipal council. The Standing Committees are chaired by Portfolio Councilors and attended by the Municipal Manager and Heads of Department. They have the power to consider and make recommendations to the Mayoral Committee/ Executive Mayor on all issues falling within the ambit of their functional areas. Standing Committees meet Bi-monthly in line with the Institutional Calendar adopted by the Council.

Municipal Public Accounts Committee is fully functional with meetings sitting regularly to consider oversight reports to council. The Chairperson in consultation with the Speaker to consider reconstituted the committee to enhance its capacity. With the support of National and Provincial Treasury, MPAC Members undergo relevant trainings on a continuous basis, including training on Unauthorised, Irregular, Fruitless and Wasteful Expenditure. MPAC reviewed its Terms of Reference, and they were adopted by council.

*T 2.1.1*

# Chapter 2

| | | |
|---|---|---|
| *Photos* | **POLITICAL STRUCTURE**<br><br>**EXECUTIVE MAYOR**<br>Name: Cllr Anele Ntsangani<br><br>**DEPUTY EXECUTIVE MAYOR**<br>Name:<br><br>**MUNICIPAL SPEAKER**<br>Name: Cllr Onke Mgungculu<br><br>**CHIEF WHIP**<br>Name: Cllr Nanziwe Rulashe | Function |
| *Photos* | **MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE**<br><br>Names: Cllr Celiwe Genyane<br>Portfolio: Public Participation and Communications<br><br>Names : Cllr Fumanekile Pumapi<br>Portfolio: Budget and Treasury<br><br>Names: Cllr Xhanti Mgxaso<br>Portfolio: Spatial Planning Land and Economic Development<br><br>Names: Cllr Khanyile Maneli<br>Portfolio: Community Services<br><br>Names: Cllr Bandile Ketelo<br>Portfolio: Strategic Planning and Management<br><br>Names: Cllr Nomonde Geza<br>Portfolio: Water Infrastructure and Engineering Services<br><br>Names: Cllr Bukelwa Abegail Madikane<br>Portfolio: Corporate Services | Function |

*T 2.1.1*

COUNCILLORS

ADM Council is made up of 47 councillors of which 40 per cent are directly elected from party lists and 60 percent are representatives of local municipalities appointed to sit in ADM Council. The Council also has 3 traditional leaders that are participating in the district in line with the provisions of section 81 of the Local Government Municipal Structures, Act 117 of 1998 as amended read with the Traditional Leadership and Governance Framework Act, 13 of 2003.

Councillors and Traditional leaders were inducted to familiarize them with various relevant pieces of legislation and the policies of the Institution. There is continuous training provided to councillors to enhance their capacity to perform the oversight function. The traditional leaders Participate in all the Committees of Council except the Mayoral Committee.

ADM provides councillors with tools of trade in line with the latest Gazette on the remuneration of Political Office Bearers and provides a stipend to traditional leaders on a monthly basis.

*T 2.1.2*

POLITICAL DECISION-TAKING

The Troika meets regularly with the Municipal Manager for the purposes of political Management of the municipality and to ensure that there is coordination of the approach in which council must deal with certain reports and matters of strategic importance.

A multi-party Whips Committee meets before every council meeting to consider items in the agenda of Council with a view to determine any potential contentious matters so that political parties engage to facilitate smooth transition through Council.

The Standing Rules also make provision for all political parties to convene Caucus meetings before Council Meeting. The Council makes decisions on all matters pertaining to community development and service delivery in the ADM area of jurisdiction. Council resolutions are taken on the basis of reports and recommendations made by the Committees. The decision-making model is built into the Delegation Framework which outlines all document flow processes leading to the tabling of reports to Council.

Reports submitted in Council are classified as follows:

(a) Reports for noting- these are reports on matters in which the Executive Mayor has taken a decision in line with her legislated and or delegated functions.

(b) Reports for approval- These are reports on matters that may not be delegated as stipulated in section 160(2) of the Constitution, 1996 as amended.

(c) Confidential items: The Rules provide for confidential items that require Council approval to be taken at the end of the meeting. Items declared as confidential by the Council remain as such until Council determines otherwise.

(d) Legislative Support Services Reports: Reports of the Speaker, Chief Whip, and Chairpersons of Section 79 Committees are tabled in Council under this category.

All resolutions of the council are implemented, and the Council has a system to track the implementation of resolutions. There is a standing item under the reports of the Speaker on the tracking of the implementation of Council resolutions. The tracking of the implementation of resolutions is done through a template which is sent to Directors to indicate if the resolutions have been implemented or not and a report to this effect is submitted to Council by the Speaker. In that way, all Council resolutions are implemented and followed-up.

*T 2.1.3*

## 2.2 ADMINISTRATIVE GOVERNANCE

**INTRODUCTION TO ADMINISTRATIVE GOVERNANCE**

The Executive Management amongst other responsibilities serves as a collective in the IDP Representative Forum which is the strategic platform to deal with IDP and other service delivery issues. In this forum departments, as a collective, ensure that there is inclusive planning and integration to produce a credible and implementable IDP. The Municipal Manager leads this process in preparation for presentation to other structures and stakeholders in line with Municipal Systems Act. The Executive Management as led by the Municipal Manager ensures that this process is conducted in line with all pieces of legislation and also is aligned with budget and expenditure thereof.

**MUNICIPAL MANAGER:**

The Municipal Manager is the Head of Administration and the Chief Accounting Officer as stated in section 55 of the Municipal Systems Act 32 of 2000. As the Head of Administration, the Municipal Manager is charged with specific responsibilities and is subject to the policy directions of the Municipal Council as well as responsible for among other the following responsibilities:

- Development of the Municipality's Integrated Development Plan in accordance with chapter 5 of the act and its implementation;
- Development of a performance management framework, and ensuring compliance to the Performance Management System;
- The appointment of staff other than those referred to in section 56(A) of the Systems act and does that under the guidance of the Council approved recruitment and Selection Policy. -
-. Advising the Executive Mayor, other political office bearers and Council structures in execution of their Council responsibilities
- Attends with Directors section 79 and 80 committees to ensure that ADM structures process reports and ensures that Council receives best reports and recommendations for approval.

**CHIEF FINANCIAL OFFICER**

In terms of section 80 of the Municipal Finance Management Act 56 of 2003, a municipality must have a budget & Treasury Office which should consist of a Chief Financial Officer designated by the accounting officer of a municipality.

- The CFO is responsible administratively, for the budget and treasury office and has the essential function in assisting the Municipal Manager to carry out his financial management responsibilities in areas ranging from budget preparation to financial reporting and the development and maintenance of internal control policies and procedures. His duties amongst others include:
- Advising the Municipal Manager and assisting him in the administration of the municipality's bank accounts and in preparation and implementation of the municipal budget.
- performing budget related issues, accounting, analysis, financial reporting, cash management, debt

management, supply chain management, asset management and financial management.

The CFO implements the financial reforms at the direction of the Municipal Manager with the Assistance of appropriately skilled finance staff. In addition, the CFO assists in providing Governance and oversight to address operational matters that constitute sound financial management.

**DIRECTOR: CORPORATE SERVICES**

The Director: Corporate Services is a Manager employed in terms of Section 56(A) and is directly accountable to the ADM Municipal Manager. The Director's role is to provide strategic guidance and leadership within the Corporate Services department by ensuring that sound human resources policies are developed and implemented within the entire institution. The Director: Corporate Services is charged with the following responsibilities:

- developing and managing strategies and programs that work towards the achievement of goals relating to personnel provision, organizational development, human resource development, auxiliary services, employee wellness, occupational safety, risk management and personnel administration.

- plays an advisory role in relation to senior Management and council leadership regarding relevant policy and legislative issues of compliance. The office of the Director Corporate Services is also responsible for the department's annual capita budget and operational budget.

- carries further responsibilities with regards to submission of reports to the Committees of Council

- The Director also ensures that the ADM fleet requirements and management thereof is properly managed.

- Further responsibility of the Director is to manage all ADM owned properties through maintenance of such and provision of suitable office space for all ADM departments including satellite offices.

- The Director: Corporate Services is also charged with the responsibility of managing the labour Relations environment in the workplace and facilitate a culture of good relations between employer and employees.

- The department also serves as the custodian of all municipal records through its Registry Office.

- These most critical institutional programs are also championed at the Corporate Services Department (District-wide learnership programs, Bursaries for learners with disadvantaged backgrounds and career Expos for high school learners)

- The Department is responsible for security provision throughout the entire institution including the facilities in the outlying areas (Water and Waste Treatment Plants)

**DIRECTOR SPATIAL PLANNING LAND AND ECONOMIC DEVELOPMENT**

Director is heading the department and accountable to the Municipal Manager. Amongst his roles are the following:-

- Lead the department and provide strategic guidance and leadership on all issues relating to economic development within the district. In performing that, his department works closely with the d development agency established by ADM known as ASPIRE. The agency has a mandate from the district municipality to champion economic development through the area of jurisdiction of ADM. There is also expectation that the district will work closely with local municipalities under its area of jurisdiction to promote economic development

- Managing the EPWP (Expanded Public Works program) which seeks to accelerate employment within the district.

- Responsible for functions relating to land reform and spatial planning and also human settlements.

- The housing function also assists with the formalization of informal settlements in order to be able to provide services.

**DIRECTOR ENGINEERING SERVICES**

The department is the core of the municipality due to the fact that ADM was granted the status of a water service authority and as a result, the bulk of the municipal budget is allocated to the provision of water and sanitation services. The municipality is progressing well towards achieving its targets.

The Director is also responsible for managing staff who are performing the water functions and provides strategic leadership on all water and sanitation functions including integrated transport management services.

- Water Service Authority
- Water Service Provision
- Integrated Transport Management

**DIRECTOR STRATEGIC PLANNING AND MANAGEMENT**

- Planning, Monitoring and evaluation of municipal performance within ADM.
- Local Municipal Support which mainly deals with the support provided to local Municipalities as per the mandate given to District municipalities.
- Information Communication Technology and support to the departments.
- Risk management as prescribed in the MFMA as a compliance issue.
- Communications Services, both internal and external
- Intergovernmental and International Relations and
- Travel Desk for all organizational travelling and accommodation.

# Chapter 2

**DIRECTOR COMMUNITY SERIVES**

As per the World Health Organisation, environmental health comprise of those aspects of human health, including quality of life, that are determined by physical, chemical, biological, social and psychological factors in the environment.

It also refers to the theory and practice of accessing, correcting, controlling and preventing those factors in the environment that can potentially adversely affect the health of present and future generation.

- Municipal Health Services includes (water quality monitoring, food control, health surveillance of premises, waste management, surveillance of communicable diseases (excluded immunization), vector control, environmental pollution control, disposal of the dead and chemical safety
- Protection services which involves fire services and disaster management. There also run awareness campaigns regarding issues of community safety

*T 2.2.1*

# Chapter 2

| Photo | TOP ADMINISTRATIVE STRUCTURE | Function |
|---|---|---|
| | **TIER 1**<br>**MUNICIPAL MANAGER**<br>Dr. Bhekisisa Jacob Mthembu | |
| *Directors*<br>*Optional* | **TIERS 2 AND 3**<br>**CHIEF FINANCIAL OFFICER**<br>Mr. Ncedile Zengethwa | |
| | **DIRECTOR: STRATEGIC PLANNING AND** MANAGEMENT<br>Mr. Ntsikelelo Luyanda Sovasi | |
| | **DIRECTOR: CORPORATE SERVICES**<br>Dr Vuyokazi Dlelaphantsi | |
| | **DIRECTOR: ENGINEERING SERVICES**<br>Ms Nombasa Msebi | |
| | **DIRECTOR: COMMUNITY SERIVES**<br>Ms. Nokuthula Zondani | |
| | **DIRECTOR: SPATIAL PLANNING LAND AND ECONOMIC DEVELOPMENT**<br>Ms Zolisa Xabadiya | |
| | Note: * denotes officials on fixed term performance contracts reporting to the Municipal Manager under the Municipal Systems Act Section 57. | |
| | | T2.2.2 |

# Chapter 2

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

At the core of co-operative governance and intergovernmental relations are the principles set out in chapter 3 of the Constitution of the Republic. The aim is to present to the people of South Africa, a coherent state united in the delivery of services to the entire nation in an effective and efficient manner. The emphasis of the constitution is setting the rules of engagement for each sphere of government to respect each other's territory. It also makes proposals for the different spheres on how to manage disputes in the event they crop out. The key to sound co-operative government, so the act suggests, is relations of trust, acting in good faith with one another and the ability to solve disputes in an amicable manner.

Sections 83 and 88 of the Local Government Structures Act talk about cooperation between district municipalities and local municipalities. By the decision of the last Strategic Session and and Executive Management to restructure, ADM decided to do away with the Municipal Support Unit. All the officials responsible for municipal support were thus redeployed in the respective directorates as custodians of support to the municipalities. A Regional Model headed by ADM Senior Managers was introduced. They are coordinated directly from the office of the Municipal Manager and are the representatives of the district municipality in that space. The aim is to reduce the offices into three regions that will ensure that all the support rendered by the district is effectively coordinated and implemented. The Regional offices will be the first line of call on issues from the local municipalities that need the attention of the district. Terms of references for the model were developed, discussed and endorsed by the Executive Management.

As part of restructuring within the organization and the introduction of the new structure, a unit called Stakeholder relations was established within the Strategic Planning and Management directorate. This is responsible for intergovernmental relations in the district and the local municipalities. it also ensures that the resolutions taken in intergovernmental forums are implemented and reported in the next IGR meeting. Memoranda of Understanding and Memoranda of Agreements are also dealt with by the unit. The latter has to report on the activities undertaken to implement the MoUs and MoAs.

Sector forums were established and take the form of intergovernmental support structures. There are for example the Communications Forum, District HIV/AIDS Council, District COVID 19 Command Council. The latter is a structure that was specially created to coordinated response to the COVID 19 pandemic ravaging the world, South Africa and the citizens of the district in particular. It takes the form of IGR with all departments seating in that structure to make presentations on its responses and to contribute to the dicision making in controlling the spread of the virus. These serve as platforms for information sharing and issues raised in these forums are escalated to the District Directors Forum and finally to the District Mayors Forum and are further escalated to the Provincial and National IGR structures.

ADM through intergovernmental collaboration. The year marked a very focused approach on issues that sought to improve the lives of the people at in ADM. This was achieved through a strategic agenda setting approach that is kick started with the directors' forums. Issues like debts owed, state of drought in the district, progress report on electrification rollout, Progress reports on Human Settlement Projects, Post COVID 19 economic Recovery Plan became standing items of the agenda. A lot has been done by IGR stakeholders to address these issues.

Due to some challenges encountered by the district, ADM was declared a section 139 (b) municipality. This resulted in the intervention by provincial government to assist the municipality with Financial Recovery Plan. This is a multi –disciplinary approach achieved through Intergovernmental Collaboration. A number of work streams have been set to work on the matter. As a result progress reports are made quarterly to the district IGR forums. Other initiative, Operation Masiphathisane was launched to ensure establishment of District Implementation Task Teams and Local Implementation Task Teams. Due to challenges in implementation, the provincial COGTA, OTP and Treasury were mandated to look at other ways of piloting the project. The aim was to make the government departments to work with communities to address service delivery needs. Concerned with the state of local government, the President of the republic launched the District Development Model which further sought to strengthen governance at in this sphere of government.

*T 2.3.0*

## 2.3 INTERGOVERNMENTAL RELATIONS

### NATIONAL INTERGOVERNMENTAL STRUCTURES

The South African state by its design compels the spheres of government to work together in an interrelated, interdependent and integrated manner. Most of the pieces of legislation governing the country attest to the inter-dependence and inter-relatedness of the three spheres of government. To facilitate the relations there are a number of intergovernmental structures established in which representatives of the different spheres of government interface. From the President's Co-ordinating Committee, the National Council of Provinces, FOSAD and the MinMecs, local government is represented and ADM benefits from the deliberations and resolutions of the forums on local government. The other National IGR forum is the Presidential Imbizo that seeks to give support to service delivery. This is a very important IGR formation as all stakeholders starting from the local, provincial and national are involved in an effort to make a difference in a Metro or district municipality.

*T 2.3.1*

### PROVINCIAL INTERGOVERNMENTAL STRUCTURE

In the MuniMEC, district municipalities and Metros are expected to report on progress made in the implementation of service delivery and the state of governance in their respective municipalities, share best practices with other districts and present challenges for the intervention of the province. Problems are shared and probable solutions offered. ADM Executive Mayor and the Municipal Manager also attend the Premiers' Coordinating Forum and the Technical Support Group respectively. The structures consist of representation from the district municipalities and the Metros in the province, the provincial and national sector departments in the province.

The structures also discusses issues of compliance and alignment of governance and service delivery in the province. All issues discussed at these forums are matters that impact directly to local government.

The district municipalities get the platform to table the concerns of local government about issues of mutual interest. Also the Executive Mayor is afforded an opportunity to report on the establishment and functionality of War Rooms. On the other hand, the platforms are useful in the sense that they give direct interaction between the heads of municipalities and those of sector departments. The office of the Director General in the province is then able have a good assessment of the state of governance in the province including that of local government and ADM in particular.

*T 2.3.2*

RELATIONSHIPS WITH MUNICIPAL ENTITITIES

Amathole Economic Development Agency SOC Ltd t/a Aspire, is the wholly owned state owned company of ADM. It was formally registered and established on the 1 September 2005, with the mandate to promote economic development within the District in the areas of economic production and commercial activities.

The entity has Board of Directors which sits quarterly and the municipality is also sitting as observer during their board meetings. The board of directors is ultimately responsible for oversight of the company in all material aspects. It ensures that issues relating to governance and accountability form the basis of the relationship with ADM. The relationship is managed by a service level agreement, as well as the MFMA, and the Company's Act, which outlines the roles, obligations and responsibilities of each party. Reporting is required on a monthly basis to ADM.

The agreement with the municipal entity is in line with the regulatory framework governing local government and local government entities, in their common effort to attain the objectives set out below. In particular, the agreement that was signed with ASPIRE seeks to ensure compliance by the parties in with relevant provisions of the MFMA, without impending ASPIRE in performing its operational responsibilities. The aim of this agreement is to facilitate the promotion and stimulation of local economic growth and development within the District, through a range of programmes, projects and initiatives, consistent with the Municipality's integrated development plan. The agreement is also highlighting the programmes that need to be performed by ASIPRE in terms of promotion of Economic Development of the Region. ASPIRE gets an allocation from the municipality for its operations and also submits the quarterly reports on the programmes that they have implemented.

In the 20/21 financial year ASPIRE got in a memorandum of Agreement with ECDC and ADM. The aim of the agreement is to promote ADM as a Film Destination. The main beneficiaries targeted are young people who show talent and are interested in acting. ADM hopes to reduce unemployment by promoting Tourism by making use of local attractions. The long term goal is to develop film making as an industry as it is labour intensive, Economic spin off will result.

A complete list of entities and delegated functions should be set out in **Appendix D**.

*T 2.3.3*

# Chapter 2

DISTRICT INTERGOVERNMENTAL STRUCTURES

its approach and structures of Intergovernmental Relations. The then Core Team and the technical structures were substituted with District Wide Directors Forums and the Municipal Managers Forum. The district is beginning to reap the fruits of the new approach as the district wide forums continuously assist in shaping the agenda of the Municipal Managers Forum and the DIMAFO. The strength of the district intergovernmental relations structure lies in the implementation of the resolutions taken in its meetings. The resolutions are reported in the next meeting as action minutes. This has turned the IGR forums into platforms for action as against being talk shops.
As government sought to strengthen planning and improve participation of communities in the planning, implementation and monitoring of service delivery projects, the Integrated Service Delivery Model I.S.D.M. (Operation Masiphathisane) was introduced. This was to manifest itself in the establishment of War rooms launched from ward to district level. No sooner was the model launched, ADM established the District Implementation Task Team, the Local Implementation Task Teams and the ward war rooms. Premiers office was tasked with ensuring the establishment of structures an COGTA has to ensure the functionality.

The endeavours to strengthen the local sphere of government and not end with the ISDM. President's Office introduced the District Development Model. The latter does not replace the ISDM but is meant to support it achieve its goals by bridging the gap between government and the people. The Eastern Cape government committed itself to pilot the project at ADM. All information requested to implement this model was submitted to fat track its implementation. The state of disaster brought by the COVID 19 has delayed the movement in the implementation of the project.

The district IGR structures have been meeting as planned during the year under reporting and the end of quarter 3 and quarter 4 have been affected by the out brake of the Covid 19 and the subsequent pronouncement by the State President of the Lock down. These developments necessitated a change in the approach wherein the Forums had to be held Virtually.

Members initially had connectivity difficulties however quickly adapted in the new way of holding meetings. The directors forums are sector specific dealing with sector issues and are consolidated for discussion to the Municipal Managers forum that informs the agenda of the District Mayors Forum.

IGR in the local municipalities

The local municipalities have also adopted the virtual approach in holding meetings. Similar challenges for connectivity and adaptation was experienced. The District ICT Forum is playing a vital role in sharing resources and skills to ensure the smooth operations of the LMs Forums. All ADM local municipalities have functional IGR structures. ADM representatives attend and make presentations in the local IGR meetings.

To make the different spheres of government work together, consistent participation of Mayors, Municipal Managers and Directors of the sector departments in district IGR structures is of utmost importance.

Cooperation between Planning, IGR and Public Participation units:
The main task of the IGR is to facilitate and coordinate the alignment of plans of the three spheres in the local sphere of government. To have a coherent IDP which combines all the plans of the sector departments into a single plan that becomes the Master Plan of government in the municipality one needs to place the local sphere at the centre of coordination of planning.

The IDP is the tool of IGR and IDP processes have an element of public participation. Successful IGR processes combined with good elements of public participation lead to a credible and complete IDP. ADM needs to improve its internal stakeholder coordination eg getting the PME unit, IGR and Public Participation to plan together all IDP related activities. All the stakeholders mentioned above need to work together in planning of the IDP imbizos and outreach programs

Memorandum of Understanding:

The directorate of Strategic Planning and Management, through the IGR unit is tasked to coordinate and facilitate the signing and implementation of MoUs by ADM with other strategic partners. This is aimed at improving the capacity of ADM in dealing with the challenges of delivering services and enhancing the capacity of its officials. The current administration has signed Memorandum of Understanding different strategic partners including the University of Fort Hare, Eastern Cape Development Corporation, East London Industrial development Corporation and is discussing with Walter Sisulu University of Technology and Nelson Mandela University about a possible partnerships.

The MoU with the UFH is driven towards the implementation stages with the Principal Management Team and the Technical Management Team having been established. At the time of writing the annual report there is a scheduled meeting between the two institutions to develop Operational Plan and the Implementation Task Team. Amongst the projects that ADM and Walter Sisulu aim
at collaborating on is the Roll out of a Youth Empowerment Program throughout the district

*T 2.3.4*

# Chapter 2

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

*ADM adopted a Public Participation and Petitions Management Policy which provides a framework for an interface between ADM and the communities. The policy gives effect to Section 16 of the Local Government: Municipal Systems Act, Act 32 of 2000, which requires municipalities to develop a culture of community participation in all municipal affairs affecting the communities. It was reviewed during the period under review to be in line with changes in legislation as well as structural changes in the Institution. Apart from the Public Participation Unit, there is a fully fledge Communications Unit.*

*Over and above the organizational values, ADM is committed to the following values:*

- *Accountability to the community aspirations and meeting the community needs;*
- *Dedication and honesty in producing work that meets the developmental and service delivery requirements of the district;*
- *Commitment to the transformation of society and the workplace and to ensure fair and equitable distribution of resources to citizens of the ADM;*
- *Showing concern for the people of the district;*
- *Believing in transparent decision making and promoting fair participation.*

*T 2.4.0*

## 2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Local Government Municipal System Act 32, 2000, as amended, Chapter 4 (16) (a) (i) which stipulates that " A municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose – encourage and create conditions for the local community to participate in the affairs of the municipality including in preparation, implementation and review of its integrated and development plan in terms of chapter 5.

Citizen participation continues to capture centre-stage position in many policies of nation-state and international development agencies. Community or citizen participation means the involvement of citizens in a wide range of administrative policy-making activities; including the determination of levels of service; budget priorities and the acceptability of physical construction projects in order to orient government programmes toward community needs; build public support and encourage a sense of cohesiveness within society. It is in this spirit that ADM embarks on Public participation to fulfil the following:

1. To provide information to citizens;
2. To get information from the citizens;
3. To improve public decisions, programmes, projects and services;
4. To enhance acceptance of public decisions, programmes, projects and services;
5. To assess the situation in localities and react accordingly;
6. To identify red zones that need immediate attention;
7. To continue profiling the municipality by launching and handing over all major projects.
8. To coordinate all public participation activities in the institution and district government departments.

ADM has a set programme for community participation that consists of activities held in different municipalities throughout the financial year. These include:

Water Forum meetings which are held to fulfil the following:

- To address water challenges as per questions and answers as collected during IDP road-shows and those that are channelled through councillors or community representatives.
- To workshop communities on the importance of using water sparingly.
- To create a platform for political leadership to interface with communities or stakeholders representatives.
- To collect issues to be referred to other departments within the institution and/or to sector departments and ultimately to our IDP.
- To create a positive spirit with the view to foster cooperation amongst members of the community and the municipality.
- To monitor projects implemented by the municipality.

During the financial year under review the Municipality has started to revive Water Forums in all the local municipalities which became dysfunctional during the Covid. In this regard Forums were re-established in Amahlathi. The Programs of reviving water forums continuous into the new financial year

**The Mayoral Imbizos:**

Mayoral Imbizo is part of public participation which is informed by Chapter 4 of the Municipality Systems Act, Act 32 of 2000 as amended. This is also informed by the directive of the Constitution of the Republic. The purpose of the outreach is to engage communities regarding the government programmes that seek to advance service delivery within the district.
During the year under review Mayoral Imbizo were held in Mnquma, Kantolo Administrative Area with focus on water related service delivery issues. Two other Imbizos were held in Qhibirha, Raymond Mhlaba and Mbhashe, Nqadu Great Place with focus on the role of traditional healers and praise singers as important stakeholders in elevating the cultural heritage of the district. The outreach is also meant to close the gap between government and people by bringing other sector departments and local municipalities to present their plans and programmes which are geared towards uplifting the communities. This is done within the spirit of cooperative governance as articulated in the District Development Model.

Annual Report Public Hearings:
Annual Report Public Hearings provide an opportunity for communities to comment on the service delivery performance of the Municipality. The Public Hearings are done in collaboration between the Executive and the Office of the Speaker under the guidance of Municipal Public Accounts Committee. Whenever possible efforts are made to have the District Municipality and Local Municipalities presenting jointly. This affords communities an opportunity to local communities to engage in discussions on the performance of municipalities with insight into the powers and functions of the District and Local Municipality. Preparations are underway to conduct Public Hearings for the Annual Report of the financial year under review.

**IDP/Budget Road-shows:**

IDP public hearings were conducted in the traditional way, where stakeholders are gathered in the hall, enabling a face to face engagement with communities. This mechanism though expensive gives dignity to the process and allows for close interface of citizens with the leadership of the Institution. They were successful and stakeholders participated to live what is termed active citizenry. The ADM held these roadshows in a traditional manner of transporting ward committees to the halls as well as inviting other stakeholders. Since the 2023 financial year roadshows are held in the outlying areas of the municipalities. This affirms the importance of rural communities in municipal planning process. While presents challenges in terms getting access to facilities like halls with water and electricity, it also has positive impact in affirming the importance of rural communities in democratic local government. IDP/Budget Roadshows were conducted in the six local municipalities from which culminated in the State of the District Address in August.

Civic Education:

The Office of the Speaker is responsible for civic education which is an important enabler for community participation and empowerment for attainment of active citizenry in line with ADMs vision 2030. Accordingly good governance, leadership development and Institutional development are the key pillars for a sustainable future of the District which require well capacitated citizens. The fundamental principles of good governance, which are participation, accountability and responsive governance find resonance in the Vision. In pursuit of the vision ADM conducted 12 civic education engagement session during the year under review. 2024 being the election year, ADM went all out to educate citizens about the importance of voting.

Moral Regeneration:
The District Municipality has a Moral Regeneration Movement Executive Committee which is composed of Religious Leaders, Traditional Leaders and Civic Society Organizations. Similar structures exist in the local municipalities. The Moral Regeneration Movement is a civil society led and government supported program whose aim is to encourage communities to uphold positive values and confront moral decay of society.

Moral Regeneration is one of the important anchors in ADM interface with communities as it enable the Municipality to collaborate with critical societal stakeholders in social compact for moral renewal. During the period under review the ADM's Moral Regeneration Movement in partnership with Provincial Government, Local Municipalities and sector departments conducted positive values awareness campaigns in across ADM Local Municipalities to encourage communities to embrace the positive values.

District Initiation Forum
ADM has through the Office of the Speaker established a District Initiation Forum and local forums in all our local municipalities to oversee implementation and adherence to the Customary Initiation Practice Act regulations and other laws.  The forum which reside in the office of the speaker coordinates all efforts of the district across all 6 local municipalities aimed at monitoring the practise. The District has been commended by the Provincial Initiation Task Team for its hard work. The 2024 winter season saw the district lose 1 initiate in Mnquma owing to dehydration.

Mainstreaming of Vulnerable Groups:
ADM has established relevant structures to ensure that designated groups are mainstreamed in the everyday agenda of service delivery.  ADM, in partnership with key stakeholders, embarked on capacity building programmes for women, children, people with disabilities, older persons, youth and people infected and affected by HIV/AIDS. The District AIDS Council (DAC) convenes meetings on a quarterly basis in an effort to promote prevention and early detection of HIV/AIDS, STIs and TB. During the year under review, ADM established a Rapid Response Team.

*T 2.4.1*

**WARD COMMITTEES**

The District Municipality has no direct interface with Ward Committees as they are a competence of local Municipalities. However in interaction with Speakers, through the Speakers Forum, the District is able to access information on the functioning of ward committees in the local municipalities.

The Municipality invites ward committees to participate in its public participation activities especially during the development and review of the Integrated Development Plan, Budget, Performance Management System and the Annual Report as required in terms of the Municipal Systems Act.

Ward committees and ward councilors are gate keepers to our wards, so they are essential in all our activities. Ward committees are foot soldiers in that they carry messages from ADM to communities. They are part of our meetings and are essential stakeholder. Although they are attached to local municipalities, they are positively utilized by ADM.

*T 2.4.2*

# Chapter 2

| Public Meetings | | | | | | |
|---|---|---|---|---|---|---|
| Nature and purpose of meeting | Date of events | Number of Participating Municipal Councillors | Number of Participating Municipal Administrators | Number of Community members attending | Issue addressed (Yes/No) | Dates and manner of feedback given to community |
| Annual Report Public Hearings Great Kei | 10/10/24 | 22 | 18 | 150 | Yes | Annual report presented to the communities |
| Annual Report Public Hearings Mbhashe | 11/10/24 | 25 | 10 | 350` | Yes | Annual report presented to the communities |
| Annual Report Public Hearings Raymond Mhlaba | 15/10/24 | 23 | 12 | 250 | Yes | Annual report presented to the communities |
| Mayoral Imbizo Nqadu Great Place | 19/02/2025 | 3 | 5 | 70 | Yes | Needs of the stakeholders were identified and a plan to address such was developed. |
| IDP/Budget public hearings RM | 4/04/25 | 8 | 15 | 250 | Yes | Identifying projects to be implemented in that LM |
| IDP/Budget Public Hearings Ngqushwa | 08/04/20 | 5 | 10 | 50 | Yes | Identifying projects to be implemented in that LM |
| IDP/Budget Public Hearings Amahlathi | 09/04/25 | 15 | 12 | 250 | Yes | Tabling of budget and presentation of projects for 2024/25 |
| IDP Budget Public Hearings Great Kei | 29/04/2025 | 13 | 10 | 150 | Yes | ADM, Identifying projects to be implemented in that LM |
| IDP/Budget Public Hearings Mnquma | 30/04/25 | 11 | 9 | 300 | Yes | Identifying projects to be implemented in that LM |

*T 2.4.3*

| Public Meetings | | | | | | |
|---|---|---|---|---|---|---|
| **Nature and purpose of meeting** | **Date of events** | **Number of Participating Municipal Councillors** | **Number of Participating Municipal Administrators** | **Number of Community members attending** | **Issue addressed (Yes/No)** | **Dates and manner of feedback given to community** |
| IDP/Budget Public Hearings Mbhashe | 02/05/25 | 18 | 10 | 300 | Yes | Identifying projects to be implemented in that LM |
| Water forum meeting | 24/05/25 | 3 | 6 | 30 | Yes | Water issues were discussed |
| Water week awareness campaign Hala Community Hall | 28/05/25 | 2 | 3 | 50 | Yes | Water issues were discussed |
| | | | | | | |

*T 2.4.3*

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Public participation as a key factor in effective governance promotes accountability. Communities get an opportunity to interface with the elected public officials. On the other hand the municipality gets to know the basic needs of the communities and therefore develop strategies to address such needs.

Chapter 5 of Municipal systems Act provides an opportunity for interaction between the Municipal and the community. It is in this spirit that ADM has created a unit that is responsible to create platforms for such interaction.

The following platforms are giving a platform to our communities to raise their issues for the municipality to respond and fulfill the obligation of accountability,

IDP Road shows

Mayoral Imbizo,

Annual report road shows,

MPAC Roadshows

and Mayoral outreach programmes.

*T 2.4.3.1*

## 2.5 IDP PARTICIPATION AND ALIGNMENT

| **IDP Participation and Alignment Criteria*** | **Yes/No** |
|---|---|
| Does the municipality have impact, outcome, input, output indicators? | YES |
| Does the IDP have priorities, objectives, KPIs, development strategies? | YES |
| Does the IDP have multi-year targets? | YES |
| Are the above aligned and can they calculate into a score? | YES |
| Does the budget align directly to the KPIs in the strategic plan? | YES |
| Do the IDP KPIs align to the Section 57 Managers | YES |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP? | YES |
| Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes | YES |
| Were the indicators communicated to the public? | YES |
| Were the four quarter aligned reports submitted within stipulated time frames? | YES |
| ** Section 26  Municipal Systems Act 2000* | |

*T 2.5.1*

## COMPONENT D: CORPORATE GOVERNANCE

| OVERVIEW OF CORPORATE GOVERNANCE |
|---|
| The implementation of the principles of good governance as promoted in the third King Report on Governance for South Africa, 2009, and enshrined in the Code of Governance Principles for South Africa (hereinafter referred to collectively as 'King III') have been accepted as a crucial element towards the success of Government, including local government in meeting the needs of the people of South Africa.<br><br>The first step to achieving ethical leadership is for the leadership within a municipality, whether office bearers, managers, political committees or any other structure promoting leadership within the municipality, to clearly understand their roles and responsibilities, including the separation of duties as provisioned in legislation. A clear understanding of such roles and responsibilities will then allow for an ethical culture and the principle of accountability can take root within the institution.<br><br>Therefore, the Amathole District Municipality, through its Good Governance Framework, seeks to outline in summary the different roles of different structures within the municipality. The Framework outlines the working areas and boundaries for all structures and office bearers and its basis will be the provisions made by legislation. The purpose of the Framework is ensuring that political and administrative structures are aware of their roles and responsibilities to ensure synergy in the way Council structures operate; in the delivery of ADM's core objectives against a code of ethics.<br><br>*T 2.6.0* |

## 2.6 RISK MANAGEMENT

RISK MANAGEMENT

Purpose of Risk Management is to identify potential events that may affect the municipality, and manage risks to be within its risk tolerance, to provide reasonable assurance regarding the achievement of municipality's objectives.

Section 62 of the Municipal Finance Management Act 56 of 2003 states that:

- The accounting officer of municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps-
- That the resources of the municipality are used effectively, efficiently and economically;
- That full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards;
- That the municipality has effective, efficient and transparent systems-
- Of financial and risk management and internal control; and
- Of internal audit operating in accordance with any prescribed norms and standards

ADM's top ten risks are as follows:

1. Limited water resource to meet basic needs
2. Health hazard due to improper health hygiene and environmental management
3. Inability to effectively inspect business premises
4. Assuptions of powers and function by National Executive (Implementation of Sec 150 MFMA)
5. Political interference
6. Non availability of funding to implement projects
7. Inadequacy of ICT as an enabler to the institution's strategic outlook
8. Governance failure.
9. Dis-intergrated development
10. Lack of consensus amongst/Rejection by stakeholders(councillors,LLF and Staff members)

.

*T 2.6.1*

## 2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

ADM has in place an Anti-Fraud/Corruption Management Strategy, which consists of the following key components:

- The ADM -Fraud Management Policy'.
- The ADM Whistleblowers Policy.
- The ADM Ethics Code for Staff; and
- The ADM, Fraud Response, and Investigation Plan.

The Anti-Fraud/Corruption Management Strategy which consists of the above pieces of policies have since been integrated into one document called Integrated Fraud and Corruption Mitigation Framework. The Integrated fraud and Corruption Framework was presented to the ADM Legal Forum to implement in their various local municipalities. We still receive reports via the ADM hotline, even though at some stage, the reports were suspended, due to contractual issues, but this has since been resolved.

A Senior Manager for Legal and Integrity Services has been appointed in the last financial year and reporting has improved. Workshops on the Integrated Fraud and Corruption Mitigation Framework have been conducted in three (3) Satellite Offices: Raymond Mhlaba, Ngqushwa and Mnquma Satellte Offices , and to the Senior Managers and Managers , during the 2024/25 financial year.

Reports from the Hotline are being assessed and a report is to be submitted to the Municipal Manager and to Labour Relations as required by the Framework. ADM Financial Disciplinary Board was appointed in a Council Meeting that took place on the 25$^{th}$ February 2025. The Disciplinary Board members were appointed to serve on the board for a period of three (3) years as from the 1$^{st}$ March 2025.

**Please state that your municipality's Audit Committee recommendations for year 0 are set out at Appendix G. If your municipality does not have a functioning Audit Committee then give reasons and describe how this is being addressed.**

*T 2.7.1*

## 2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

**Note: MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.**

The SCM Policy was initially developed and implemented to give effect to the SCM Regulations on 1 October 2005. The Policy is reviewed annually.

ADM has established a Supply Chain Management Unit in line with the internal Supply Chain Management (SCM) Policy. Currently there are 26 SCM officials appointed in the Unit. The ADM SCM Policy has been designed to be fair, equitable, transparent, competitive and cost effective. The Policy does comply with the prescribed regulatory framework for municipal supply chain. There is a range of supply chain management processes which includes tenders, quotations, disposals and deviations. The Policy does specify which process must be followed for each range of commodities. There are procedures and mechanisms in place for each type of procurement process that is required to be followed. There is flexibility in the process in cases of emergencies and if the contract is below the prescribed thresholds.

The Municipality also undertakes a pre-qualification of all bids received during a competitive bidding process. Bid Administration is strictly adhered to when advertising, opening, registering, recording, evaluating and adjudicating tenders. The final terms of the contracts are negotiated in certain circumstances.

Annually officials and councilors are required to disclose any conflicts of interests and any business interests they may have. The SCM System ensures that no persons who are not officials of the Municipality are involved in the procurement and tender processes. Councilors are prohibited from participating in the tender process. The Municipality has also prohibited persons who were previously convicted of fraud and corruption during the past five (5) years, who have failed on a contract in the past five (5) years, and whose tax matters have not been cleared by the South African Revenue Services from participating in the Municipal procurement process.
Measures have been put in place to combat fraud and corruption. The Municipality has high ethical values. Where awards of tenders have been improperly made, these contracts are invalidated.

The Municipality has in certain circumstances participated in National Treasury's Transversal Contracts. A contract management unit exists within the SCM Unit that deals with contract management matters and dispute settling procedures. A delegation framework is in place for supply chain management powers, duties and functions. In line with the Municipal Finance Management Act (MFMA), the Accounting Officer has established the various Bid Committees. The Municipality ensures that the tender process is fair, equitable, transparent, competitive and cost effective to all parties. Currently the Municipality has not contracted for any goods and/or services beyond three (3) years.

The Municipality's SCM policy has been reviewed to include a percentage allocation towards vulnerable/designated groups (women). To promote holistic sustainable regional economic development, it is required in terms of the Municipality's SDBIP that annually 12% funds be spent on women ownership for services procured throughout the District on tenders advertised during the 2024/25 financial year.

For the 2024/25 financial year, the municipality has awarded 31.1% of the tenders to women owned businesses, 15.71 % of tenders to youth owned businesses and 1.08% of the tenders to disabled owned businesses.

*T 2.8.1*

## 2.9 BY-LAWS

| By-laws Introduced during Year 2024/2025 | | | | | |
|---|---|---|---|---|---|
| **Newly Developed** | **Revised** | **Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)** | **Dates of Public Participation** | **By-Laws Gazetted* (Yes/No)** | **Date of Publication** |
| No new by-law introducedduring the year | Water and Sanitation Bylaw | N/A | N/a | N/a | N/a |
| *Note: See MSA section 13. T 2.9.1 | | | | | |

COMMENT ON BY-LAWS:

The Amathole District Municipality Code of By-laws was developed, with extensive public participation programme being followed, with the following by-laws being gazetted in June and July 2010.

- Disaster Management By-law:
- Fire Safety By-law
- Municipal Health By Law
- Passenger Transport By law
- Revenue Management by-law
- Waste Management By-law
- Water Supply and Sanitation Services By-law
- Air Pollution Control By-law

*Note: MSA 2000 s11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.*

*T 2.9.1.1*

## 2.10 WEBSITES

| Documents published on the Municipality's / Entity's Website | Yes / No | Publishing Date |
|---|---|---|
| Current annual and adjustment budgets and all budget-related documents | Yes | ADJUSTMENTS BUDGET AND ADJUSTMENTS TO THE TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2024/25 on 10 March 2025 |
| | | |
| The previous annual report | YES | AUDITED AR AND APR 2023.24 published 05 March 2025 |
| The current annual report published/to be published | Yes | **Audited to be published AR in March 2026** |
| All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2023-24) and resulting scorecards | Yes | 2023/24 PERFORMANCE AGREEMENTS FOR HODS UPLOAD ON **16 August 2024** |
| All service delivery agreements (Year 0) | Yes | APPROVED SDBIP 2024/25 ON 04 July 2024 |
| All long-term borrowing contracts (Year 0) | n/a | n/a |
| All supply chain management contracts above aprescribed value (give value) for Year 0 | Yes | BAC awards for all tenders over R200k are published onthe website under: http://www.amathole.gov.za/index.php/tenders/awards |
| An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or | n/a | No asset disposal during the period |
| Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3)of that section | n/a | n/a |
| Public-private partnership agreements referred to in section 120 made in Year 0 | n/a | n/a |
| All quarterly reports tabled in the council in terms of section 52 (d) during Year 0 | Yes | 29 August 2024 |
| Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery *T 2.10.1* | | |

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The revamped Amathole District Municipality (ADM) website (www.amathole.gov.za) has emerged as a vital digital platform for its diverse citizenry serving as a central hub for municipal services and community engagement in the Eastern Cape. Following a comprehensive overhaul, the website boasts a user-centric design with intuitive navigation, mobile responsiveness ensuring inclusivity for all users.

An advanced hit counter system tracks usage statistics, revealing a significant surge in daily hits and providing insights into user behaviour, such as unique visitors, document downloads (e.g., council minutes, budget reports), and high-traffic content like the online bill payment portal and event calendars.

These metrics underscore the website's role as a key touchpoint, with over 60% of traffic from mobile devices and peak usage during weekday evenings, reflecting the needs of working residents. Interactive features like feedback forums and social media integration foster two-way communication, strengthening community ties.

Despite strong engagement, challenges persist, such as lower participation from rural areas, possibly due to limited internet access. Strategic enhancements, including personalized user accounts and real-time analytics dashboards, optimize the platform. By leveraging usage data, ADM continues to refine the website, aligning it with its mandate to ensure equal access to socio-economic opportunities, enhance service delivery, and promote sustainable development across its six local municipalities

T 2.10.1.1

## 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFCATION LEVELS

The public satisfaction survey was conducted in the 2015/16 Financial Year and the following factors have been noted from the research:

- There has been a commendable increase in the satisfaction with the municipality's water services.

- During 2012 satisfaction levels were at 52% whereas in the recent survey they are reported as 71% satisfaction.

- The municipality needs to build a more inclusive or transparent process in which the public can be sure that their water readings are authentic.

- A sizeable 73% of the population that has sanitation is satisfied with the quality of sanitation services that the municipality provides.

- With a 96% of the total surveyed sample stating that they are not aware of what are the emergency numbers to call in water leakages. It is important that the municipality embarks on an intensive communication campaign so that the communities are aware what to do in the event of such emergency more so that the district is now in a dire water scarcity.

- With regards to billing and payments the performance in this regard is good but needs to be improved with respect to clarity/understandability/correctness of accounts.

- On Communication, the ADM should communicate more informative. Improve timelines of responding to enquiries/complaints. Improve on accuracy of addressing customer requests and complaints

- A systematic inclusive approach should be taken in effectively protecting historical assets; this should happen concurrent to making sure that the communities are aware of the initiatives that the municipality is doing in this regard.

*T 2.11.1*

| SATISFACTION SURVEYS UNDERTAKEN DURING: YEAR 2015/16 | | | | |
|---|---|---|---|---|
| **SUBJECT MATTER OF SURVEY** | **SURVEY METHOD** | **SURVEY DATE** | **NO. OF PEOPLE INCLUDED IN SURVEY** | **SURVEY RESULTS INDICATING SATISFACTION OR BETTER (%)*** |
| **WATER** | Distribution of Question naires | 2015/16 Financial year | Conducted samples in all the 7 LMs | For the ADM as a whole, the satisfaction levels for water service is 71% (this is an increase from the previous survey which yielded a 52% satisfaction); 13% cited poor performance with the water services and 14% was extremely dissatisfied with 2% which did not have an opinion from the municipality.<br>However, when probed further whether the municipality conducted regular meter readings only 31% answered yes with 75% doubtful of the accuracy of the water measurement consumed. |
| **SANITATION** | Distribution of Question naires | 2015/16 Financial year | Conducted samples in all the 7 LMs | Of the 4703 valid physical questionnaire respondents: 32% where satisfied with the sanitation that ADM provides with room for improvement, 41% was extremely satisfied with the sanitation while 13% is extremely dissatisfied.<br>13% cited poor service with room for improvement and 2% did not have anopinion. On Recent blockages or sewer overflow in streets, 9% noted that they had this problem recently. |
| **CUSTOMER SERVICE** | Distribution of Question naires | 2015/16 Financial year | Conducted samples in all the 7 LMs | On Customer Service it was discovered that 49% of the samples are aware of ADM's Customer Care Centres in the municipality.<br>When asked about the staff approach in addressing submitted complaints 46% said that ADM staff was reasonably professional/adequately capable; 35% was cited as highly capable and 18% perceived as incapable or unprofessional.<br>78% found the staff to be attentive, honest and friendly in handling queries andavailable to help at the time of contact. Another 23% of the staff was found not be punctual nor responsible. |

| | | | | |
|---|---|---|---|---|
| **FIRE DEPART MENT** | Distribution of Question naires | 2015/16 Financial year | Conducted samples in all the 7 LMs | 11% of the total rating of the fire services was seen as excellent; 24% was noted as a good quick service, 9% as adequate while 27% and 29% where inadequate and totally inadequate respectively |
| **ENVIROME NTAL PROTECTION** | Distribution of Question naires | 2015/16 Financial year | Conducted samples in all the 7 LMs | When the respondents were asked if the municipality sufficiently protects the natural environment only 31% respondent that they feel that the municipality is doing enough while 69% said 'no'. |
| **PROTECTION OF HISTORICAL HERITAGE** | Distribution of Questionnai res | 2015/16 Financialyear | Conducted samples in all the 7 LMs | 95% feel that the municipality is not effectively protecting historical assets while only the remanding 5% thinks the municipality is doing enough. |
| **COMMUNICA TION** | Distribution of Question naires | 2015/16 Financial year | Conducted samples in all the 7 LMs | 29% found that municipality doesn't communicate about the interruption of services in advance while 71% found thatthe municipality proactively communicates about the interruption of service. When asked if the respondents found that queries are resolved in time by the municipality 47.4% responded yes. |
| | | | | *T 2.11.2.1* |

Concerning T 2.11.2:

***<u>Delete Note once table T 2.11.2 is complete</u>* -** It is not intended that municipalities should necessarily commission new surveys to complete the above table (T 2.11.2). This material should be obtained from existing surveys undertaken during year -1 and year 0 and by analysing complaints and other service feedback. The services specified in the table (a. Refuse; b. Road Maintenance; c. Electricity; d. Water) are provided for illustration only. Although they are key services and should be included if data is available, other services should be included too where data exists. Where future questionnaires are planned then municipalities should have regard to national priorities; demographic variations; and poverty.

As indicated in the report above the survey was last doen in 2015 due to limitation of funds. There are plans to conduct one in 2025.26 financial year.

*T 2.11.2.1*

COMMENT ON SATISFACTION LEVELS:

***Delete Directive note once comment is completed*** – Indicate the efforts that were made to improve satisfaction levels and to communicate successfully with the public on key issues of service delivery. It is not intended that municipalities should commission new surveys to complete the above table (T2.11.2). This material should be obtained from existing survey undertaken during year -1 and year 0 and by analyzing complaints and other service feedback. The services specified in the table (a. Refuse; b. Road Maintenance; c. Electricity; d. Water) are provided for illustration only. Although they are key services and should be included if data is available, other services should be included too where data exists.

N\A

*T 2.11.2.2*

# Chapter 3

## CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

The accountability cycle for local government impels municipalities to annually account to communities on how municipal resources have been utilized to ascertain value for money through the annual report processes. As the Executive Mayor of Amathole District Municipality, having been assigned with the executive responsibility by Council to give an account on our performance for the 2022/2023 financial year, it is my pleasure to present a summary of the performance of the Municipality for the period under review.

The report on the period under review is based on the performance of the Municipality as guided by the key Strategic planning instruments of the Institution as reflected in the Integrated Development Plan( IDP) the Institutional Scorecard and Service Devlivery and Budget Implemantation Plan as approved by Council.

Further to reporting on the executive responsibility assigned to me, ADM had committed to remain steadfast in fulfilling her strategic objectives contained in the Integrated Development Plan (IDP), Institutional Scorecard and Service Delivery and Budget Implementation Plan (SDBIP) approved by Council for the year under review.

The effect of the conflict between Ukraine and Russia presents a challenging global environment where commodity prices like oil have increased thus negatively impact on the ability of the local consumer to pay for services. Despite the after- effects of the pandemic and the negative global socio economic challenges, we never tired but continued in our endeavors to implement our service delivery programs as dictated in line with our IDP.

We assumed office in an environment characterized by labor unrest, financial constraints, political and administrative instability coupled with public confidence in the ability of the Institution to perform services being at its lowest. We have moved with speed to stabilize the Municipality giving priority to strengthening administrative capacity, improve labor relations, revenue collection and project spending. The report reflects improvements in the performance of the Municipality in comparison to previous years.

The Annual Report under review outlines successes and shortcomings in relation to our political mandate as provided in the key focus areas of the 06th administration, these can be summarized as follows:

- Economic transformation and job creation;
- Education, skills and health;
- Consolidating the social wage through reliable and quality basic services;
- Spatial integration, human settlements and local government;
- Social cohesion and safe communities;
- A capable, ethical and developmental state and

The alignment of ADM Long term vision with the National Development Plan and the Provincial Growth and Development Strategy paved the way for effective cooperative governance and places the Institution in a better position to seal strong partnerships with other spheres, state owned enterprises and private sector players. This approach further entrenched our commitment in building a capable and developmental local government that is responsive, accountable, effective and efficient in serving the people of Amathole.

The past financial year was characterized by effective functionality of Council and its structures in support of good governance. This was made possible through the approval of ADM institutional calendar as well Council assessment reports that are considered on a quarterly basis.

As a Water Services Authority and a Water Services Provider we continue to deliver on our mandate against the persistent drought and related challenges that we face as the District. We have embarked on the accelerated sanitation program within the district, through the use of incubator contractors, a program which not only saw us accelerating the sanitation program but the creation of job opportunities within the communities residing in the project areas.

Even though we are largely grant dependent, over the years we have ensured that allocated for the provisioning of basic services is utilized for the intended purposes. During the year under review we prioritized the refurbishment of our infrastructure including addressing water and sanitation backlogs. Parallel to these projects we have had to ensure the monitor the compliance levels of drinking and waste water including continuous health surveillance on premises.

As a rural district, the majority of our communities are largely indigent and we have managed to increase the registration of indigent households, resulting in Council writing off accounts owed due to recoverability. In our endeavors to enhance our revenue base, we amongst others managed to ensure the establishment of an in-house debt collection call centre, disconnection of government departments, parastatals and businesses, roll out of electronic statements to consumers through bulk sms and the creation of an online portal as well as the introduction of the incentive scheme to encourage consumers to pay their outstanding debt.

The achievements made during the year under review would not have been possible if it were not for the support and commitment of Council, and the administration. We once again thank the continued support of our strategic partners and our communities at large for walking this road with us during these trying times. Collectively, we have been confronted with difficult times which begged for decisive and difficult decisions to be made and indeed we still remain true in our drive and responsibility.

*T 3.0.1*

## COMPONENT A: BASIC SERVICES

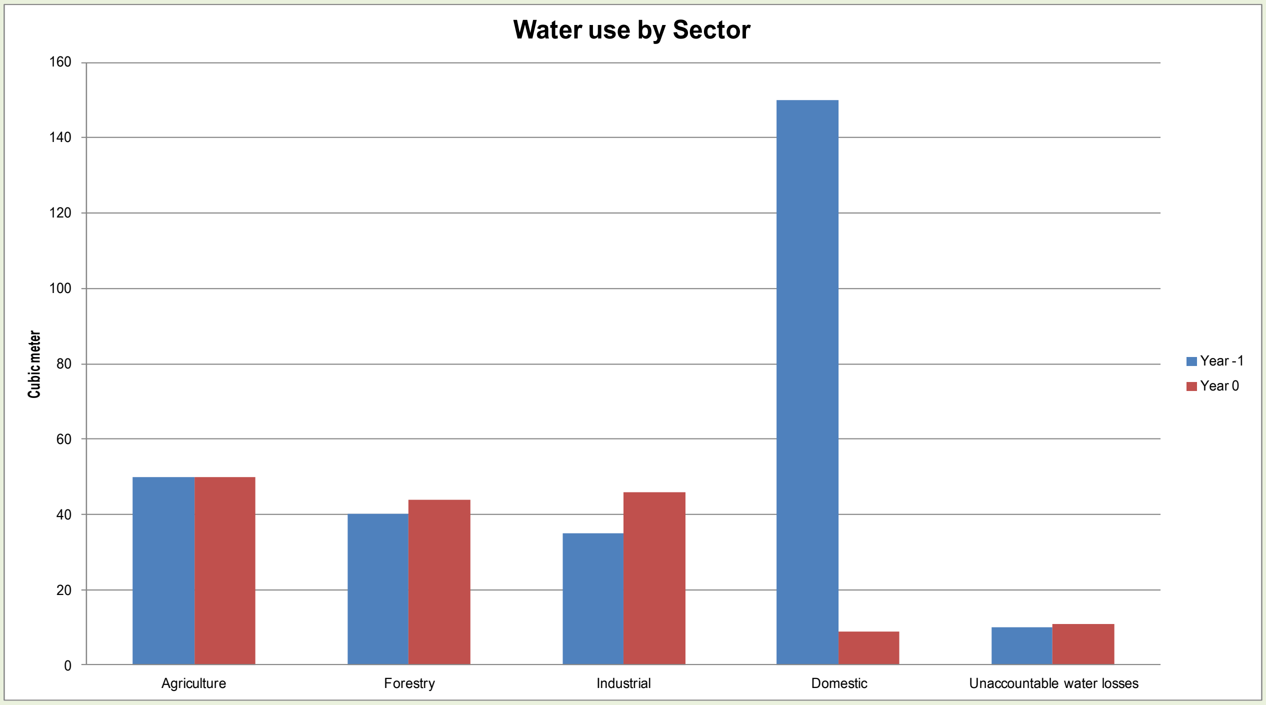
This component includes: water; waste water (sanitation); integrated transport, electricity; waste management; and housing services; and a summary of free basic services.

| INTRODUCTION TO BASIC SERVICES |
|---|
| Despite good rains and full dams, ADM continues to struggle to provide a reliable water supply. Loadshedding, vandalism, illegal connections and poor revenue collection all contribute to the challenges in providing a reliable service to consumers.<br><br>In order to mitigate these challenges ADM has implemented a number projects. The legacy of poor access to services in the former homelands, has resulted in massive water and sanitation backlogs for the Amathole District Municipality. Addressing these backlogs is a key priority for the ADM, but the speed of roll out is limited by funding constraints as well as access to bulk water resources.<br><br>ADM is currently developing a comprehensive water and sanitation master plan that will coordinate water services infrastructure development between local municipalities (LM) and neighbouring WSAs. Master plans exist for certain local municipalities and local areas. There is a need to coordinate numerous resource plans and endeavors performed both inside the ADM and by its neighbours, the DWS and Amatola Water Board. It is a statutory requirement;<br><br>ADM is also reviewing the Water Services Development Plan (WSDP) as well developing a Infrastructure Asset Management Plan as sector plans of the Integrated Development Plan (IDP) of the municipality. The plans mentioned above will go a long way in assisting ADM with ensuring progressive efficient, affordable, economical and sustainable water services that promote sustainable livelihoods and economic development in the district. |
| The right to adequate housing is intrinsically bound up with a number of other cross-cutting rights – including the rights to public participation, equality, human dignity, just administrative action, access to information and access to justice – as well as a range of socio-economic goods and amenities. These include access to land, water, sanitation, electricity, livelihoods, transport, clinics and hospitals, schools, universities and cultural and recreational amenities such as libraries, public spaces, swimming pools, sports fields and religious centers. Within ADM, this is achieved through delivery of the Integrated and Sustainable Human Settlements approach.<br><br>With regard to provision of Integrated and Sustainable Human Settlements, particularly the Settlement Planning and Land Development, ADM had developed Zone Plans in various local municipalities. These are aimed at providing a framework of settlement models to guide development options as well as providing local level planning for settlements and livelihood development in communal villages.<br><br>*T 3.1.0* |

## 3.1. WATER PROVISION

| INTRODUCTION TO WATER PROVISION |
|---|
| Amathole District Municipality (ADM) became a Water Services Authority in 2003 and through a subsequent Section 78 process, became the Water Service Provider for the Amathole District in July 2006<br><br>Approximately 30% of water consumed in the District is purchased from the Amatola Water Board, while the balance is supplied from thirty (30) ADM owned Water Treatment Works and over eighty (80) borehole schemes. Water is supplied through metered yard connections in the towns and through communal standpipes in rural areas and informal settlements. During the last assessment in 2022, seventeen of the supply systems were found to be in the low-risk rating category (achieved <50% BDRR), while five were in the medium-risk rating category (achieved between 50% and <70% BDRR) and five were in the high-risk rating category (achieved between 70% and <90% BDRR). Four supply systems achieved critical-risk rating (achieved >90% BDRR). It should be noted that the ADM operates more treatment works than any other municipality in the country and the remoteness of many of these treatment facilities makes management difficult and expensive. |
| During the 2024/25 financial year the ADM continued the implementation of Water Conservation and Demand Management Projects in the whole district in order to reduce water losses and increase revenue. The program will be rolled out across the district during the 2025/26 financial year. Service Providers also continued with the refurbishment of both Water and Wastewater Treatment Facilities, pump stations and pipelines. These are multiyear programs that will continue on an annual basis till the whole district is covered. |
| One of the ADM's objectives when rendering water services, is to provide a reliable and affordable supply of potable water and sanitation to the communities, ensuring that the supply is within a 200m distance and each household is provided with a Ventilated Pit Latrine. These projects improve the living standards of the people in the area and contribute towards reduction of the prevalence of water borne diseases and create employment opportunities.<br><br>In early 2012, the then Ministers of Water Affairs and Cooperative Governance and Traditional Affairs met to find ways of collaboration between the two departments to accelerate basic water services supply to all South African in the declared '24' poorest District Municipalities in the South Africa. As a result the Municipal Water Infrastructure Grant (MWIG) was established mainly to ensure access to at least an interim or intermediate water supply in the short and medium term through the Interim Intermediate Water Services Program (IIWSP) until such time the basic level can be achieved. The name of the grant has since been changed to the Water Services Infrastructure Grant and includes allocations for sanitation. During this financial year (24/25) an allocation of R77.53m was made available to assist with interim water and sanitation services, refurbishment projects, water conservation as well as drought mitigation projects.<br><br>*T 3.1.1* |

| Total Use of Water by Sector (cubic meters) | | | | | |
|---|---|---|---|---|---|
| | Agriculture | Forestry | Industrial | Domestic | Unaccountable water losses |
| **Year 2019/20** | n/a | n/a | n/a | 22,545,747 | 3,363,906 |
| **Year 2020.21** | n/a | n/a | n/a | 21,674,279 | 1,616,699 |
| **Year 2021/2022** | n/a | n/a | n/a | 22,857,733 | 1,615,857 |
| **Year 2022/2023** | n/a | n/a | n/a | 20,393,785 | 2,484,958 |
| **Year 2023/2024** | n/a | n/a | n/a | 19,644,188 | 2,728,968 |
| | | | | | *T 3.1.2* |




*T 3.1.2.1*

COMMENT ON WATER USE BY SECTOR:

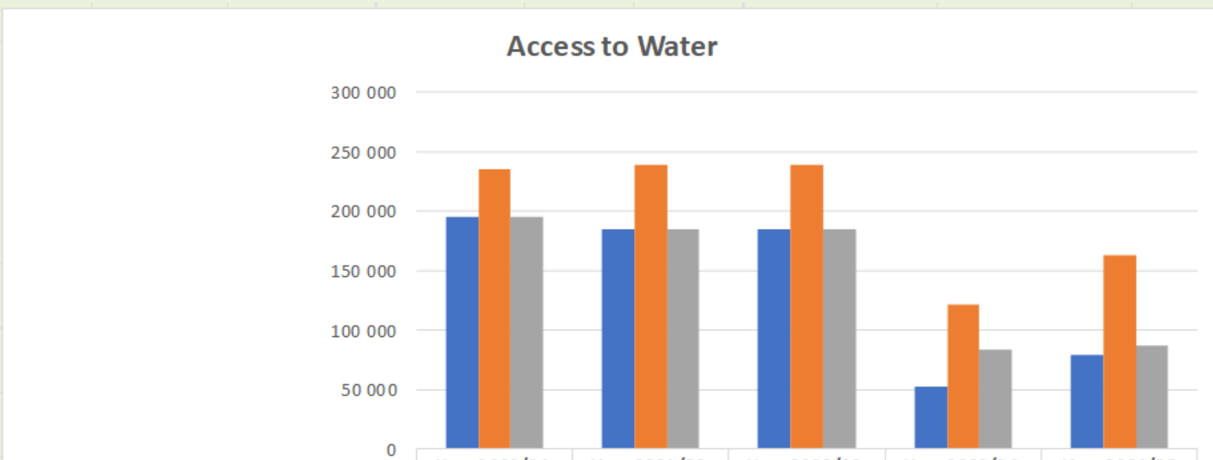
The high rate of water loss remains an ongoing challenge to the ADM. Leakage “beyond the meter”, particularly in low income areas results in substantial water wastage. This is mainly owing to the difficulty of indigent consumers to maintain or repair their toilet cisterns.

Another concern which contributes to the high water loss figures are the large number of illegal connections, particularly in rural areas. Owing to the limited design capacity of rural water supply schemes, yard connections have a negative effect on the operations of rural schemes and many consumers end up going without water altogether.

This has not stopped households connecting anyway and in some areas most households have connected. While the water is being consumed by these households, it is not metered and reflects a water loss. A Rural Yard Connection Policy has been developed to address the connections in rural areas. The rollout of this policy has stalled and needs resuscitation. One of the ways of addressing high water losses is to reduce and control consumption, in particular consumption caused by leaks and illegal usage. To this end, ADM has developed a Water Conservation Demand Management Strategy while continuing to rollout non-revenue water mitigation interventions throughout the district.

*T 3.1.2.2*

| Households - Water Service Delivery Levels below the minimum | | | | | | | |
|---|---|---|---|---|---|---|---|
| Households | | | | | | | |
| Description | Year 20/21 | Year 21/22 | Year 22/23 | Year 23/24 | Year 24/25 | | |
| | Actual No. | Actual No. | Actual No. | Actual No. | Original Budget No. | Adjusted Budget No. | Actual No. |
| **Formal Settlements** | | | | | | | |
| Total households | 234 254 | 326 627 | 326 627 | 195 947 | 195 947 | N/a | 195 947 |
| Households below minimum service level | 5 998 | 92 522 | 92 522 | 78 765 | 77 265 | N/a | 75 184 |
| Proportion of households below minimum service level | 2.4% | 28.3% | 28.3% | 40.2% | 39.4% | | 38.4% |
| **Informal Settlements** | | | | | | | |
| Total households | 5 746 | 8 477 | 8 477 | 45 665 | 45 665 | N/a | 45 665 |
| Households below minimum service level | 5 746 | 3 631 | 3 631 | 3 631 | 3 631 | N/a | 3 631 |
| Proportion of households below minimum service level | 100% | 43% | 43% | 8% | 8% | | 8% |




| | Year 2020/21 | Year 2021/22 | Year 2022/23 | Year 2023/24 | Year 2024/25 |
|---|---|---|---|---|---|
| Proportion of households with access to water points* | 194 934 | 184 646 | 184 646 | 52 272 | 79 143 |
| Proportion of households with access to piped water | 235 626 | 238 951 | 238 951 | 121 208 | 162 797 |
| Proportion of households receiving 6 kl free# | 194 934 | 184 646 | 184 646 | 84 173 | 87 755 |

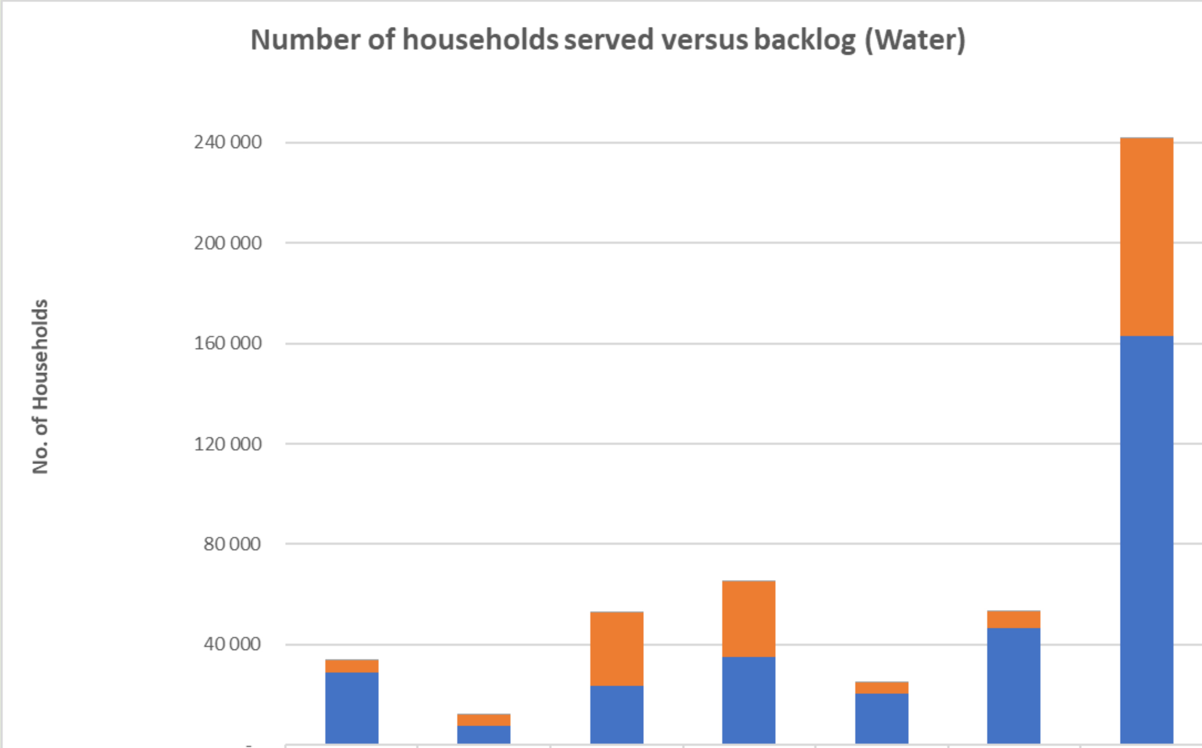
** Means access to 25 liters of potable water per day supplied within 200m of a household and with a minimum flow of 10 liters per minute*

*# 6,000 liters of potable water supplied per formal connection per month*

*T 3.1.5*

**Water: Level of Services (LOS)**

| Level of Services (LOS) | Amahlathi | Great Kei | Mbhashe | Mnquma | Ngqushwa | Raymond Mhlaba | Amathole | % of Total |
|---|---|---|---|---|---|---|---|---|
| Piped (tap) water inside the dwelling | 12 866 | 4 569 | 14 061 | 21 712 | 7 254 | 23 192 | **83 655** | **34.6%** |
| Piped (tap) water inside the yard | 10 579 | 1 522 | 2 565 | 4 008 | 5 337 | 13 54 | **37 554** | **15.5%** |
| Piped (tap) water on community stand: distance less than 200m from dwelling | 5 596 | 1 581 | 7 151 | 9 296 | 7 954 | 10 011 | **41 589** | **17.2%** |
| Piped (tap) water to community stand: between 200m and 500m from dwelling | 1 113 | 1 016 | 2 200 | 2 602 | 926 | 1 132 | **8 989** | **3.7%** |
| Piped (tap) water to community stand: between 500m and 1000m from dwelling | 311 | 336 | 537 | 1 324 | 346 | 484 | **3 338** | **1.4%** |
| Piped (tap) water on community stand: distance greater than 1000m (1 km) from dwelling | 96 | 31 | 560 | 852 | 235 | 164 | **1 938** | **0.8%** |
| No access to piped (tap) water | 3 060 | 3 039 | 25 641 | 25 426 | 2 861 | 4 523 | **64 549** | **26.7%** |
| **Total** | **33 621** | **12 095** | **52 715** | **65 221** | **24 913** | **53 047** | **241 612** | **100%** |




| | Amahlathi | Great Kei | Mbashe | Mnquma | Ngqushwa | R Mhlaba | Amathole |
|---|---|---|---|---|---|---|---|
| %Age Backlogs | 13.62% | 36.56% | 54.89% | 46.31% | 17.53% | 11.88% | 32.62% |
| Backlogs (incl. extensions) | 4 580 | 4 422 | 28 938 | 30 204 | 4 368 | 6 302 | 78 815 |
| Served | 29 041 | 7 673 | 23 777 | 35 017 | 20 545 | 46 745 | 162 797 |

# Chapter 3

| Employees: Water Services (Networks) | | | | | |
|---|---|---|---|---|---|
| Job Level | Year 2020/21 | Year ~~2023/24~~ 2024/25 | | | |
| | Employees<br>No. | Posts<br>No. | Employees<br>No. | Vacancies (fulltime equivalents)<br>No. | Vacancies (as a % of total posts)<br>% |
| TG15 & above | 0 | 0 | | 0 | 0% |
| TG13-14 | 5 | 6 | 6 | 0 | 0% |
| TG9-12 | 66 | 119 | 70 | 49 | 41. 17% |
| TG8 | 61 | 0 | 0 | 8 | 0% |
| TG4-7 | 349 | 672 | 302 | 370 | 55.05% |
| Total | 481 | 797 | 378 | 419 | 52.57% |
| | | | | | T3.1.7 |

| Financial Performance Year 2024/25: Water Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -2031/24 | Year 2024/25 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | (1 158 207)) | (603 099) | (603 099) | | 48% |
| Expenditure: | | | | | |
| Employees | 264 034 | 279 112 | 191 432 | 264 034 | -6% |
| Repairs and Maintenance | 6 588 | 16 248 | 16 248 | 6 588 | -147% |
| Other | 435 593 | 523 345 | 531 066 | 435 593 | -20% |
| **Total Operational Expenditure** | 706 214 | 818 706 | 738 746 | 706 214 | -16% |
| **Net Operational Expenditure** | (451 992) | 215 606 | 135 647 | (451 992) | 148% |
| Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.1.8 | | | | | |

| Capital Expenditure Year 0: Water Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.1.9* |

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

Most of water projects under implementation are multi-year projects and they also cover bulk services with the largest six as follows (Ngqamakhwe bulk water supply, Mgwali South water supply, Ngqushwa villages water reticulation, Fort Beuafort water supply, Hogsback water supply and Xhora Regional Water Supply Schemes), there is a very sligtly improvement towards water access. Current grant allocations to implement infrastructure projects are not enough to eliminate the water services backlog, as such the Institution is doing what is possible with the available funding.

*T 3.1.10*

## 3.2 WASTE WATER (SANITATION) PROVISION

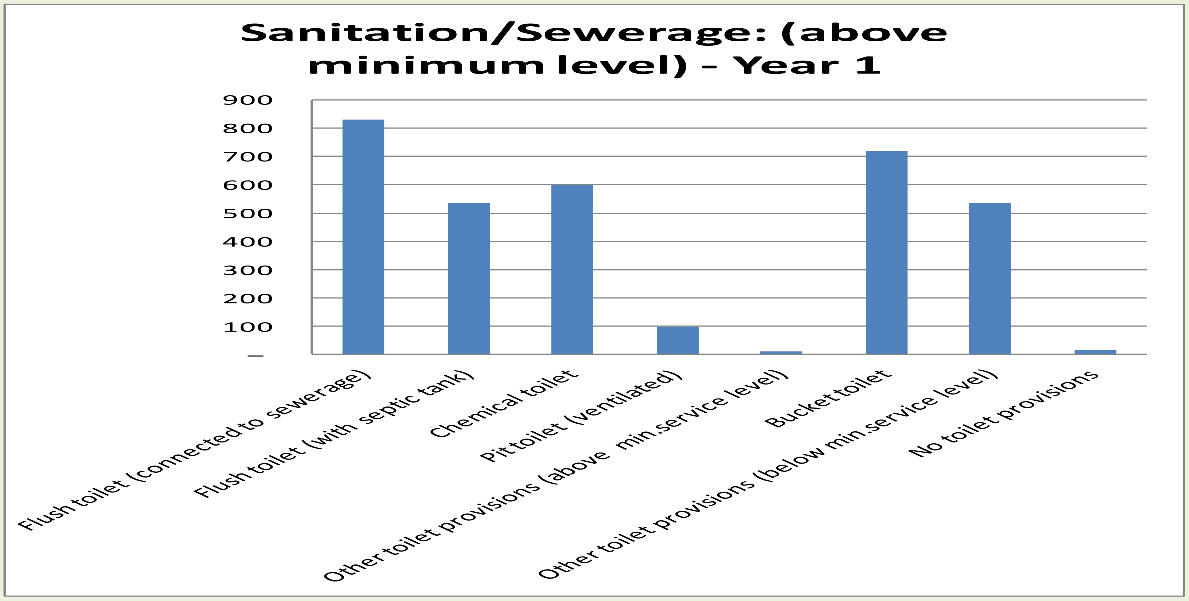
INTRODUCTION TO SANITATION PROVISION

The Amathole District Municipality (ADM) became a Water Services Authority in 2003 and through a subsequent Section 78 process, became the Water Services Provider (including sanitation) for the Amathole District in July 2006. ADM provides sanitation services via water borne sanitation connected to fifteen waste water treatment works, emptying of conservancy tanks with honey suckers and Ventilated Improved Pit Latrines. ADM has so far failed to achieve Green Drop status for any of its waste water treatment works and achieved and overall score of 54% in 2021. This was a regression from its score of 60% in 2013.

ADM intends to eradicate sanitation backlogs in its area of jurisdiction as a Water Services Authority, with funding from Municipal Infrastructure Grant (MIG) and other available source of funding. This will be achieved through the supply and installation of VIP movable or re-locatable toilets.

The ADM was working towards meeting the national water service delivery targets of “adequate potable and effective supply of safe water to all by 2023 and adequate and sustainable sanitation to all by 2023. The ADM as the Water Services Authority (WSA) in its area of jurisdiction is facing enormous water and sanitation backlogs and owing to the size of these backlogs, was unable to meet the above targets. Given the historical of underdevelopment in the rural areas, ADM has made great strides in pushing the frontiers of poverty backwards. ADM is however aware that the greater part of restoring the dignity of its people and providing them with sustainable and efficient municipal services remains a fundamental task in the new dispensation.

*T 3.2.1*

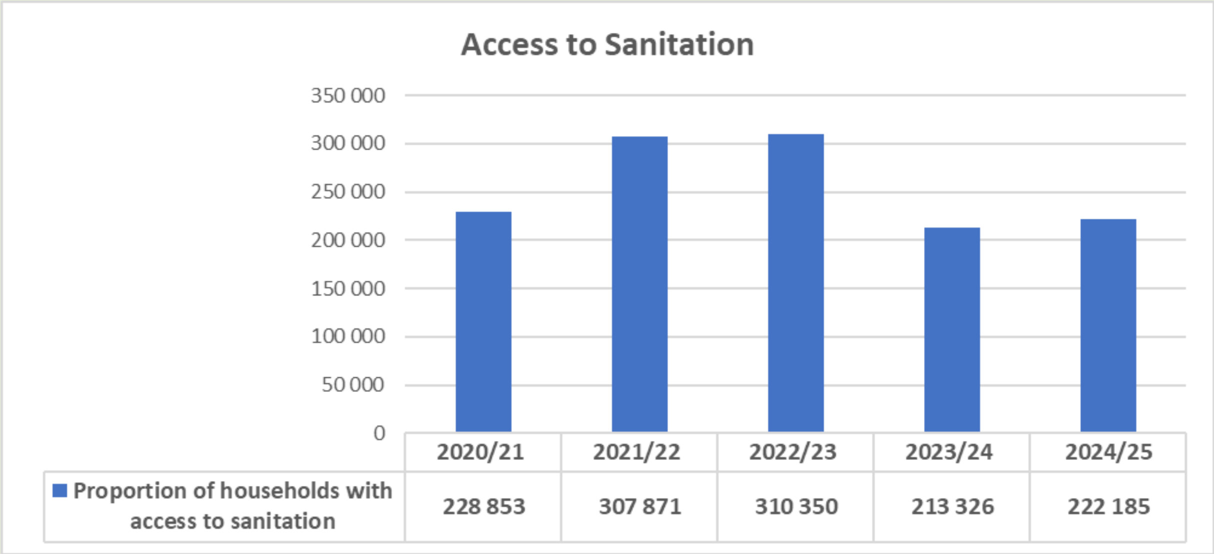

Sanitation/Sewerage: (above minimum level) - Year 1
900
800
700
600
500
400
300
200
100
-
Flush toilet (connected to sewerage)
Flush toilet (with septic tank)
Chemical toilet
Pit toilet (ventilated)
Other toilet provisions (above min.service level)
Bucket toilet
Other toilet provisions (below min.service level)
No toilet provisions

T 3.2.2

| Sanitation Service Delivery Levels<br>Households | | | | | |
|---|---|---|---|---|---|
| **Description** | **Year 20/21 Actual** | **Year 21/22 Actual** | **Year 22/23 Actual** | **Year 23/24 Actual** | **Year 24/25 Actual** |
| | **No.** | **No.** | **No.** | **No.** | **No.** |
| **Sanitation/sewerage: (above minimum level)** | | | | | |
| Flush toilet (connected to sewerage) | 23 882 | 42 762 | 42 762 | 93 100 | 93 100 |
| Flush toilet (with septic tank) Chemical toilet Pit toilet (ventilated) | Included above | Included above | Included above | 17 598 | 17 598 |
| Other toilet provisions (above min.service level) | N/a | N/a | N/a | 2 912 | 2 912 |
| Ventilated Pit Latrines(VIP) | 217 192 | 265 109 | 267 588 | 99 716 | 108 575 |
| *Minimum Service Level and Above sub-total* | **228 853** | **307 871** | **310 350** | **213 326** | **222 185** |
| *Minimum Service Level and Above Percentage* | **95%** | **92%** | **93%** | **88.3%** | **92.0%** |
| **Sanitation/sewerage: (below minimum level)** | | | | | |
| Bucket toilet | 300 | - | - | 2 139 | 2 139 |
| Other toilet provisions (below min.service level) | 11 147 | 27 233 | 24 754 | 26 147 | 17 288 |
| *Below Minimum Service Level sub-total* | 11 447 | 27 233 | 24 754 | 28 286 | 19 427 |
| *Below Minimum Service Level Percentage* | 5% | 8% | 7% | 11.7% | 8.0% |
| **Total number of households*** | **240 000** | **335 104** | **335 104** | **241 612** | **241 612** |
| ** - To include informal settlements* | | | | | |
| | | | | | *T 3.2.3* |

| Households - Sanitation Service Delivery Levels below the minimum Households | | | | | | | |
|---|---|---|---|---|---|---|---|
| Description | Year 20/21 | Year 21/22 | Year 22/23 | Year 23/24 | Year 24/25 | | |
| | Actual No. | Actual No. | Actual No. | Actual No. | Original Budget No. | Adjusted Budget No. | Actual No. |
| **Formal Settlements** | | | | | | | |
| Total households | 234 254 | 326 627 | 326 627 | 195 947 | 195 947 | N/a | 195 947 |
| Households below minimum service level | 11 147 | 24 697 | 22 218 | 25 750 | 23 287 | N/a | 15 755 |
| Proportion of households below minimum service level | 5% | 8% | 7% | 13% | 12% | | 8% |
| **Informal Settlements** | | | | | | | |
| Total households | 5 746 | 8 477 | 8 477 | 45 665 | 45 665 | N/a | 45 665 |
| Households below minimum service level | 5 746 | 2 536 | - | - | 5 427 | N/a | 3 672 |
| Proportion of households below minimum service level | 100% | 30% | 0% | 0% | 12% | | 8% |

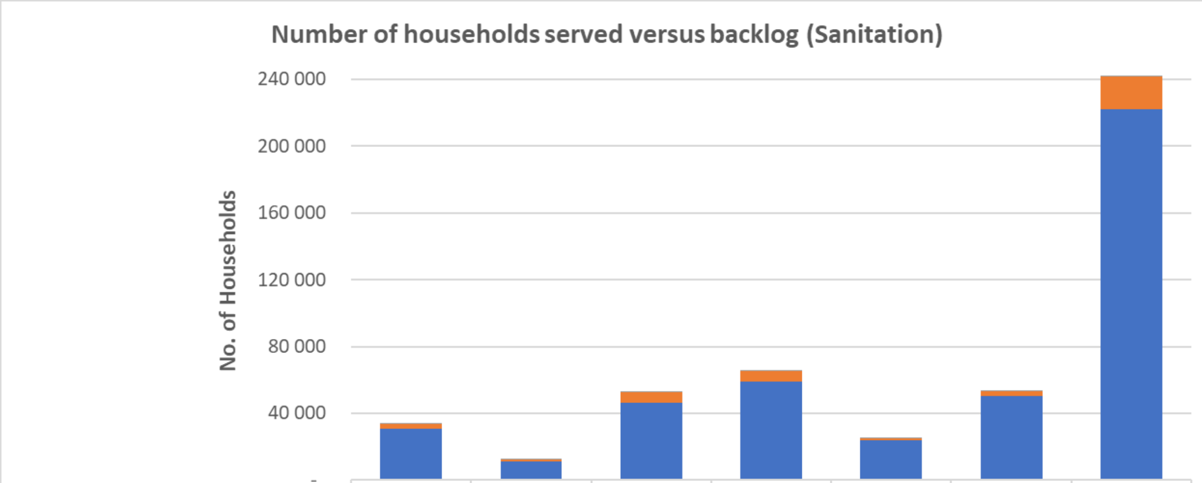
| Access to Sanitation | |
|---|---|
| Year | Proportion of households with access to sanitation |
| 2018/19 | 191 581 |
| 2019/20 | 217 853 |
| 2020/21 | 228 853 |
| 2021/22 | 307 871 |
| 2022/23 | 310 350 |
| 2023/24 | 213 326 |
| 2024/25 | 222 185 |
| | *T 3.2.5* |




*T 3.2.5*

**Sanitation: Level of Services (LOS)**

| Level of Services (LOS) | Amahlathi | Great Kei | Mbhashe | Mnquma | Ngqushwa | Raymond Mhlaba | Amathole | % of Total |
|---|---|---|---|---|---|---|---|---|
| Flush toilet connected to a public sewerage system | 14 794 | 5 109 | 13 767 | 1 832 | 6 902 | 30 696 | **93 100** | 38.5% |
| Flush toilet connected to a septic tank or conservancy tank | 797 | 982 | 177 | 412 | 235 | 1 181 | **3 783** | 1.6% |
| Chemical toilet | 643 | 854 | 5 521 | 3 899 | 1 381 | 1 516 | **13 815** | 5.7% |
| Pit latrine/toilet with ventilation pipe (VIP) | 14 692 | 4 463 | 26 472 | 31 684 | 14 742 | 16 522 | **108 575** | 44.9% |
| Pit latrine/toilet without ventilation pipe | 1 545 | 30 | 3 954 | 4 331 | 517 | 1 328 | **11 706** | 4.8% |
| Ecological toilet (e.g. urine diversion, enviroloo, etc) | 104 | 31 | 242 | 1 262 | 609 | 664 | **2 912** | 1.2% |
| Bucket toilet (collected by municipality) | 17 | 9 | 340 | 23 | 8 | 55 | **451** | 0.2% |
| Bucket toilet (emptied by household) | 133 | 45 | 894 | 187 | 48 | 381 | **1 688** | 0.7% |
| None | 514 | 305 | 657 | 571 | 335 | 469 | **2 851** | 1.2% |
| Other | 383 | 265 | 691 | 1 019 | 137 | 235 | **2 730** | 1.1% |
| **Total** | **33 621** | **12 095** | **52 715** | **65 221** | **24 913** | **53 047** | **241 612** | 100% |




| | Amahlathi | Great Kei | Mbashe | Mnquma | Ngqushwa | R Mhlaba | Amathole |
|---|---|---|---|---|---|---|---|
| %Age Backlogs | 7.71% | 5.42% | 12.40% | 9.40% | 4.20% | 4.65% | 8.04% |
| Backlogs (incl. extensions, excl. chemical) | 2 592 | 655 | 6 536 | 6 131 | 1 045 | 2 467 | 19 427 |
| Served (incl. chemical toilets) | 31 030 | 11 440 | 46 179 | 59 090 | 23 868 | 50 579 | 222 185 |

| Job Level | Year 2022/23 | Year 2024/25 | | | |
|---|---|---|---|---|---|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | | No. | % |
| TG15 & above | 0 | 1 | 1 | 0 | 0% |
| TG13-14 | 25 | 0 | 0 | 0 | 0% |
| TG9-12 | 16 | 21 | 21 | 0 | 0% |
| TG8 | 149 | 0 | 0 | 0 | 0% |
| TG4-7 | 65 | 281 | 201 | 80 | 28.46% |
| Total | 255 | 303 | 223 | 80 | 26.40% |

| Financial Performance Year 0: Sanitation Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.2.8* |



| Financial Performance Year 0: Sanitation Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.2.8* |



| Capital Expenditure Year 0: Sanitation Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.2.9* |

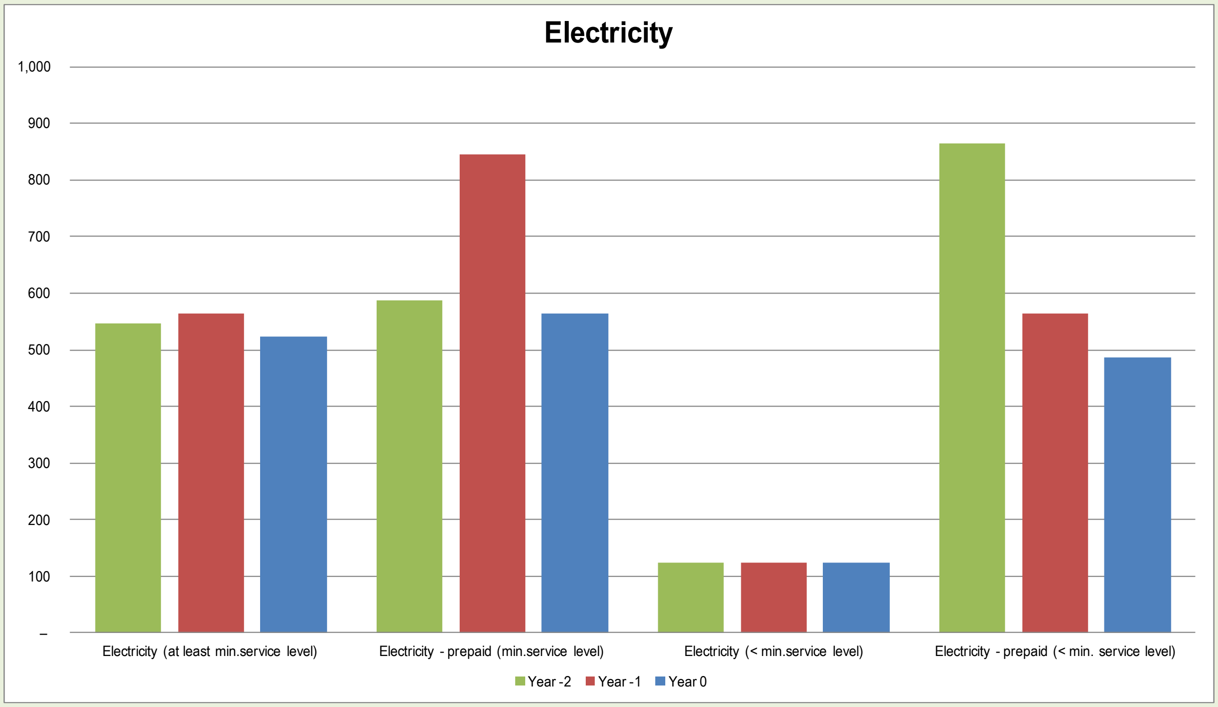
| COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL: |
| --- |
| Sanitation projects that were under implementation during the financial year were funded through Municipal Infrastructure Grant (MIG) and Water Services Infrastructure Grant (WSIG) under all six various Local Municipality. During 2023/24 financial year a total of 9 287 VIP toilets were provided to various households within ADM Local Municipalities. These projects will continue in the next. Financial Year with both grants.<br><br>Current financial streams that ADM is getting as an allocation to address the infrastructure projects are not enough to eliminate the water services backlog, as such the Institution is doing what is possible with the available funding<br><br>*T 3.2.10* |

## 3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

Amathole District Municipality does not perform this function. Electricity is performed at a local level in partnership with ESKOM. This has not stopped ADM though from soliciting the support of MISA in assisting with the development of a feasibility study on renewable energy opportunities. This feasibility study has since been completed and utilised during the funding application targeting Budget Facility for Infratsructure (BFI) funding.

*T 3.3.1*




*T 3.3.*

| Electricity Service Delivery Levels | | | | |
|---|---|---|---|---|
| | | | | Households |
| Description | Year -3 | Year -2 | Year -1 | Year 0 |
| | Actual No. | Actual No. | Actual No. | Actual No. |
| ***Energy:*** **(above minimum level)** | | | | |
| Electricity (at least min.service level) | 655 | 547 | 565 | 523 |
| Electricity - prepaid (min.service level) | 565 | 587 | 846 | 565 |
| *Minimum Service Level and Above sub-total* | 1,220 | 1,134 | 1,411 | 1,088 |
| *Minimum Service Level and Above Percentage* | 52.8% | 52.8% | 66.3% | 62.1% |
| ***Energy:*** **(below minimum level)** | | | | |
| Electricity (< min.service level) | 112 | 123 | 124 | 124 |
| Electricity - prepaid (< min. service level) | 955 | 865 | 565 | 487 |
| Other energy sources | 24 | 26 | 28 | 54 |
| *Below Minimum Service Level sub-total* | 1,091 | 1,014 | 717 | 664 |
| *Below Minimum Service Level Percentage* | 47.2% | 47.2% | 33.7% | 37.9% |
| **Total number of households** | 2,310 | 2,147 | 2,127 | 1,753 |
| | | | | *T 3.3.3* |

| Households - Electricity Service Delivery Levels below the minimum | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | Households |
| Description | Year -3 | Year -2 | Year -1 | Year 0 | | |
| | Actual No. | Actual No. | Actual No. | Original Budget No. | Adjusted Budget No. | Actual No. |
| **Formal Settlements** | | | | | | |
| Total households | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Households below minimum service level | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Proportion of households below minimum service level | 25% | 25% | 25% | 25% | 25% | 25% |
| **Informal Settlements** | | | | | | |
| Total households | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Households ts below minimum service level | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Proportion of households ts below minimum service level | 25% | 25% | 25% | 25% | 25% | 25% |
| | | | | | | *T 3.3.4* |

| Electricity Service Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| *Provision of minimum supply of electricity* | Additional households (HHs) provided with minimum supply during the year (Number of HHs below minimum supply level) | xxxxxx additional HHs (xxxxxx HHs below minimum) | xxxxxx additional HHs (xxxxxx HHs below minimum) | xxxxxx additional HHs (xxxxxx HHs below minimum) | xxxxxx additional HHs (xxxxxx HHs below minimum) | xxxxxx additional HHs (xxxxxx HHs below minimum) | xxxxxx additional HHs (xxxxxx HHs below minimum) | xxxxxx additional HHs (xxxxxx HHs below minimum) | xxxxxx additional HHs (xxxxxx HHs below minimum) |
| | | | | | | | | | |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.3.5*

| Employees: Electricity Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.3.6*

| Financial Performance Year 0: Electricity Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* *T 3.3.7*

| Capital Expenditure Year 0: Electricity Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.3.8* |

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain variances from budget for operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the performance on agreements reached with ESKOM if not already covered. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.3.9*

## 3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

The operations at the Eastern Regional Solid Waste Site (ERSWS) are progressing with Mnquma and Mbhashe Local Municipalities fully utilizing the landfill facility. The asset has since been transferred to Mnquma Local Municipality. Transfer of this asset has been necessitated by financial constraints currently being experienced by ADM. The Operator is handling the waste that is disposed on site daily as it comes in on site, it is weighed and the total waste volumes that have been recorded at the weigh bridge. There is also an onsite recycling taking place whereby they sort waste per category for example cardboards, papers, plastics, glasses and tins they are being bailed on daily basis and sold so as to compensate the workers.

Maximising of the regional waste site is critical from both the operational and commercial point of view. This recycling market will go a long way in increasing recycling as well reducing waste being dumped at the site. This will in turn result in extension of the regional waste site design life.

Having already completed the feasibility study into the provision of a regional waste site in the western region, rollout of such is vital and to be dictated by availability of funding. Also having completed the feasibility study into the provision of solid waste transfer stations in Keiskamahoek, rollout of such is also vital and to be dictated by availability of funding.

There is also Mbhashe Transfer Station that is linked to the Eastern Regional Solid Waste Site in terms of waste minimization that will reduce the waste that is transported and disposed at the landfill site. ADM was approached by Mbhashe LM as they had an interest to complete the outstanding works and the approval letter had since been signed by Municipal Manager and Mbhashe has taken over the site for completion and operation.

Once this transfer station is completed, benefits will be immense as transport costs for the Mbhashe local municipality will be reduced, consequently less expensive to provide the waste service.

*T 3.4.1*

| Solid Waste Service Delivery Levels | | | | |
|---|---|---|---|---|
| | | | | Households |
| Description | Year -3 | Year -2 | Year -1 | Year 0 |
| | Actual No. | Actual No. | Actual No. | Actual No. |
| ***Solid Waste Removal:*** **(Minimum level)** | | | | |
| Removed at least once a week | 2,895 | 2,685 | 2,846 | 2,235 |
| *Minimum Service Level and Above sub-total* | 2,895 | 2,685 | 2,846 | 2,235 |
| *Minimum Service Level and Above percentage* | 50.9% | 47.1% | 51.5% | 44.8% |
| ***Solid Waste Removal:*** **(Below minimum level)** | | | | |
| Removed less frequently than once a week | 655 | 547 | 565 | 523 |
| Using communal refuse dump | 865 | 846 | 487 | 865 |
| Using own refuse dump | 655 | 547 | 565 | 523 |
| Other rubbish disposal | 502 | 952 | 938 | 720 |
| No rubbish disposal | 112 | 123 | 124 | 124 |
| *Below Minimum Service Level sub-total* | 2,790 | 3,015 | 2,678 | 2,755 |
| *Below Minimum Service Level percentage* | 49.1% | 52.9% | 48.5% | 55.2% |
| **Total number of households** | **5,685** | **5,699** | **5,523** | **4,991** |
| | | | | *T 3.4.2* |

| Households - Solid Waste Service Delivery Levels below the minimum | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | Households |
| Description | Year -3 | Year -2 | Year -1 | Year 0 | | |
| | Actual No. | Actual No. | Actual No. | Original Budget No. | Adjusted Budget No. | Actual No. |
| **Formal Settlements** | | | | | | |
| Total households | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Households below minimum service level | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Proportion of households below minimum service level | 25% | 25% | 25% | 25% | 25% | 25% |
| **Informal Settlements** | | | | | | |
| Total households | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Households ts below minimum service level | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Proportion of households ts below minimum service level | 25% | 25% | 25% | 25% | 25% | 25% |
| | | | | | | *T 3.4.3* |

| Waste Management Service Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| ***Provision of weekly collection service per household (HH)*** | Propotionate reduction in average weekly collection failures year on year (average number of collection failures each week) | xxx weekly collection failures | % reduction from year -1 (xxx weekly collection failures) | % reduction from year -1 (xxx weekly collection failures) | % reduction from year -1 (xxx weekly collection failures) | % reduction from year -1 (xxx weekly collection failures) | % reduction from year -1 (xxx weekly collection failures) | % reduction from year -1 (xxx weekly collection failures) | % reduction from year -1 (xxx weekly collection failures) |
| ***Future capacity of existing and earmarked (approved use and in council possession) waste disposal sites*** | The amount of spare capacity available in terms of the number of years capacity available at the current rate of landfill usage | T0 years of unused landfill capacity available | A0 years of unused landfill capacity available | T1 years of unused landfill capacity available | T1 years of unused landfill capacity available | A1 years of unused landfill capacity available | T2 years of unused landfill capacity available | T5 years of unused landfill capacity available | T5 years of unused landfill capacity available |
| ***Proportion of waste that is recycled*** | Volumes of waste recycled as a percentage of total volume of waste disposed of at landfill sites. | T0% of year 0 waste recycled | A0% of year 0 waste recycled | T1% of year 0 waste recycled | T1% of year 0 waste recycled | A1% of year 0 waste recycled | T2% of year 0 waste recycled | T5% of year 0 waste recycled | T5% of year 0 waste recycled |
| ***Proportion of landfill sites in compliance with the Enviromental Conservation Act 1989.*** | x% of landfill sites by volume that are being managed in compliance with the Enviromental Conservation Act 1989. | T0% of sites compliant | A0% of sites compliant | T1% of sites compliant | T1% of sites compliant | A1% of sites compliant | T2% of sites compliant | of sites compliant | T5% of sites compliant |

*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.4.4*

| Employees: Solid Waste Magement Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T3.4.5*

| Employees: Waste Disposal and Other Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T3.4.6*

| Financial Performance Year 0: Solid Waste Management Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.4.7* |

| Financial Performance Year 0: Waste Disposal and Other Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.4.8* |

| Capital Expenditure Year 0: Waste Management Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.4.9* |

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

ADM had the following impact in these three service delivery priorities:
Construction at the Transfer Station in Idutywa have been completed.
Mbhashe LM starting to dispose at the ERSWS
Operationalization of the Eastern Regional Waste Site.

Major challenges in waste management services and remedial actions:
Solid Waste services have, for a long time, not been prioritized at the same level as other services like water and sanitation. This has been a major concern as projects emerging from the Integrated Waste Management Plan (IWMP) (even though valid projects) were not budgeted for, this must also be noted that the IWMP was last renewed in 2012/2013 financial year and now is overdue for major review. It is also noted with dismay that National Treasury fails to avail funding to the district even though relevant legislation dictates either wise,

"Funding must follow Function". This challenge has consequently prevented the municipality from fully identifying and responding to communities living in poverty and deficient in this basic service. ADM sent correspondence to National Treasury to raise the concern and no response has been received as yet.

*T 3.4.10*

## 3.5 HOUSING

| INTRODUCTION TO HOUSING |
|---|

Amathole District Municipality acknowledges the fact that Housing is a concurrent functional between National and Provincial Government interms of Schedule 4 Part A of the Constitution of the Republic, Act 108 of 1996, as amended.

Amathole District Municipality further, acknowledges that housing is an obligatory function in terms of Local Government competency. This is as enshrined in Section 153 (b) of the Constitution read with Section 156(b) of the Constitution. This is also emphasised by provisions of Section 9 (1)(a)-(h) and (2) (a)(i)-(vi) of the Housing Act, Act 107 of 1997.

As a result of the above therefore, particularly conforming to Section 9 (a), (b) and (f) of the Housing Act, 1997 developed an IDP Sector Plan being the Integrated Human Settlements Development Plan (Housing Strategy) were developed.

The ADM Integrated Human Settlements Development Plan (Housing Strategy) is a direct proposal of the District Municipality's IDP compilation process. It is an outcome of identification of key needs by communities which relates to housing & settlement as core issues for consideration.

The Plan is a guiding Framework for the strategic engagement of the Amathole District Municipality in Human Settlements development, including its role in supporting the Category B Municipalities within its area of jurisdiction. According to the Integrated Human Settlements Development Plan, based on the above legislative articulation, it is clearly mentioned that the District's role on Human Settlements development, the focal areas of responsibility are as detailed below :

Amathole District Municipality with its 6 Local Municipalities agreed that ADM will assume direct responsibility of addressing the housing needs of its inhabitants in the manner outlined hereunder, especially where there is lack of personnel in those municipalities.

The outline of such a role identified through a participatory process, endorsed by all spheres of Government is as detailed hereunder:

| ROLE | FUNCTION |
|---|---|
| Guide | ▪ Development and review of Municipal Housing Sector Plans<br>▪ Help set up appropriate designed municipal housing institutional arrangements<br>▪ Development of user-friendly manuals/models/systems<br>▪ Matters dealt with Housing Finance and Fraud management.<br>▪ Consumer education |
| Support | ▪ The planning and implementation of subsidy projects (Land, house designs, and quality, town planning layout, etc.) towards integrated settlements<br>▪ Help in monitoring housing projects<br>▪ Development and implementation of housing capacity development |

| | |
|---|---|
| | programmes |
| Co-ordinate | ▪ Funding for housing related bulk infrastructure and social infrastructure;<br>▪ Participation of housing institutions and other relevant support agencies in local municipalities<br>▪ Formulation and review of housing policy and legislation |
| Advocate | ▪ Provincially, nationally and internationally for local municipalities |
| Implement | ▪ Where there is need (determined by both local and district municipalities) the ADM will directly implement subsidy protects in a manner that capacitates the local municipality concerned so as to perform this function in the near future |

In doing so Amathole District Municipality has not lost sight of its role as a District Municipality to give a supportive role to Local Municipalities in terms of Section 83 (3) of the Municipal Structure Act, Act 117 of 1998.

Therefore as mentioned the clear role of Amathole District Municipality on Housing is as outlined in the Integrated Human Settlements Plan, which states that one of the key development issue identified during the IDP processes is also "housing development", which was listed as one of the most important issues for the District Municipality to address.

Guide, Support, Co-ordinate, Advocacy and Implementation (when necessary).

This is articulated as follows:

The IHSDP Strategy further emphasizes the development of Strategic Partnerships aimed bat aligning, co-ordinating and cross-pollinate matters of common interest and programmes with all Spheres of Government and other stakeholders.

The ADM Integrated Human Settlements Development Plan depicts the approach on housing is a strategic paradigm shift from the traditional housing delivery to an Integrated and Sustainable Human Settlements within the ambit of the 2030 vision on Human Settlements, in line with the "Breaking New Ground" Policy.

This Plan was considered for review during the year of reporting, and the following aspects were consideration there on :

- To contextualize the New Housing Development Approach to ensure Integrated and Sustainable Human Settlements within the Urban and Rural Space of the District.
- To ensure Provision of affordable Housing
- Looking at Housing Delivery and Human Settlements from a Long Terms Perspective

It also emphasizes the development of Strategic Partnerships aimed at aligning, co- ordinating and cross-pollinate matters of common interest and programmes with all Spheres of Government and other stakeholders.

As such the following key Programmes were since been implemented successfully as pronounced by the Plan, during the period of Reporting

- Backyard Survey Project
- Training of Housing Practitioners
- Farm Residents Housing Assistance Programme
- Implementation of Acceptable Appropriate Technologies on Human Settlements for the District area.
- Housing Consumer Education in 4 LMs.
  Housing Finance Risk and Fraud Plan

**Implementation of Backyard Survey Project**

In the IDP Integrated Human Settlements Development Plan (Housing Strategy) it is also clear that the approach on housing is a strategic paradigm shift from the traditional housing delivery to an Integrated and Sustainable Human Settlements within the ambit of the 2030 vision on Human Settlements, in line with the "Breaking New Ground" Policy.

As such the Strategic Framework phase of the Plan suggested key Objectives for consideration moving forward being

- To facilitate the capacitation of the Local Municipalities to effectively deal with housing delivery
- To ensure the availability of authentic data on housing demand
- To facilitate for the upgrading of the informal settlements within the district
- To create an environment for spatial transformation and social cohesion
- To facilitate the provision of a variety of tenure options
- Capacitation programs on rural housing options
- To ensure the security of tenure in all housing project
- Minimize the environmental impact of settlements

As part of the critical Programmes for Human Settlements development, the ADM Housing Plan proposed that the programme of Backyard Survey Project be prioritized in this cycle period.

As a consideration for 2024/25 in line with the Housing Policy the Status Quo on Backyard Survey Programme Data should be developed and provides.

This is reflected as per the following data.

| DWELLING TYPE | MB | MNQ | GKM | AMA | NGQ | RLM |
|---|---|---|---|---|---|---|
| House or Brick/ concrete block structure on a separate stand/yard /farm | 637 | 28 572 | 5 976 | 19 245 | 14 823 | 29 145 |
| Traditional Dwelling /hut /structure made of traditional material | 13 254 | 29 934 | 1 944 | 12 354 | 4 575 | 9 729 |
| Flat or apartment in a block of flats | 942 | 2673 | 156 | 399 | 345 | 405 |
| Cluster house in complex | 46 185 | 63 | 9 | 18 | 18 | 36 |
| Townhouse(semi-detached house | 171 | 39 | 9 | 12 | 12 | 36 |
| (semi-detached house | | 81 | 12 | 36 | 21 | 531 |
| House/Flat/room in backyard | | 2 157 | 198 | 240 | 156 | 687 |
| Informal Dwelling(shack in backyard) | | 780 | 720 | 513 | 573 | 336 |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Informal Dwelling(shack not in backyard)** | | **4 740** | **1 149** | **1 014** | **741** | **816** |
| **Room/Flatlet on a property or larger dwelling/servants quarters/granny flat** | | **105** | **45** | **45** | **33** | **105** |
| **Caravan/tent** | | **54** | **30** | **12** | **27** | **27** |
| **Other** | | **534** | **54** | **267** | **60** | **213** |
| **Total** | **61 190** | **69 732** | **10 308** | **34 158** | **21 384** | **42 066** |

This is the latest data collected Backyard Survey Programme per LM on Backyard Survey Programme in line with the Housing Policy.

The information is aimed at concretizing the Housing Backlog within the Municipalities in the District.

**Training of Housing Practitioners**

Amathole District Municipality in its Integrated Housing Development Plan (Strategy) has identified Training of Housing Practitioners as a priority.

For the year of Reporting, this priority is identified as a need for both the District and its LMs. The Practitiones include officials and councillors responsible for housing development.

The traning needs were identified and have since been included in the Municipal and Provincial Skills Plans

The areas identified included the following listed needs

- Housing Policy
- Housing Legislation
- Housing Finance
- Project Management
- Land administration
- Land use change processes
- Conveyancing procedures
- Conflict resolution

These will be rolled out in the next financial year. This will assist ADM in capacitating its local municipalities to perform their housing role effectively and efficiently.

**Farm Residents Housing Assistance Programme**

ADM identified Farm Residents Assistance Programme as a priority of this financial year.

This Programme apply in the following scenarios

The programme will apply in the following circumstances:

a) Development by Farm owner: When the farm owner is prepared to provide housing opportunities on his/her land for his/her employees. In this case the following options will be available:
b) Subdivision of the farmland and transfer thereof to the farm residents - the farm owner is prepared to (in compliance with all the relevant legislation) sub-divide his/her land into portions and transfer individual title to workers/residents. = establishment of "small

   residential townships"
c) Development for beneficiaries who received individual farmland in ownership through the Land Reform programme of the Department of Rural Development and Land Reform as contemplated by the Land Reform (Labour Tenants) Act, 1996.

d) Institutional Housing Subsidies - farm owner subdivide his/her land and transfer the subdivided portion so created to a housing institution for residential development purposes.
e) Accommodation for seasonal workers

   The programme will not apply to accommodate seasonal workers.

However this affects only **four Municipal Areas**, being **Raymond Mhlaba LM, Ngqushwa LM, Great Kei LM and Amahlathi LM.**

In this regard ADM started the process by interacting with the affected LMs as to the above Policy directive and this is set as a priority in next IDP cycle ending 2032.

The Programme being an outcome of the IDP Housing Strategy, which is based on the Comprehensive Plan for the Creation of Sustainable Human Settlements, that specifically called for a stronger rural housing development focus.

Local Municipalities are now to provide comprehensive status quo on the Farm Residents requiring assistance in terms of the Programme as per Housing Policy.

This will set the roll out of the Programme to be in motion for implementation.

**Acceptable Appropriate Technologies on Human Settlements**

The Concept of Innovation and Technology in Housing originates from the desire to illustrate that the Housing Sector can be transformed such that the Housing needs of the poor are catered for in a manner that gives options in housing developments.

These technology innovations can assist and be used as a vehicle for skills transfer, job creation, for providing quick to erect, quality, affordable and aesthetically pleasing products that would aid in eradicating the housing backlog

This is as endorsed in the 2020-2025 National Strategic Plan confirms that the Programme that relates to its development Objectives

This relates to Improved Housing and Human settlements programmes that relates to development and review of the policies and programmes.

Programmes cover all policy interventions that will be included in the Housing / Human Settlements Code whilst Policy Framework would cover macro policies that relates to the development of policy foundation.

In this regard the ADM Integrated Human Settlements Plan also made mention of the fact that these had to be localized and be implemented at local government level.

Therefore for 2024/2025 financial year, the said Strategy made a pronouncement that "Acceptable Appropriate Technologies on Human Settlements for the District Area be implemented".

One of the Activities identified to achieve the said objective as per the Action Plan is Development of a Project Pian, as such these will find be utilized to benchmark what is required for the District in terms of Acceptable Technologies included in the norms and standards.

The Housing Strategy states that this programme had to be done in Collaboration with the Province

Through consultation meeting with Provincial Department of Human Settlements and ADM Building and Services Planning the agreed upon norms and standards as per the code were for ADM area were as below.

- SABS approval certificate
- Agreement Certification
- Registration and processes for obtaining the necessary Certification
- NHBRC Registration (Facilitation) CIDB Registration Level 1
- Main Requirements: (1) Company
- Registration Documents (2) I Documents
- Beneficial Ownership at CIPC
- CSD Registration
- CIDB Registration
- NHBRC Registration
- CODA Registration
- COIDA Letter of Good Standing Free Marketing Consultation

**Housing Consumer Education in 4 LMs**

The Housing Consumer Education is aimed at -:

- Ensuring that all housing consumers in the entire residential property market understand the government's role in housing provision
- Ensuring that consumers understand their rights, duties, responsibilities and obligations working in partnership with government to meet their own housing needs to ensure a more sustainable housing delivery system.

Aims

- Ensure that Housing Consumer Education (HCE) is uniform, targeted and specific to enable housing consumer to make informed housing choices.
- Provide the government's comprehensive plan in creating sustainable human settlements
- Provide a set of housing programmes and subsidies provided by government
- empower housing consumers to understand their housing rights and responsibilities, as well as different types of subsidies offered by government, ensuring that housing consumers are educated on existing and new housing legislation, strategies and approaches.

During the period of reporting this Programme was implemented at Great Kei, Raymond Mhlaba, Amahlathi and Ngqushwa LM.

**Housing Finance Risk and Fraud Plan**

The Housing Finance Risk and Fraud Plan Programme for 2024/2025 sought to suggest a clear Implementation on processes of spreading awareness to all role players in Housing Development, both Internal and External.

In terms of the Implementation Plan, the Operational Plan suggests that the Plan be reviewed and reconfigured.

This was aimed at enhancing capacity of officials dealing with Housing / Project Finances in particular on issues that relate to fraud risk and corruption.

The Plan through its Implementation Plan further made key important Strategy aimed at addressing this matter. The said Strategy suggested that a Risk Analysis be conducted through the entire cycle of the Housing development, where such financial risks are to be identified, documented, assessed and properly analysed. These risks will be those related to Housing Finance and will be placed in a Risk Register through the normal process of risk management exercise.

As a process of roll out plan, the ADM developed source documents to assist the awareness programme being a Concept document, Housing Finance Risk Register, summarized Housing Strategy and the Fraud Plan.

As mentioned above the General Overview of the Plan and brief summary outline of the General Overview of the HFRF Plan outlining Areas of Update includes the following:

CHAPTER 1

Fraud and corruption prevention services can be built around four key elements

CHAPTER 2: PERFORMANCE AND REPORTING

Strategy, Implementation, performance

CHAPTER 3: GOVERNING STRUCTURES AND DELEGATION

Rote of the governing body

CHAPTER 4: GOVERNANCE FUNCTIONAL AREAS

Risk and opportunity governance

Therefore, the set KPI is successfully achieved as planned. This will lead to the next level of the implementation of the Housing Finance Risk and Fraud Plan Activities.

Human Settlements Entities Strategic Partnerships -

The IDP Human Settlements Plan also emphasizes the development of Strategic Partnerships aimed at aligning, coordinating and cross-pollinate matters of common interest and Programmes with all Spheres of Government and other stakeholders.

In line with any Plan the Implementation Plan suggested that Human Settlements Entities Strategic Partnerships be enhanced.

As a result therefore for this year this found its way into the Municipal Plans for implementation. These entities have a mandate to forge partnership with government structures, the process will enhance such partnerships so as to improve service delivery and to the benefit of our communities.

The Municipal Performance Plan was as such designed to include the Entities Strategic Partnerships as a project for implementation.

Just like all other projects in ensuring that the objectives set with the outcome of this project, clear plans with identified targets through the process of Performance Management System, with clear periodic milestones were set for measuring progress performance on implementation set on quarterly intervals.

With regards to 2024/25 it was expected that the Plan be reviewed to conform with the Municipal Fraud Plan.

The revision was conducted and a brief summary outline of the General Overview of the HFRF Plan with a Document outlining Areas of Update includes the following:

**CHAPTER 1**

Fraud and corruption prevention services can be built around four key elements

CHAPTER 2: PERFORMANCE AND REPORTING

Strategy, Implementation, performance

CHAPTER 3: GOVERNING STRUCTURES AND DELEGATION

Role of the governing body

CHAPTER 4: GOVERNANCE FUNCTIONAL AREAS

Risk and opportunity governance.

T 3.5.1

| Percentage of households with access to basic housing | | | |
|---|---|---|---|
| Year end | Total households (including in formal and informal settlements) | Households in formal settlements | Percentage of HHs informal settlements |
| Year 2017/18 | 237 777 | 119 259 | 50.1% |
| Year 2018/19 | 229 150 | 123 692 | 53.97% |
| Year 2019/20 | 229 150 | 123 692 | 70.4% |
| Year 2020/21 | 223 776 | 119 256 | 52.6% |
| Year 2021/22 | 211 942 | 107 422 | 43.74% |
| Year 2022/23 | 245 431 | 128 185 | 47.7% |
| Year 2023/24 | 241 612 | 195 938 | 81.1% |
| Year 2024/25 | 155 609 | 139 657 | 64.4% |

*T 3.5.2*

**EC PROVINCIAL BUDGET FOR 2023/2024**
**FINANCIAL YEAR – R 1,608,515,000.00**

AMAHLATHI LM - ANNUAL BUDGET - R 43 409 446.00

GREAT KEI LM - ANNUAL BUDGET - R 8 289 528.00

NGQUSHWA LM - ANNUAL BUDGET - R 150 000.00

RAYMOND MHLABA LM- ANNUAL BUDGET - R 46 491 135.00

MNQUMA LM - ANNUAL BUDGET - R 8 150 000.00

MBHASHE LM - ANNUAL BUDGET - R 690 000.00

DISASTER PROJECTS IN THE ENTIRE AMATHOLE DISTRICT – R 19 749 100.00

**AMATHOLE BUDGET FOR 2023/2024 FINANCIAL YEAR**

PLANNED DELIVERY
HOUSES : 49
SERVICES : 54
RECTIFICATION : 0
OVER ALL BUDGET : R 119 229 209.00

| PLANNED DELIVERY | ACHIEVED DELIVERY |
|---|---|
| 626 Houses | 569 Houses |
| 839 Services | 781 Services |
| 0 Rectification | 0 Rectification |
| Budget R 119 229 209,00 | Expenditure R 154 909 319,18 |
| | |

| LOCAL MUNICIPALITY | PLANNED DELIVERY | ACHIEVED DELIVERY |
|---|---|---|
| Mbashe | Services : 0 Sites | Services : 70 Sites |
| | New Sites : 0 Units | New Units : 108 Units |
| | Rectification : 0 Units | Rectification : 0 Units |
| | | Expenditure R 15 521 226.00 |

| LOCAL MUNICIPALITY | PLANNED DELIVERY | ACHIEVED DELIVERY |
|---|---|---|
| Raymond Mhlaba | Services : 296 Sites | Services : 226 Sites |
| | New Sites : 296 Units | New Units : 182 Units |
| | Rectification : 0 Units | Rectification : 0 Units |
| | | Expenditure R 41 441 169.05 |

| LOCAL MUNICIPALITY | PLANNED DELIVERY | ACHIEVED DELIVERY |
|---|---|---|
| Mnquma | Services : 0 Sites | Services : 47 Sites |
| | New Sites : 0 Units | New Units : 54 Units |
| | Rectification : 0 Units | Rectification : 0 Units |
| | | Expenditure R 11 739 729.98 |

| LOCAL MUNICIPALITY | PLANNED DELIVERY | ACHIEVED DELIVERY |
|---|---|---|
| Amahlathi | Services : 483 Sites | Services : 418 Sites |
| | New Sites : 270 Units | New Units : 206 Units |
| | Rectification : 0 Units | Rectification : 0 Units |
| | | Expenditure R 83 402 867.91 |
| **LOCAL MUNICIPALITY** | **PLANNED DELIVERY** | **ACHIEVED DELIVERY** |
| Great Kei | Services : 60 Sites | Services : 20 Sites |
| | New Sites : 60 Units | New Units : 20 Units |
| | Rectification : 0 Units | Rectification : 0 Units |
| | | |
| | | Expenditure R 2 804 325.74 |

| LOCAL MUNICIPALITY | PLANNED DELIVERY | ACHIEVED DELIVERY |
|---|---|---|
| Ngqushwa | Services : 0 Sites | Services : 0 Sites |
| | New Sites : 0 Units | New Units : 0 Units |
| | Rectification : 0 Units | Rectification : 0 Units |
| | | Expenditure R 0 |

EMERGENCY

ACTUAL ANNUAL DELIVERY - R 7 894 124.00

- 106 DISASTER UNITS
- 115 TEMPORARY SHELTERS AND
- 115 TEMPORARY SERVICES

**AMATHOLE REGION- BUDGET FOR 2024/2025 FINANCIAL YEAR – R 117 MILLION**

DELIVERY FOR AMATHOLE REGION

BUDGET: R 117 MILLION

HOUSES : 746

SERVICES : 918

RECTIFICATION : 74

ACTIVE PROJECTS : 23

EXPENDITURE: R 178 315 495.92

**AMAHLATHI MUNICIPALITY** - BUDGET FOR 2024/2025 FINANCIAL YEAR – R 53 779 108.00

DELIVERY FOR AMAHLATHI LM

ACTUAL DELIVERY FOR AMAHLATHI LM

BUDGET : R 53 779 108.00

HOUSES : 430

SERVICES : 500

RECTIFICATION : 0

ACTIVE PROJECTS : 7

EXPENDITURE: R 102 672 449.656

| RUNNING PROJECTS | BLOCKED PROJECTS | PLANNING AND SERVICES PROJECTS | NEW APPLICATIONS | CLOSE OUT PROJECTS |
|---|---|---|---|---|
| CENYU VILLAGE 450 | MLUNGISI 270 | MTHONJENI 80 | NOTHENGA 26 | XHOLORHA 700 |
| CENYULANDS 692 | NDAKANA 1300 (35) | GOSHEN 100 | GUBEVU 312 | |
| MASINCEDANE 200 | | | MBAXA | |
| KEI ROAD NORTHERN NODE 421 | | | ETHEMBENI | |
| KUBUSI 304 | | | NDLOVINI | |
| FRANKFURT 300 | | | BORDER POST ND NOMPANDLANA | |
| GASELA 75 | | | | |
| KATIKATI 300 | | | | |
| SQUASHVILLE 153 | | | | |

**GREAT KEI MUNICIPALITY**

BUDGET FOR 2024/2025 FINANCIAL YEAR – R 9 755 000.00

EXPENDITURE- R 11 365 596,64

ACTUAL DELIVERY

HOUSES : 627

SERVICES : 815

RECTIFICATION : 212

ACTIVE PROJECTS : 23

EXPENDITURE : R 178 315 493.92

| RUNNING PROJECTS | BLOCKED PROJECTS | PLANNING AND SERVICES PROJECTS | NEW APPLICATIONS | CLOSE OUT PROJECTS |
|---|---|---|---|---|
| KOMGA ZONE 10 Phase 1 (570 units) | KEI MOUTH | KOMGA ZONE 10 Phase 2 (570 units) | CINTSA PHASE 2 | KOMGA PHASE 1 (1000) |
| | CHINTSA EAST 85 | | BYLETTS | KOMGA PHASE 2 (231) |
| | | | HAGA HAGA | |
| | | | CEFANE | |

**NGQUSHWA LOCAL MUNICIPALITY**

BUDGET FOR 2024/2025 FINANCIAL YEAR – R 16,234,584.10

EXPENDITURE- R 12,164,659.63

| RUNNING PROJECTS | BLOCKED PROJECTS | PLANNING AND SERVICES PROJECTS | NEW APPLICATIONS | CLOSE OUT PROJECTS |
|---|---|---|---|---|
| | PEDDIE 500 | HAMBURG 500 | CROSS ROADS 440 | PEDDIE 710 POWER |
| | GCINISA 500 | GLENMORE 500 | MGABABA 798 | PEDDIE 710 NEW CREATIONS |
| | MPHEKWENI 500 | | TUKU A 500 | PEDDIE 710 POWER |
| | | | MANKONE / HORTON 287 | |
| | | | LEWIS 215 | |

**RAYMOND MHLABA LOCAL MUNICIPALITY**

BUDGET FOR 2024/2025 FINANCIAL YEAR – R R 30,3m

| KPI | TARGET | PROGRESS |
|---|---|---|
| DESTITUTE & VULNERABLE, MILITARY , EMERGENCY | 181 | 84 |
| SERVICES ( FULL & PARTIAL) | 211 | 118 |
| RECTIFICATION | 25 | 193 |
| ACTIVE PROJECTS | 10 | 9 |

**MNQUMA LOCAL MUNICIPALITY**

3 Running project

1 Planning project

1 Blocked project

4 Stalled Project

2 New Projects

| RUNNING | PLANNED | BLOCKED | STALLED | NEW PROJECTS |
|---|---|---|---|---|
| DISASTER - MNQUMA 205 HOUSING PROJECT | MGCWE 500 | NGQAMAKHWE 312 | SIYANDA PHASE 2 - 4 | NDABAKAZI 500 |
| HLOBO 500 (350) | | | | ZINGQAYI 500 |
| MNQUMA DESTITUTE 200 | | | | |

**MBASHE LOCAL MUNICIPALITY**

BUDGET : R 11 243 060.00

PLANNED PARTIAL SERVICES : 88

PLANNED UNITS : 43

PLANNED RECTIFICATION : 40

**Project status**

4 Running Projects

1 Planning Projects

1 New Projects

1 Completed Project

| RUNNING | PLANNED | BLOCKED | COMPLETED | NEW PROJECTS |
|---|---|---|---|---|
| WILLOWVALE 97 (119)<br><br>14 NEW UNITS<br><br>105 RECTIFICATION | MBHASHE 500 (250) DISASTER | | NGQAQINI 50 –<br><br>50 COMPLETED UNITS | MBHASHE 200 - DISASTER |
| ELLIOTDALE (292)<br><br>112 NEW UNITS<br><br>175 RECTIFICATION | MBHASHE 200-DISASTER | | | |
| ELLIOTDALE 400<br><br>400 NEW | | | | |

| Housing Service Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / *Service Indicators* | Outline Service Targets | Year 0 | | Year 1 | | | Year 2 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| ***Provision for housing for all households*** | Additional houses provided during the year (Houses required at year end) | xxxxxx additional houses (xxxxxx houses required) | xxxxxx additional houses (xxxxxx houses required) | xxxxxx additional houses (xxxxxx houses required) | xxxxxx additional houses (xxxxxx houses required) | xxxxxx additional houses (xxxxxx houses required) | xxxxxx additional houses (xxxxxx houses required) | xxxxxx additional houses (xxxxxx houses required) | xxxxxx additional houses (xxxxxx houses required) |
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| | | | | | | | | | |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | T3.5.3 |

| Employees: Housing Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.5.4*

| MUNICIPALITY | PROJECT NATURE | | | | | | ANNUAL BUDGET |
|---|---|---|---|---|---|---|---|
| | Planning | Services | New Units | Rectification | Procurement | Blocked | |
| | | | | | | | |
| Amahlathi Local Municipality | 4 Projects | 52 Sites | 279 Units | 0 | 3 Projects | 3 Projects | R 30 480 000, 00 |
| Great Kei Local Municipality | 0 projects | 0 Sites | 105 Units | 33 Units | 1 Projects | 0 Projects | R 21 552 000, 00 |
| Ngqushwa Local Municipality | 3 projects | 0 Sites | 24 Units | 0 | 1 Projects | 2 Projects | R 7 808 000, 00 |
| Raymond Mhlaba Local Municipality | 4 projects | 25 Sites | 121 Units | 65 Units | 0 Projects | 8 Projects | R 42 017 154, 00 |
| Mnquma Local Municipality | 4 projects | 0 Sites | 24 Units | 0 | 1 Projects | 2 Projects | R 4 170 000, 00 |
| Mbashe Local Municipality | 1 projects | 89 Sites | 89 Units | 10 Units | 2 Projects | 2 Projects | R 20 070 000, 00 |
| | | | | | | | |

**Capital Expenditure Year 0: Housing Services**

R' 000

| Capital Projects | Year 0 | | | | |
|---|---|---|---|---|---|
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.*

*T 3.5.6*

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain variances from budget for operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.5.7*

## 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

**Free Basic Services**

Free basic services are currently supplied in the form of a communal tap stand within 200 meters walking distance from each household and VIP latrines for sanitation purposes. ADM, however, recognizes that most communities aspire to a higher level of service and in this regard, the ADM is currently investigating methods of improving service level standards in a financial and technically sustainable manner. Limited water resources mean that the level of service cannot be improved infinitely, but it is believed that through careful management, higher levels of service can be attained.

Free basic sanitation consists of the construction of VIP latrines. These are being installed as quickly as funding will allow.

Indigent Support

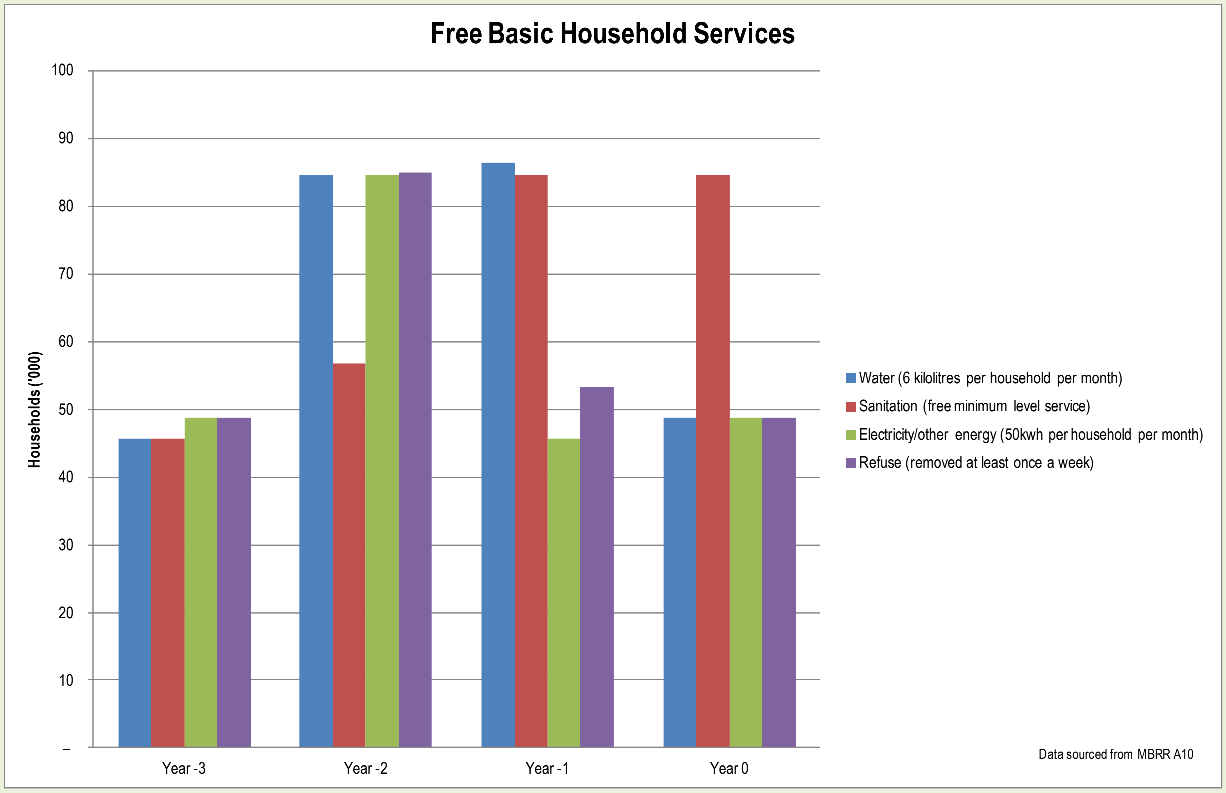
Any household which is responsible for the payment of municipal services, earning a combined gross income equivalent or equal to two times the government social grant excluding Child Support grant is indigent as published by the National Department of Finance or in line with the National Indigence Framework issued by the Department of Co – Operative Governance and Traditional Affairs (COGTA).

People who are indigent qualifiy for support or a service subsidy according to the policy for rebates/remissions. These include the child headed households which are unable to meet the municipal bills.

The indigent subsidy is for a period of 24 months and only terminated when there has been an improvement in the house-hold income.

Provide brief introductory comments on the progress being made to achieve Free Basic Services and summarise your municipality’s policies towards indigent support.

*T 3.6.1*


Free Basic Household Services
Households ('000)
100
90
80
70
60
50
40
30
20
10
–
Year -3
Year -2
Year -1
Year 0
Water (6 kilolitres per household per month)
Sanitation (free minimum level service)
Electricity/other energy (50kwh per household per month)
Refuse (removed at least once a week)
Data sourced from MBRR A10

T 3.6.2

| Financial Performance Year 2024/25: Free Basic Services To Low Income Households | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Number of households | | | | | | | | | |
| | Total | Households earning less than R1,100 per month | | | | | | | | |
| | | | Free Basic Water | | Free Basic Sanitation | | Free Basic Electricity | | Free Basic Refuse | |
| | | Total | Access | % | Access | % | Access | % | Access | % |
| Year 2018/19 | 240 000 | 214 817 | 194 934 | 91% | 169 850 | 79% | N/A | N/A | N/A | N/A |
| Year 2019/20 | 240 000 | 223 926 | 194 934 | 87% | 200 802 | 90% | N/A | N/A | N/A | N/A |
| Year 2020/21 | 240 000 | 235 898 | 194 934 | 83% | 220 787 | 94% | N/A | N/A | N/A | N/A |
| Year 2021/22 | 335 104 | 228 891 | 184 646 | 81% | 220 064 | 96% | N/A | N/A | N/A | N/A |
| Year 2022/23 | 335 104 | 229 691 | 184 646 | 80% | 221 422 | 96% | N/A | N/A | N/A | N/A |
| Year 2023/24 | 241 612 | 190 894 | 84 173 | 44% | 162 180 | 85% | N/A | N/A | N/A | N/A |
| Year 2024/25 | 241 612 | 190 894 | 87 755 | 46% | 157 653 | 83% | N/A | N/A | N/A | N/A |
| | | | | | | | | | | |
| | | | | | | | | | | T3.6.3 |

| Financial Performance Year 0: Cost to Municipality of Free Basic Services Delivered | | | | | |
|---|---|---|---|---|---|
| Services Delivered | Year -1 | Year 0 | | | |
| | Actual | Budget | Adjustment Budget | Actual | Variance to Budget |
| Water | 200 | 244 | 250 | 248 | 2% |
| Waste Water (Sanitation) | 220 | 240 | 250 | 245 | 2% |
| Electricity | 100 | 120 | 130 | 135 | 11% |
| Waste Management (Solid Waste) | 105 | 110 | 120 | 125 | 12% |
| Total | 625 | 714 | 750 | 753 | 5% |
| | | | | | *T 3.6.4* |

# Chapter 3

| Free Basic Service Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / *Service Indicators* | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| ***Provision of alternative support to low income households that do not receive all Free Basic Services*** | Low income households (**LIHs**) who do not receive all the free basic services but do receive alternative support (Total number of LIHs not in receipt of free basic services) | xxxx LIHs receiving support (out of xxx LIHs in total) | xxxx LIHs receiving support (out of xxx LIHs in total) | xxxx LIHs receiving support (out of xxx LIHs in total) | xxxx LIHs receiving support (out of xxx LIHs in total) | xxxx LIHs receiving support (out of xxx LIHs in total) | xxxx LIHs receiving support (out of xxx LIHs in total) | xxxx LIHs receiving support (out of xxx LIHs in total) | xxxx LIHs receiving support (out of xxx LIHs in total) |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.6.5*

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

ADM is using the approved Indigent Policy for 2024/25 to execute its duties to register all consumers who meet the qualification criteria which is not limited to the following:

1. The applicant must reside within the Amathole District
2. Applicant must be in possession of a valid South African identity document
3. The combined or joint gross income of all occupants or dependents in a single household which receives services from the Municipality must be equivalent or equal to two times Government social grant excluding the Child Support Grant
4. The applicant must be the property owner/occupier who receives municipal services and is registered as an account holder on the Municipality's financial system
5. Any occupant or resident should not own more than 1 property.
6. The account of a deceased estate may be subsidised if the surviving spouse or dependents of the deceased, who occupy the property, also apply and qualify for indigent support.

Individuals who make themselves guilty of any malpractices will forfeit the payment of the subsidy. The Municipal Manager shall report such cases to the South African Police Services.

Indigent register as at 30 June 2025 has a closing figure of 40 964

Comment on the support given to low earners and in particular those affected by shortfalls in basic service provision. Provide detail of indigent policy, expenditure and grants received in year 0 and explain how these have been translated into programmes designed to improve levels of self sufficiency.

*T 3.6.6*

## COMPONENT B: ROAD TRANSPORT

This component includes: roads and public transport.

| INTRODUCTION TO ROAD TRANSPORT |
|---|
| ADM does not have Roads Function. The function of roads in ADM is split between Local Municipalities and the Provincial Department of Roads and Public Works, in that Local Municipalities are responsible for Municipal Roads and the Provincial Department of Roads and Public Works responsible for provincial roads. It must be noted though that the role of ADM is related to the development and updating of the Road Asset Management System (RAMS). |
| *T 3.7* |

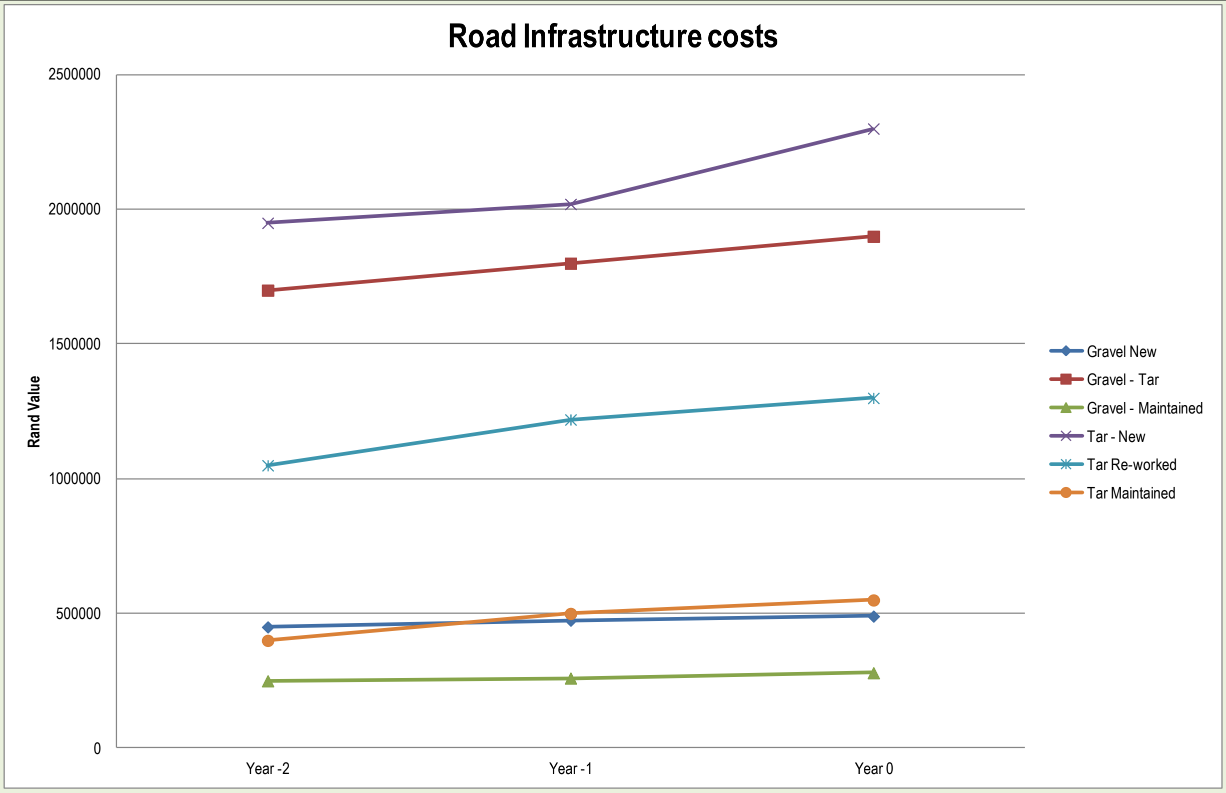
## 3.7 ROADS

| INTRODUCTION TO ROADS |
|---|
| The National Department of Transport has initiated a priority program that will see the Amathole District Municipality rolling out the Road Asset Management System (RAMS) throughout the district utilizing the Rural Transport Services and Infrastructure Grant. ADM is one of the district municipalities countrywide chosen by the National Department of Transport to roll out development of this system.<br><br>The objective of the grant is to ensure effective and efficient investment on rural roads through development of Road Asset Management System (RAMS) throughout the districts through the following methodology:<br>• Collection of Road Inventory data including condition assessment and traffic data.<br>• Setting up pavement and bridge management system compatible with national standards.<br><br>The RAMS system has been developed and continues to be updated on annual bases. Through RAMS the following useful planning products have since been developed to support roads services in the local municipalities, i.e. Stormwater Infrastructure Plans, Road Safety Appraisal Reports, Culverts and Bridges Situation Analysis Reports as well as Maintenance Plans. |
| *T 3.7.1* |

| Gravel Road Infrastructure | | | | |
|---|---|---|---|---|
| | | | | Kilometers |
| | Total gravel roads | New gravel roads constructed | Gravel roads upgraded to tar | Gravel roads graded/maintained |
| Year -2 | 145 | 15 | 10 | 100 |
| Year -1 | 160 | 20 | 12 | 120 |
| Year 0 | 166 | 25 | 14 | 140 |
| | | | | *T 3.7.2* |

| Tarred Road Infrastructure | | | | | |
|---|---|---|---|---|---|
| | | | | | Kilometers |
| | Total tarred roads | New tar roads | Existing tar roads re-tarred | Existing tar roads re-sheeted | Tar roads maintained |
| Year -2 | 85 | 10 | 23 | 18 | 100 |
| Year -1 | 98 | 14 | 25 | 15 | 120 |
| Year 0 | 114 | 20 | 30 | 25 | 140 |
| | | | | | *T 3.7.3* |

| Cost of Construction/Maintenance | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | R' 000 |
| | Gravel | | | Tar | | |
| | New | Gravel - Tar | Maintained | New | Re-worked | Maintained |
| Year -2 | 450000 | 1700000 | 250000 | 1950000 | 1050000 | 400000 |
| Year -1 | 475000 | 1800000 | 260000 | 2020000 | 1220000 | 500000 |
| Year 0 | 490000 | 1900000 | 280000 | 2300000 | 1300000 | 550000 |
| | | | | | | *T 3.7.4* |


Road Infrastructure costs
2500000
2000000
1500000
1000000
500000
0
Rand Value
Year -2
Year -1
Year 0
Gravel New
Gravel - Tar
Gravel - Maintained
Tar - New
Tar Re-worked
Tar Maintained

*T 3.7.5*

| Road Service Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| **Service Objective xxx** | | | | | | | | | |
| ***Elimination of gravel roads in townships*** | Kilometers of gravel roads tarred (Kilometers of gravel road remaining) | xxx kms gravel roads tarred (xxx kms gravel roads remaining) | xxx kms gravel roads tarred (xxx kms gravel roads remaining) | xxx kms gravel roads tarred (xxx kms gravel roads remaining) | xxx kms gravel roads tarred (xxx kms gravel roads remaining) | xxx kms gravel roads tarred (xxx kms gravel roads remaining) | Baseline (xxx kms gravel roads remaining) | xxx kms gravel roads tarred (xxx kms gravel roads remaining) | xxx kms gravel roads tarred (xxx kms gravel roads remaining) |
| ***Development of municipal roads as required*** | xxx kms of municipal roads developed | xxx kms | xxx kms | xxx kms | xxx kms | xxx kms | xxx kms | xxx kms | xxx kms |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

T 3.7.6

| Employees: Road Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T3.7.7*

| Financial Performance Year 0: Road Services<br>R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. *T 3.7.8*

| Capital Expenditure Year 0: Road Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.7.9* |

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

***Delete Directive note once comment is completed*** - Explain the priority of the four largest capital projects and explain variances from budget for operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations). Where provincial roads have been delegated to your municipality ensure that this is presented as an additional major issue in this section.

*T 3.7.10*

## 3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

In terms of the powers and functions devolved by the Local Government Municipal Structures Act, 117 of 1998, Amathole District Municipality (ADM) is responsible for municipal public transport, which is a shared function with local municipalities in terms of services and infrastructure provision. In addition, ADM is responsible for regulation of the passenger transport services in all areas within the district.
Section 84 of the Municipal Structures Act (Act 117 of 1998) deals with the division of powers and functions between District and Local municipalities:

With regard to Municipal Public Transport the district has to perform the following functions.

- Must exercise any power concerning the regulation of passenger transport services for the district as a whole.
- Develop a transport strategy and plan for the district
- Determine a service delivery mechanism for the performance of the function
- Develop or maintain the capacity to perform the function
- Make and administer bylaws in terms of section 156(2) of the Constitution
- Build capacity of the local municipalities where capacity is lacking in order to perform all the functions excluding regulatory function

The National Department of Transport advised the Amathole District Municipality of their intention to develop an Integrated Public Transport Network (ITPN) in Amathole District Municipality starting during the financial year 2019/2020. The primary objective of developing IPTN was to improve transport systems and to provide communities with access and mobility to basic services. IPTN would provide integrated, safe and reliable public transport services to the users. ADM as an integral part of this program was to be at the forefront and was to involve all local municipalities within the area of its jurisdiction. This initiative failed to take off, but ADM will continue to engage the relevant department with the view of its resuscitating.

*T 3.8.1*

**Municipal Bus Service Data**

| | Details | Year -1 | Year 0 | | Year 1 |
|---|---|---|---|---|---|
| | | Actual No. | Estimate No. | Actual No. | Estimate No. |
| 1 | Passenger journeys | | | | |
| 2 | Seats available for all journeys | | | | |
| 3 | Average Unused Bus Capacity for all journeys | % | | | |
| 4 | Size of bus fleet at year end | | | | |
| 5 | Average number of Buses off the road at any one time | % | | | |
| 6 | Proportion of the fleet off road road at any one time | % | | | |
| 7 | No. of Bus journeys scheduled | | | | |
| 8 | No. of journeys cancelled | | | | |
| 9 | Proportion of journeys cancelled | % | | | |

*T 3.8.2*

Concerning T 3.8.2

***Delete Directive note once table is completed*** **–** State name of entity followed by ‘Entity’ where this is applicable. Line 3 is calculated by sampling throughout the year using different routes, days of the week and times of day. Line 6 is calculated by taking the numbers from lines, as follows: 5/4 x 100%. The average number of busses off the road is obtained by sampling the number off the road on different days at different times.  Line 9 is calculated by taking numbers from lines as follows: 8/7 x 100%.

*T 3.8.2.1*

| Transport Service Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.8.3*

| Employees: Transport Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* T3.8.4

| Financial Performance Year 2022/23: Transport Services R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year -2021/22 | Year 2022/23 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | (2 654) | (2 964) | (2 964) | 0 | 0% |
| Expenditure: | 0 | - | 0 | 0 | |
| Employees | 954 | 993 | 993 | 969 | -2% |
| Repairs and Maintenance | 415 | 0 | 0 | 0 | 0% |
| Other | 3 436 | 2 589 | 2 496 | 2 240 | -16% |
| **Total Operational Expenditure** | 4 805 | 3 582 | 3 490 | 3 209 | -12% |
| **Net Operational Expenditure** | 2 152 | 618 | 526 | 3 209 | 81% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

*T 3.8.5*

| Financial Performance Year 0: Transport Services R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.8.5* |

| Capital Expenditure Year 0: Transport Services R' 000 | | | | | |
|---|---|---|---|---|---|
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.8.6* |

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

ADM has in the financial year completed the following projects:

Having already completed more version of Easy RAMS system, valuable data has since been collected and incorporated into the system. Actual collection of data and incorporating to the system will be extend to municipality officials so that when the specialist service provider is out of the picture, municipal officials are able to continue with the program on their own. This therefore means that resources and capacity related to RAMS at the specialist service provider offices will need to be customized at district municipality level. Roll out to all Local Municipalities will be vital. This will be coupled with relevant training of all relevant officials at both district and local municipalities.

ADM has had the following impact in these service delivery priorities:

The institution is in the processes of developing Stormwater Management Plans in each local municipality which is being undertaken as part of the Road Assessment Management System (RAMS). This major review will continue for the next two financial years.
< Rural Road Asset Management System (RRAMS) through the Rural Transport Infrastructure and services Grant is a grant funded by the Department of Transport since 2011/2012 Financial Year.
< The objective of the grant is to ensure effective and efficient investment on rural roads through development of Road Asset Management System (RAMS).
< RAMS has been provided to ADM having been install to three laptops belonging to the Transport Unit officials.
< RAMS has also been installed at local municipalities with training on such already undertaken. ADM is currently in the process of improving operationalisation of this system at local municipality level.

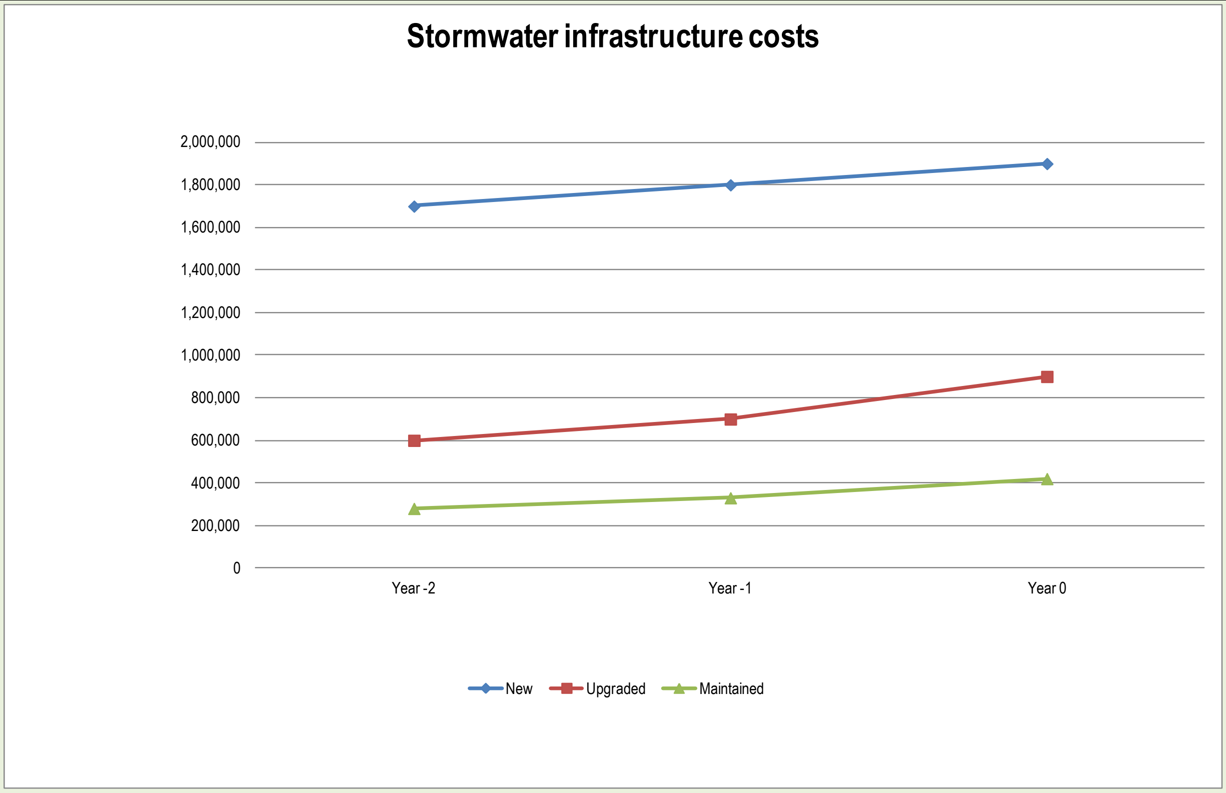
*T 3.8.7*

## 3.9 WASTE WATER (STORMWATER DRAINAGE)

| INTRODUCTION TO STORMWATER DRAINAGE |
| --- |
| The storm water drainage is a function of Local Municipalities. Even though this is the case, ADM is affected when uncontrolled stormwater wrecks havoc in our communities. Stromwater infiltrated our infrastructure as far as our treatment works and result in negative finacial implications when it comes to water treamnet costs. ADM will be developing Stormwater Management Plans in local Municiaplities within its area of jurisdiction. |
| *T 3.9.1* |

| Stormwater Infrastructure | | | | |
| --- | --- | --- | --- | --- |
| | | | | Kilometers |
| | Total Stormwater measures | New stormwater measures | Stormwater measures upgraded | Stormwater measures maintained |
| Year -2 | 145 | 15 | 10 | 100 |
| Year -1 | 160 | 20 | 12 | 120 |
| Year 0 | 166 | 25 | 14 | 140 |
| | | | | *T 3.9.2* |

| Cost of Construction/Maintenance | | | |
| --- | --- | --- | --- |
| | | | R' 000 |
| | Stormwater Measures | | |
| | New | Upgraded | Maintained |
| Year -2 | 1,700,000 | 600,000 | 280,000 |
| Year -1 | 1,800,000 | 700,000 | 330,000 |
| Year 0 | 1,900,000 | 900,000 | 420,000 |
| | | | *T 3.9.3* |



Stormwater infrastructure costs
2,000,000
1,800,000
1,600,000
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
Year -2
Year -1
Year 0
New
Upgraded
Maintained


*T 3.9.4*

# Chapter 3

| Stormwater Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| ***Development of fully integrated stormwater management systems including wetlands and natural water courses*** | Phasing in of systems | Strategy approval (Yes/No); Timescale x yrs | Strategy approval (Yes/No); Timescale x yrs | Strategy approval (Yes/No); Timescale x yrs | Strategy approval (Yes/No); Timescale x yrs | Strategy approval (Yes/No); Timescale x yrs | Strategy approval (Yes/No); x yrs remaining | Completion (Yes/No); x yrs remaining | Completion (Yes/No); x yrs remaining |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | *T 3.9.5* |

| Employees: Stormmwater Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* T 3.9.6

| Financial Performance Year 0: Stormwater Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* T 3.9.7

| Capital Expenditure Year 0: Stormwater Services R' 000 | | | | | |
|---|---|---|---|---|---|
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.9.8* |

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T3.9.9*

## COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

***Delete Directive note once comment is completed*** - Provide brief overview of the opportunities and challenges in the fields of economic development and physical planning field for your municipality.

*T 3.10*

## 3.10 PLANNING

INTRODUCTION TO PLANNING

INTRODUCTION TO SPATIAL PLANNING AND LAND DEVELOPMENT

The district is one of the rural districts that is endowed with natural resources which in terms of comparative and competitive advantages, agriculture and tourism are the important resources. ADM developed strategic plans (IDP Sector Plans) as instruments of integration, coordination and alignment with other sectoral interests in the district's space. Further, the district has a District Spatial Development Framework that seeks to transform the apartheid spatial patterns through integration and coordination for a sustainable development within the district. SDF seeks to guide overall spatial distribution of current and desirable land uses within a municipality to give effect to the vision, goals and objectives of a Municipal IDP.

Spatial Planning is derived from the National Spatial Development Plan. District Sector Plans requires a commitment from the municipality to invest in coordinating spatial planning and development. This includes the protection of agricultural land, addressing Service Backlogs in the previously disadvantaged areas, Promoting Economic Development in Nodal Areas and along Major Transport and Trade Routes, and Promoting Spatial Equity.

The future is dependent upon a level of specialisation in the District Economy.

The key drivers are

- Commercial Agricultural Production and Processing,
- Commercial Retailing,
- Biodiversity Management and
- Eco-Tourism.

Several factors and influences shape the future Spatial Transformation of the Amathole District Municipality. These include Social, Economic, Physical, and Environmental issues and can broadly be categorised as follows:

- Spatial development opportunities.
- Spatial Development Constraints
- Spatial patterns and trends

SUMMARY OF KEY SPATIAL DEVELOPMENT ISSUES

ENVIRONMENTAL KEY ISSUES

- The effects of climate change such as the rise in sea level, droughts, flooding
- Only certain types of activities can occur in these critical biodiversity areas
- The reserving of high potential land for renewable energy projects;
- The demand for housing and infrastructure versus high potential agriculture versus high conservation value
- The effects of climate change such as the rise in sea level, droughts, flooding
- A large area that has low arable land for agriculture opportunities within ADM

SOCIO ECONOMIC ISSUES

- Mbhashe, Ngqushwa and Mnquma Local Municipalities shows a high level of dependency on Social Grants, which has a negative effect on the economy and therefore translates into a low purchasing power.
- Lack of education for the available jobs in demand within the district leading to outward migration.
- Achieving equitable distribution of economic development opportunities in less economically developed areas

- Ageing road infrastructure for accessing heritage and tourist destinations.

BUILT ENVIRONMENT

- Slow implementation process of housing delivery as well as the creation of Sustainable Human Settlements

- Poor conditions and lack of maintenance to existing railway lines.
- The electricity capacity is under stress in the Amathole District Municipality and large development projects are often affected by these limitations.

SPATIAL DEVELOPMENT AND HUMAN SETTLEMENT KEY ISSUES

- Slow Land Release Process has a negative impact on the development of settlements throughout the district.
- The Growth trends within existing settlements, especially major transport routes, places a burden on local authorities with regard to Infrastructure Demand, due to insufficient funds.

3.10. 2 LAND REFORM

Amathole District Municipality developed a Land Reform and Settlement Plan (LRSP) that forms part of the IDP. LRSP was prepared with specific reference to the key land issues relating to land reform and settlement development in the District.
The complexity of the Land Reform environment has been acknowledged throughout the LR&SP, with specific reference to the identified challenges located within the areas of land access, land tenure, and land administration.
Land reform has a composite suite of issues and interlocking components; the precise make up of which differ from one Local Municipal Area to the other.

Some of these components include:

- in-situ upgrade and tenure upgrade,
- land planning for residential and productive uses,
- Land-legal issues (eg. land rights audits, title adjustments, land survey, registration of ownership, etc.),
- post implementation livelihoods support,
- implementation land use management,
- Infrastructure/asset maintenance and operation issues."
- land identification, and
- land acquisition,

Linked to the above, is the issue of Constitutional division of powers and functions to be performed by the three spheres of government, as well as the division of powers of functions between the Category Bs and Category C Municipalities, as per the recommendations of the Municipal Demarcation Board in terms of the Local Government: Municipal Demarcation Act 27 of 2000.

It is acknowledged that Land Reform is a specific functional competency of the National Department of Rural Development and Land Reform.

However, it has been the Policy of the National Department to ensure that the implementation of the delivery of land reform "products" is undertaken at the local level of government.

Within the ADM area of jurisdiction, the municipal assignment of powers and functions has resulted in the following division:

- Municipal Planning – assigned to the Category B municipalities;
- Settlement Planning, Planning for Land Development and Land Use Management – assigned to Category B municipalities;
- Capacity Building (in relation to abovementioned functions) – Category C municipality (ADM).

This effectively means, that within the context of the ADM LR&SP, the principle role in driving land reform processes and initiating land and settlement planning resorts with the Local Municipalities, whilst the ADM would only render support and assistance to these municipalities, in relation to the performance of these functions, when a specific need arises, or when called upon to do so by the relevant local municipality.

A visible manifestation of the implementation of the above will clearly be found in the Implementation Plan dealing with the areas of Support and Capacity Building for Local Municipalities."

It is important to add that a legislative imperative exist in specifically the Local Government: Municipal Systems Act 117 of 1998, in terms of which the District Municipality is charged with the duty to build the capacity of local municipalities within its area of jurisdiction to ensure that such municipalities are capable of performing their duties and functions (Section 83).

In broad terms, the ADM Land Reform Plan has since had substantial changes as when it was initially conceived. These changes were effected due to changes in the applicable policy and legislation, well as policy changes relating to the acceptance of the validity of land claims made in cases of loss due to betterment planning.

The key challenge for the District in Land Reform process is to deal effectively with the injustices of land dispossession, equitable distribution of ownership, reduction of poverty and economic growth, tenure security as well as system of land management which will support sustainable land use patterns. This is in line with the National Policy on Land Reform, 1997. These will be dealt with in terms of the required land related legislations.

Key Issues

Land Reform issues within the Amathole area encompass a complex array of challenges and problems located within the spheres of land access, land tenure, and land administration. The legislative framework and functional responsibility for dealing with these issues lie across all tiers of Government and between different authorities.

During the analysis these have shown as "opportunities" of the Land Reform issues in the Amathole area

- Although the pace of land reform within the municipal area still lags behind nationally set targets as well as the expectations of communities, there has been a substantial increase in the delivery pace over the last 5 years;

- Land reform initiatives largely remain geographically focused and limited to certain types of interventions, to the detriment of a preferred, holistic implementation of the complete land reform package;

- Land Redistribution Planning Needs have focused on certain areas where eg. commonage needs are extensive throughout the district;

- Breakdown of Land Administration Systems (in respect of both the legislative, regulatory and administrative aspects thereof) throughout the district has led to uncertainty and tensions;

- Tenure insecurity remains prevalent notwithstanding interim protection measures as well as newly promulgated legislation (still to be enacted however);

In this regard the LRSP deals with the complexity of the Land Reform environmental challenges located within the areas of land access, land tenure, and land administration. It sets to interlocking components of challenges related to :

- land identification,
- land acquisition,
- in-situ upgrade and tenure upgrade,
- land planning for residential and productive uses,
- Land-legal issues (e.g. land rights audits, title adjustments, land survey, registration of ownership, etc.),
- post implementation livelihoods support,
- post implementation land use management, and
- Infrastructure/asset maintenance and operation issues."

As such, just like all IDP Sector Plan the LRSP does have a Chapter of Programmes aimed at addressing identified Challenges and key issues.

These were :

Implementation of 6 (Planning & survey ) Land Reform and Settlement Plan Programmes

Planning and Survey of 6 Elukhanyisweni Zone Settlements, Ndlovini Phase 2 Settlement, Cathcart Phase 2 Settlement, General Plan approval for Mt Pleasant and Kei Road Northern Node & Komga Zone 10 Settlement

With regard to 2023/24 financial year all these being Formalization and Tenure security were implemented incrementally as they are multi-year arrangement which covers various disciplines which include, Environmental Impact Assessment, Hydrology, Base Mapping, Layout Planning, Pegging amongst others, the annual target for this year is to ensure that Tachey Survey for the settlements is completed.

The Project Goals and Objectives

- Inception Report
- Define the boundaries of settlements.
- Utilize public participation methods.
- Feasibility studies;
- Consents from various external departments
- Layout Plan
- Tachey Survey

- Prepare and lodge a General Plan application for registering to the Surveyor General.
- Obtain the approval of the General plan from Surveyor General; &
- Beacon relocation should it be necessary.

As a result therefore these have since been achieved

- Public participation was concluded.
- Setting up of Institutional setup for implementation (Technical Team & Project Steering Committee) were established.
- Procurement of services of Town Planner and Land Surveyor have been done

Implementation of 6 (Land Tenure) Land Reform and Settlement Plan Programmes

Transfer of Cenyulands and Gasela Settlement to Amahlathi LM, Land Release / Accessing of Land for Kubusie and Ndlovini Settlements, Komga Zone 10 Settlement Commonage Land, Land Identification for Development Initiatives, Community Resolutions, Registration of Title Deeds

i. Transfer of Cenyulands and Gasela Settlement to Amahlathi LM

The project is aimed at transfer of the Settlement to the relevant authority being Amahlathi Local Municipality. All the relevant transaction documents are in place awaiting for the conveyancer to effect tranfers.

For the 2024/25 financial year, the following projects were identified in LRSP:

- Under Tenure Reform: 2 tenure reform projects are implemented for the 2024/25 financial year

  to provide tenure security to the beneficiaries of Cenyulands and Gasela Settlements.

These settlements were planned and surveyed, as such the other initiatives that include title Deeds that will have to be developed.

The Land Release / Accessing of Land : Kubusie and Ndlovini Settlements

The project involves the Land Release / Accessing of Land for both these settlement Kubusie and Ndlovini Settlements situate in Amahlathi.

The intention is for beneficiaries gain access to land for commonage purposes.

The land identified is owned by the state and an application to the Department of Public Works (to whom the delegation of the Land Admin Act was made) was sent outlining the importance of release of Erven 895, 907, 921, 908, 922, 3538-41(portion of portion 80) Stutterheim for issuing of land release in terms of Item 28(1) of the Constitution, 1996.

The land release is expected to be considered by the State Land Disposal Committee in 2025/6.

iii. Komga Zone 10 Settlement Commonage Land

The IDP process identified that there is a need for land rights required for landless communities working around the farm areas of Komga. These communities were identified by the Plan as sometimes or often evicted in their workplaces with no rights of their own.
As a process of land reform, the identified landless communities have been settled now but the next process is to identify suitable land for commonage purposes.

This was done through the land identification process, and as such the following properties were identified and land with potential to lay out commonage needs.

The land parcels are as listed below.

Since they are mostly privately owned, a willing seller willing buyer process will be followed in 2024/25.

Below is a list of potential properties identified by the Land Reform and Settlement Plan for negotiations

| FARM NAME | FARM No | ARABLE (Ha) |
|---|---|---|
| Fairview | 2/31 | 10,0000 |
| Fairview | 3/31 | 0,0000 |
| Reed Fountain | 50 | 92,0000 |
| Rietfontein | 4/54 | 30,0000 |
| Portion of Reed Fountain | 5/50 | 11,0000 |
| Seven Fountains | 51 | 20,0000 |
| Simlapark | 52 | 500,0000 |
| Castleton | 53 | 150,0000 |
| Loan Oak | 3/54 | 110,0000 |

iv. . **Registration of Title Deeds on Human Settlements Projects (pre & post 1994**)

This is aimed at providing outstanding title deeds to the Housing RDP housing projects both pre and post 1994.

The biggest challenge when it comes to Housing Subsidy Projects, is the fact that various challenges sometimes impact very negatively on the matters of housing development. As a result in most of these housing developments projects it becomes clear that they are not complete and cannot be closed off as the Deeds are not issued for various reasons.

A comprehensive exercise in order to determine the magnitude of title deeds issued in these human settlements development projects was conducted.

Out of a total of 71 Projects 15 282 Title Deeds have been issued and only 4 152 are outstanding.

**v. <u>Provision of Title Deeds for Kei Road beneficiaries</u>**

This is aimed at tenure provision to the landless communities.

These communities were identified by the Plan as sometimes or often evicted in their workplaces with no rights of their own.

The project was cancelled at Disrct Municipal level as the Provincial Department of Human Settlements managed to fund it.

Conveyancers were appointed as at the year of reporting.

**Conclusion**

Therefore Land reform is essential to permit economic progress and to ensure that the required redress did in fact take place, and that women and youth also receive the necessary support.

It was also imperative that the land be optimally utilised. Possession of land and/or housing provides the owner with a valuable asset.

This could be defined as not merely fulfilling basic needs, but also the more concrete needs and also a right to live a meaningful life.

All development thus has to be based on the assumption that all people want to be treated as worthy individuals.

This developmental process therefore should include all aspects of life within a community and the relationships amongst its peoples.

It thus acknowledges that development should be more than the striving for material improvement, but that "Ubuntu" should form an integral part of such development strategy which will imply a striving for:

- Social Justice
- comprehensive consultation and joint decision-making
- the alleviation of all forms of suffering (or satisfaction of basic needs)
- respect for the local eco-system & local and cultural patterns, and the advancement of people

  through their own endeavours-freedom of expression

As such everybody had to remain committed to ensure that ultimately the IDP & LR&SP that will translate in "improved humanness" for all communities will succeed.

The land development initiatives on Land Reform for the District are clearly outlined in the Revised Land Reform and Settlement Plan.

The land development initiatives on Land Reform for the District are clearly outlined in the Revised Land Reform and Settlement Plan.

*T 3.10.1*

| Applications for Land Use Development | | | | | | |
|---|---|---|---|---|---|---|
| **Detail** | **Formalisation of Townships** | | **Rezoning** | | **Built Enviroment** | |
| | **Year -1** | **Year 0** | **Year -1** | **Year 0** | **Year -1** | **Year 0** |
| Planning application received | | | | | | |
| Determination made in year of receipt | | | | | | |
| Determination made in following year | | | | | | |
| Applications withdrawn | | | | | | |
| Applications outstanding at year end | | | | | | |
| | | | | | | *T 3.10.2* |

| Planning Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / *Service Indicators* | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| **Service Objective xxx** | | | | | | | | | |
| ***Determine planning application within a reasonable timescale*** | Approval or rejection of all build enviroment applications within a x weeks | Determination within x weeeks | Determination within x weeeks | Determination within 12 weeeks | Determination within 12 weeeks | Determination within x weeeks | Determination within 11 weeeks | Determination within 8 weeeks | Determination within 8 weeeks |
| | Reduction in planning decisions overturned | X planning decisions overturned | X planning decisions overturned | 5% planning decisions overturned | 5% planning decisions overturned | X planning decisions overturned | 4% planning decisions overturned | No planning decisions overturned | No planning decisions overturned |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | *T 3.10.3* |

| Employees: Planning Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.10.4*

| Financial Performance Year 0: Planning Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* *T 3.10.5*

| Capital Expenditure Year 0: Planning Services R' 000 | | | | | |
|---|---|---|---|---|---|
| **Capital Projects** | **Year 0** | | | | |
| | **Budget** | **Adjustment Budget** | **Actual Expenditure** | **Variance from original budget** | **Total Project Value** |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.10.6* |

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

***<u>Delete Directive note once comment is completed</u>*** - Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.10.7*

## 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVLOPMENT

The Amathole District Municipality council approved an Economic Growth and Development Strategy in 2019. In the following the following sector we identified as drivers of economic growth and development:

Agriculture
Rural development
Enterprise Development
Tourism and Heritage
Poverty alleviation and job creation

The purpose of the strategy is to guide, direct and coordinates integrated economic development activities in Amathole district.

Furthermore, it is also aimed at ensuring that the municipality can efficiently and effectively

facilitate the creation of an appropriate enabling environment conducive to economic development and investment as to grow the economy of the district.

The strategy also offers the Amathole District Municipality, the private sector, and the local community, the opportunity to work together to improve the district economy. It focuses on enhancing the local business and competitive environment and thus increase sustainable growth and development in the area.

The Amatole District Municipality does not function in isolation from Eastern Cape, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

Below are the programs that were implemented during the year under review as guided by the Economic growth and development strategy.

Agriculture Sector

Amathole District Municipality has abundant land that is purely agricultural. However, according to statistics, Agriculture contributes only 0.63% to the GVA. This is attributed to the lack of interest to agriculture by the economic active persons and the high rate of outward migration but the very same age group. Thus, this sector focuses on unlocking agricultural opportunities that leads to sustainable growth for emerging farmers to commercial farmers. However, funding is a major challenge, in this regard, ADM has partnered with various stakeholders to achieve this objective.

Poverty Eradication Strategy

This strategy intends to improve and alleviate poverty in Amathole District Municipality. Amathole District Municipality is rural in nature, as such there are no industrial development. As such the strategy details programs that could alleviate poverty and job creation. During the current financial ADM created through EPWP 1370 work opportunities, and this has direct contributing poverty reduction.

-  Enterprise Development Strategy

This is the sector that plays a crucial role in the development of the local economy. A lot of Amathole District Municipality inhabitants are practising informal trading, and their products are of poor quality. Therefore, this strategy looks at improving the lives of its inhabitants by establishing Fora, Incubators, SMMEs and Cooperatives. This is done with the main purpose of making our people to commercially viable and self-developing.

-  Rural Development Strategy

Amathole District Municipality forms part of the Eastern Cape which is one of the largest and poorest provinces in South Africa. It is viewed as being behind in becoming the economic powerhouse of South Africa and is one of the poor performing province (and districts) in terms of economic activity, contributing less to the national Gross Domestic Product (GDP) for 2016.

Therefore, the development of this strategy is an attempt to change the status quo of the district. The aim is to increase the family lively woods through the provision of various economic opportunities. The development of the above documents is a means to an end. This means that Amathole District Municipality will use these documents to advocate for the Local Municipalities.

- Tourism and Heritage

ADM is one of the district municipalities boasts of rich tangible and intangible heritage. These contribute together with other tourist attactions situated in the district.

IMPLEMENTATION OF ECONOMIC GROWTH AND DEVELOPMENT AND THE SECTOR PLANS

**TOURISM AND HERITAGE DEVELOPMENT**

ADM is one of the district municipalities that boasts of rich tangible and intangible heritage and the following programmes were implemented by the unit;

- Tourism Development
- Tourism Marketing and Promotion
- Tourism Capacity Building
- Craft Development

ADM has embarked on a number of Tourism and Heritage activities as part of promoting the district as a tourist destination of choice. Through existing strategic partners, ADM in partnership with National

Department of Tourism (NDT), Mbhashe LM, Raymond Mhlaba LM and project beneficiaries have developed Mthontsi Lodge Accommodation and Conference Facility and Qatywa Lodge with the support from the Department of Tourism both projects received an amount of R30 000 000.00 each for the development of tourism facilities. The projects are nearing their completion phases and are in the process of signing the Operators for the operation of the facilities.

ADM in collaboration with Department of Sport, Recreation, Arts & Culture (DSRAC) and various LMs facilitated the craft selection process for crafters that had the best, unique, authentic, and marketable arts product to be exhibited at the National Arts Festival held in Makhanda in June/July 2025.
The objective is to expose crafters to potential craft market. The Arts and Culture has been identified as one of the key contributors to poverty alleviation, creation of job opportunities and social cohesion. Craft selection assists emerging crafters to improve the quality of their products and also ensuring production of quality craft products through learning from fully fledged crafters.

As a way of encouraging a consolidated approach towards tourism marketing & promotion; events are hosted as September is declared as a Tourism month. Eastern Cape Parks and Tourism Agency in collaboration with ADM and Raymond Mhlaba Municipality successfully hosted the Tourism Month Launch held on 01st September 2024. The event took place at Fort Fordyce Nature Reserve. The ECPTA made a presentation on tourism marketing initiatives for the promotion of the province a tourist destination of choice. The ADM benefited out of the programme as it gained the media coverage, showcasing its adventure, cultural experience, leisure activities etc.
Additionally the ADM also developed marketing videographic serves as one of the marketing tools, to promote the districts tourism attractions.

In addition, ADM also collaborated with Great Kei municipality and Community Tourism Organisation (CTO) as part of heritage and tourism month initiatives, successfully hosted hike along the coast, exploring the adventurous experiences along the coast whilst enjoying the the Phalo Heritage Route.

As part of capacity building programme for emerging tourism businesses, ADM was selected to be part of the support provided for home stays incubation programme implemented by the National Department of Tourism, wherein 7 homestays and bed and breakfast were part of the selected products. During the Tourism Awards held in OR Tambo District 3 ADM Homestays were awarded with best homestays within the province. Furthermore, ADM assisted the 3 homestays from Ngqushwa and Raymond Mhlaba with working material.

ADM is one of the district municipalities that is rich with both tangible and intangible heritage, hence the development of four heritage routes, which are Maqoma, Makhanda, Phalo and Sandile Heritage Routes. During 2024/25 financial year the ADM implemented two heritage resources programme that is conservation of heritage resources and recollection of heritage resources within the district. This was the case with the Mqwashu heritage site which is symbolic of the history of the not only aBambo (formally known amaMfengu) but of peoples of the South Africa in the KZN and Western Cape and of course the Eastern Cape. The UMqwashu heritage site was successfully declared as a National Heritage Site on the 14th May 2025 and this was made successful through partnership with Ngqushwa municipality and Traditional Leaders as well as South African Heritage Resources Agency (SAHRA). The declaration of the site will bring more value to the site and will attract more visitors to the area as this initiative is link with the existing Great Fish Reserve.

ADM has also participated in the heritage awareness programmes that were hosted by Mnquma, Ngqushwa, Mbhashe and Amahlathi. These heritage empowerment programs were made for communities to promote sense of culture and values amongst the communities and promote social cohesion within the district

**ENTERPRISE DEVELOPMENT**

The aim of enterprise development is to develop, support and create an enabling environment for Small, Medium and Micro Enterprises (SMMEs) within the district. The ADM working with various players within the sector has facilitated support towards SMME growth and development in various areas. The following programmes were implemented, Informal Trade Support, Cooperative Support, SMME Support during the year under review and is as follows.

SMME Support and Development

ADM in partnership with NHBRC conducted a capacity building workshop focusing on tendering and compliance, for SMME's. This has benefited 50 ADM SMME's. The workshop was held on 25th -27th September 2024. SMMEs who have passed NHBRC exams will be awarded certificates of Compliance by NHBRC.

Furthermore, an education and awareness workshop were also done in Raymond Mhlaba on the 12 September 2024. The session was hosted in a partnership with DEDEAT and 30 SMMEs benefited in the programme as they were capacitated in access to finance and how to fill the LRED Funds.

ADM also partnered with the National Electronic Media Institute of South Africa (NEMISA), The South African Medie Development and Diversity Agency (SAMDDRA), First National Bank (FNB), and revival Technologies and Academy to officially launch the cell phone Repairs Training Pilot Program on the 20th of March 2025. Held at the Dutywa Animal Pound in Skiti Village, Ward1, Mbhashe Local Municipality. The program followed an application process that closed on 25 February 2025, selecting 20 beneficiaries to participate.
Running from March to May 2025, the program aims to equip young people in Mbhashe Local Municipality with accredited cell phone repair skills- a means to foster job creation and empower youth with technical expertise.

Informal Trade Development Support

ADM together with Mnquma local municipality hosted a Women in Business seminar / Capacity Building on Business Regulations on the 29$^{th}$ August 2024. The program aimed at capacitating emerging businesses with the necessary skills to grow their businesses.

On the 10$^{th}$ -12$^{th}$ September 2024 ADM in collaboration with DEDEAT and Amahlathi Local Municipality hosted a three-day training on business regulations on generate your business, which is a concept of UN Woman and International Labor Organization (ILO). The workshop was targeting 35 women in the informal trade space.

Spaza shop owners

The recent rise in foodborne illness in South Africa has been declared a national disaster. ADM in collaboration with Great-Kei, Ngqushwa and Mbhashe local municipalities hosted a Township and Rural Entrepreneurship workshop in the following areas:

- Komga on the 25th of November 2024
- Khwenxurha on the 26th of November 2024.
- Dutywa TRC Hall on the 4th of December 2024
- Ncumisa Kondlo town Hall on the 09th of December 2024

The purpose of the workshops was to curb incidents of foodborne diseases within the district. ADM was promoting compliance, cooperation, healthy food and safety, collaboration to protect the consumers buying from the Spaza shops.

Cooperatives Development support

ADM in collaboration with Ngqushwa Local Municipality and SEDA conducted a cooperatives governance workshop for farmers (Fishing) in the aquaculture sector from the 11th to the 13th of September 2024.

Education and empowerment programme
The second education and empowerment programme were conducted in partnership with Amahlathi Local Municipality and DEDEAT on the 12th of September 2024. This programme focused on formalizing the informal sector through workshopping informal traders/hawkers on cooperatives governance. Compliance stakeholders such as SARS and other development institutions such as Social Development, Eastern Cape development Cooperation and private businesses such as MTN made presentations. This benefited 35 woman owned informal Traders.

Profiling of Cooperatives
Furthermore, ADM has also profiled cooperatives in the following Local Municipalities:
Mbhashe (29 August 2024), Ngqushwa (12 September 2024).

Also, the district partnered with UN women in training different women owned cooperatives on Start or Improve your business module. Most of the women trained were in fashion and design sector. After the training conducted a need analysis and examining quality of their product was undertaken. The assessment recommendations included the following;
1.Pricing of garments
2.Capacitation on sewing skills in the following areas which were done in Ngqushwa on the 27th of November 2024.

- Sketching of Designs
- Pattern Cutting
- Different styles of stitching
- Understanding different use of fabrics
- Fashion Trends and Colour Trends

20 Women owned cooperatives benefited out of the program.
ADM is one of the district municipalities that boasts of rich tangible and intangible heritage and the following programmes were implemented by the unit;

- Tourism Development
- Tourism Marketing and Promotion
- Tourism Capacity Building
- Craft Development

ADM has embarked on a number of Tourism and Heritage activities as part of promoting the district as a tourist destination of choice. Through existing strategic partners, ADM in partnership with National Department of Tourism (NDT), Mbhashe LM, Raymond Mhlaba LM and project beneficiaries have developed Mthontsi Lodge Accommodation and Conference Facility and Qatywa Lodge with the support from the Department of Tourism both projects received an amount of R30 000 000.00 each for the development of tourism facilities. The projects are nearing their completion phases and are in the process of signing the Operators for the operation of the facilities.

ADM in collaboration with Department of Sport, Recreation, Arts & Culture (DSRAC) and various LMs facilitated the craft selection process for crafters that had the best, unique, authentic, and marketable arts product to be exhibited at the National Arts Festival held in Makhanda in June/July 2025.
The objective is to expose crafters to potential craft market. The Arts and Culture has been identified as one of the key contributors to poverty alleviation, creation of job opportunities and social cohesion. Craft selection assists emerging crafters to improve the quality of their products and also ensuring production of quality craft products through learning from fully fledged crafters.

As a way of encouraging a consolidated approach towards tourism marketing & promotion; events are hosted as September is declared as a Tourism month. Eastern Cape Parks and Tourism Agency in collaboration with ADM and Raymond Mhlaba Municipality successfully hosted the Tourism Month Launch held on 01st September 2024. The event took place at Fort Fordyce Nature Reserve. The ECPTA made a presentation on tourism marketing initiatives for the promotion of the province a tourist destination of choice. The ADM benefited out of the programme as it gained the media coverage, showcasing its adventure, cultural experience, leisure activities etc.
Additionally the ADM also developed marketing videographic serves as one of the marketing tools, to promote the districts tourism attractions.

In addition, ADM also collaborated with Great Kei municipality and Community Tourism Organisation (CTO) as part of heritage and tourism month initiatives, successfully hosted hike along the coast, exploring the adventurous experiences along the coast whilst enjoying the the Phalo Heritage Route.

As part of capacity building programme for emerging tourism businesses, ADM was selected to be part of the support provided for home stays incubation programme implemented by the National Department of Tourism, wherein 7 homestays and bed and breakfast were part of the selected products. During the Tourism Awards held in OR Tambo District 3 ADM Homestays were awarded with best homestays within the province. Furthermore, ADM assisted the 3 homestays from Ngqushwa and Raymond Mhlaba with working material.

ADM is one of the district municipalities that is rich with both tangible and intangible heritage, hence the development of four heritage routes, which are Maqoma, Makhanda, Phalo and Sandile Heritage Routes. During 2024/25 financial year the ADM implemented two heritage resources programme that is conservation of heritage resources and recollection of heritage resources within the district. This was the case with the Mqwashu heritage site which is symbolic of the history of the not only aBambo (formally known amaMfengu) but of peoples of the South Africa in the KZN and Western Cape and of course the Eastern Cape. The UMqwashu heritage site was successfully declared as a National Heritage Site on the 14$^{th}$ May 2025 and this was made successful through partnership with Ngqushwa municipality and Traditional Leaders as well as South African Heritage Resources Agency (SAHRA). The declaration of the site will bring more value to the site and will attract more visitors to the area as this initiative is link with the existing Great Fish Reserve.
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AGRICULTURE AND RURAL DEVELOPMENT

ADM has identified the agriculture industry as a top priority area. A result of the disparity caused by past racial discriminatory laws, it has been noted that only a small number of farmers have profited from government support programs, favourable market conditions, and access to productive resources, while other emerging farmers have not had access to these resources or, in the worst-case scenario, have been left without means.

All the while, support for emerging farmers has been hindered by a lack of information, resources, appropriate infrastructure, and advisory assistance. For this reason, ADM has chosen agricultural programs through its Agricultural Development Plan that will act as solutions to the highlighted core concerns. The initiatives cover livestock development, assistance for beginning subsistence and emerging farmers, delivery of agricultural inputs and equipment, creating an enabling environment, and rural development.

ADM has undertaken a profiling, provided and monitored the following emerging and agricultural cooperatives;

- Raymond Mhlaba LM- disc, plough, fertilizer spreader and fencing to in Krwakwa.

The municipality also assisted the following emerging farmers from the following municipalities with various working markerial.

Ngqushwa local municipality beekeeping farmers were assisted with beehives and are part of Ngqushwa processing plant which was initially assisted by Anglo Gold. Also, support was provided in the form of irrigation equipment for the Makwenziwe farmers based in Ngqushwa municipality. This also provided permanent and seasonal workers jobs for 13 young people 1 Truck Driver, 7 seasonal workers and 5 permanent.

ADM further assisted with the operationalisation of Kieskammahoek Rural Market Centre and provided cooler/refrigerator for their fresh produce and signage for the centre. The ADM has also facilitated the installation of the ablution facility for the centre.

The Masakhane Mbewana, was assisted with the material for the renovation of shearing shed. Whilst Great Kei farmers were assisted with the material for the renovation of handling facility.

In Amahlathi LM, ADM assisted Kwazidenge diptank with material for the renovation. Under the programme of livestock improvement, the district has assisted the sheep farmers with feed and medication.

In partnership with the Department of Agriculture to promote the Women Entrepreneur Awards and encourage women entrepreneurs in our local municipalities to participate.
The district facilitated and coordinated the technical handover of the processing plant. They also worked with different stakeholders to develop a plant operational plan.
In partnership with the Department of Agriculture, the municipality provided the agricultural equipment to the community of Krwakrwa while DOA provided them with the tractor.
Through its Cropping Programme the Department of Agriculture supported Great Kei farmers with Mechanisation services & and fertilizer while the district provided them with seeds (waiting for delivery).
In partnership with Eastern Cape Rural Development Agency who provided Great Kei Hemp farmers with seeds and fertilizer, ADM procured fencing material for the same farmers (waiting for delivery). In the same manner, ECRDA and ADM are planning to train hemp permit holders in July 2025.

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*T 3.11.1*

| **Economic Activity by Sector R '000** | | | | |
|---|---|---|---|---|
| **Sector** | **Year 2021/22** | **Year 2022/23** | **Year 2023/24** | **Year 2024/25** |
| Agric, forestry and fishing | 288 | 288 | 289 | 351 |
| Mining and quarrying | 20 | 20 | 20 | 20.72 |
| Manufacturing | 120 | 120 | 120 | 142.2 |
| Wholesale and retail trade | 50 | 50 | 50 | 54.56 |
| Finance, property, etc. | 185 | 185 | 185 | 190.16 |
| Govt, community and social services | 1 211 | 1 211 | 1 211 | 1 2224.8 |
| Infrastructure services | 565 | 565 | 565 | 565.53 |
| **Total** | **2 439** | **2 439** | **2 440** | 2 548.97 |

*T 3.11.2*

| Economic Employment by Sector | | | | |
|---|---|---|---|---|
| Sector | **Year 2022/23** | **Year 2023/24** | **Year 2023/24** | **Year 2024/25** |
| Agric, forestry and fishing | 0.60 | 0.61 | 0.61 | 0.63 |
| Mining and quarrying | 0.05 | 0.05 | 0.05 | 0.05 |
| Manufacturing | 2.14 | 2.18 | 2.18 | 2.22 |
| Wholesale and retail trade | 4.56 | 4.66 | 4.66 | 4.56 |
| Finance, property, etc. | 5.40 | 5.48 | 5.48 | 5.16 |
| Govt, community and social services | 11.06 | 11.04 | 11.04 | 13.80 |
| **Total** | **24.26** | **24.47** | **24.47** | **26.87** |
| | | | | *T3.11.3* |

| COMMENT ON LOCAL JOB OPPORTUNITIES: |
|---|
| Extended Public Works Programme<br><br>EPWP to better livelihoods. The incentive grant for financial year 2024/2025 is R1 874 000.<br><br>The Department of Public Works as the funder of EPWP set targets for Implementation by the Public Bodies. The EPWP targets are spread over a five-year term and are funded through the equitable share of the municipality, maximum job creation under Capital projects (MIG etc) and also small projects under EPWP Incentive Grant (IG). ADM has in the past years reported increased number of EPWP job as such it has been rewarded by getting increased funding for the project over the past years. The programme is earmarked for the creation of extensive work opportunities within the district. ADM has been participating in the program to improve the livelihood of its communities. Below is the table that illustrate the jobs opportunities created within the district utilising EPWP funding. |
| |
| *T 3.11.4* |

| Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects) | | | | |
|---|---|---|---|---|
| **Total Jobs created / Top 3 initiatives** | **Jobs created No.** | **Jobs lost/displaced by other initiatives No.** | **Net total jobs created in year No.** | **Method of validating jobs created/lost** |
| Total (all initiatives) | | | | |
| Year -2 | | | | |
| Year -1 | | | | |
| Year 0 | | | | |
| | | | | |
| Initiative A (Year 0) | | | | |
| Initiative B (Year 0) | | | | |
| Initiative C (Year 0) | | | | |
| | | | | *T 3.11.5* |

| Job creation through EPWP* projects | | |
|---|---|---|
| | EPWP Projects No. | Jobs created through EPWP projects No. |
| Year 2019/20 | 4 | 2 116 |
| Year 2020/21 | 4 | 2 111 |
| Year 2021/2022 | 8 | 2520 |
| Year 2022/2023 | 8 | 1202 |
| Year 2023/2024 | 4 | 1370 |
| Year 2024/2025 | 4 | 1185 |

Extended Public Works Programme
The EPWP Focus areas for the year under review.
Sanitation
Home Based
Data Capturers
Environmental Sector
Cultural Sectors
Infrastructure
Waste Management
Training

# Chapter 3

| Local Economic Development Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| **Service Objective xxx** | | | | | | | | | |
| ***Training of people in essential skills: x, y, z*** | Number of people trained (including retrained upskilled) | x people trained | x people trained | x people trained | x people trained | x people trained | x people trained | x people trained | x people trained |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.11.7*

| Employees: Local Economic Development Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.11.8*

| | | | | | R'000 |
|---|---|---|---|---|---|
| Details | Year - 2023/2024 | Year 2024/2025 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| Total Operational Revenue | 4,793 | 38,790 | 38,790 | 1,851 | -1995% |
| Expenditure: | | | | | |
| Employees | 35,312 | 34,499 | 39,707 | 34,490 | 0% |
| Repairs and Maintenance | 352 | 350 | 250 | 104 | -236% |
| Other | 13,024 | 26,676 | 26,676 | 26,676 | 0% |
| Total Operational Expenditure | 48,688 | 61,526 | 66,634 | 61,271 | 0% |
| Net Operational Expenditure | 43,895 | 22,736 | 27,844 | 59,419 | 62% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* *T 3.11.9*

| Capital Expenditure Year 0: Economic Development Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.11.10* |

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The Local Economic Development, as an important component of the Municipality, and it continues to achieve 100% of the set targets. Socio-economic development can only be achieved through collaborative action and a shared vision. Efforts to leverage alternative resources to perform the set targets are in place.

ADM has identified local economic development and its five key sectors as one of the priority areas in its Integrated Development Plan (IDP) to improve the district's economy. These key sectors have an opportunity to have a significant impact on improving the district rural communities' economic possibilities and, in turn, their standard of living. In the Service Delivery and Budget Implementation Plan (SDBIP) of the institution, which is reported on, quarterly.

The report provides summary as per the units within the office of the Municipal Manager, the Director: SPLED and Management being: -

Local Economic development Division

- Agriculture
- Tourism Development and Promotion
- Heritage Resources Management
- Job creation (Extended Public Works Programme) EPWP
- Enterprise Development
- Environmental Management

In terms of the LED catalytic projects, the ADM has partnered with the National Department of Tourism, Construction SETA, NEMISA, DAMDDRA, INMED SA for ADM community development.

The NDT has made available an amount of +-R60 0000 000.00 for the construction of tourism accommodation facilities in the areas of Mbhashe and Raymond Mhlaba municipalities. The facilities are at 99% of completion and both the ADM and NDT are in the process of appoint an operator for the facilities and are as follows;

Mthontsi Lodge in Raymond Mhlaba budget for the project was R30 0000 000.00

Tenza Lodge R30 000 0000.00

Together with Cons-CETA, ADM is currently training 170 young people, the funding for the programme is +- R14 000 000. It is a multi-year programme that will run for the next three years.

The training program Twenty (20) young people from Mbhashe Local Municipality would benefit from the programme. The training was done in partnership with South African Mobile Devices Distributors and Repairers Association (SAMDDRA) and National Electronic Media Institute of South Africa (NEMISA) and it covers the following;

- Recruitment and selection activities
- Theoretical training activities
- Practical training activities
- Final theoretical and practical assessment activities
- Assessment and moderation activities.

The training programme forms part of supporting the youth to acquire the necessary skills and knowledge on how to repair cell phones and operate repair shops.

The last catalytic project that ADM is currently implementing is the training on aquaponics and this is done in partnership with INMED, Fort Hare and Lovedale TVET College. The system is used as sustainable food production and the potential of aquaponics, such as its efficiency in water and nutrients usage and its ability to produce two crops simultaneously (fish and plants). This will be part of a mitigation strategy for food security both students and communities.

*T 3.11.11*

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

| INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES |
|---|
| ***Delete Directive note once comment is completed*** – Provide brief introductory comments. Refer to support given to those communities that are living in poverty. |
| *T 3.52* |

### 3.12 LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

| INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES |
|---|
| ***Delete Directive note once comment is completed*** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty. |
| *T3.12.1* |

| SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) |
|---|
| *T 3.12.2* |

# Chapter 3

| Libraries; Archives; Museums; Galleries; Community Facilities; Other Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | *T 3.12.3* |

| Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* | | | | | *T 3.12.4* |

| Financial Performance Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.12.5* |

| Capital Expenditure Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other R' 000 | | | | | |
|---|---|---|---|---|---|
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.12.6* |

| COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERALL: |
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| ***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations). |
| T 3.12.7 |

## 3.13 CEMETORIES AND CREMATORIUMS

| INTRODUCTION TO CEMETORIES & CREMATORIUMS |
| --- |
| ***Delete Directive note once comment is completed*** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty |
| T 3.13.1 |

| SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS |
| --- |
| *T 3.13.2* |

| Cemeteries and Crematoriums Policy Objectives Taken From IDP | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | | |
| | | Target | Actual | Target | | Actual | Target | | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year | |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) | |
| Service Objective xxx | | | | | | | | | | |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | *T 3.13.3* | |

| Employees: Cemetories and Cremotoriums | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.13.4*

| Financial Performance Year 0: Cemeteries and Crematoriums | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* *T 3.13.5*

| Capital Expenditure Year 0: Cemeteries and Crematoriums | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* *T 3.13.6*

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

***<u>Delete Directive note once comment is completed</u>*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.13.7

## 3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

***<u>Delete Directive note once comment is completed</u>*** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

*T 3.14.1*

SERVICE STATISTICS FOR CHILD CARE

*T 3.14.2*

| Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / *Service Indicators* | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.14.3*

| Employees: Child Care; Aged Care; Social Programmes | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* | | | | | *T 3.14.4* |

| Financial Performance Year 0: Child Care; Aged Care; Social Programmes | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | T 3.14.5 |

| Capital Expenditure Year 0: Child Care; Aged Care; Social Programmes | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.14.6* |

| COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL: |
| --- |
| ***<u>Delete Directive note once comment is completed</u>*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations). |
| *T 3.14.7* |

## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

Amathole District is generally in a good natural state, i.e., 81.52 % are areas remaining natural and 18.48 are areas where no natural habitat remains. The natural state of the district varies across the local municipalities, e.g. Great Kei, Ngqushwa and Raymond Mhlaba municipalities are in a pristine state of environment with less areas with no natural habitat remaining, whereas Mbhashe and Mnquma need some attention in terms of preserving the natural state of the environment. The highest levels of transformation in Amathole DM have been experienced in the Mbhashe and Mnquma LM. Development pressures on the wild coast is one of the key impact drivers. Amathole ecological landscape offers opportunity in Eco-tourism, Agri-Ecology/Conservation agriculture, Environmental Projects.

Biodiversity

The biodiversity of the Amathole DM is represented in 5 major biomes that describe the different biotic communities. These biomes are Savanna (34.5%), Grasslands (31.5%), Albany Thicket (29.6% of the area), Indian Ocean Coastal Belt (3.7%) and Forests (0.6%). The variety in landscape and biodiversity within the Amathole District Municipality is recognised within the Pondoland Centre of Endemism that stretches along the east coast below the Great Escarpment. One type of forest (Licuáti forest), three types of thickets, six types of bushveld, and five types of grassland are found only within the hotspot. About 80 percent of South Africa’s remaining indigenous forests fall within the Pondoland centre of endemism region includes warm temperate forests that hold nearly 600 tree species, the highest tree richness of any temperate forest on the planet. The Amathole Complex is home to high biodiversity and is regarded as a centre of endemism. It falls within an area classified as Critically Endangered by the Subtropical Thicket Ecosystem Project (STEP). In the ADM there is one endangered ecosystem which is Kobonqaba Forest Complex in Mnquma local municipality. Marine protected areas in Amathole include, Amathole Marine Protected Area (MPA), Dwesa (South)-Cwebe (North) at Mbhashe and Nyara River mouth to Great Kei River mouth at Great Kei.

Amathole DM has approximately 49 functional estuarine systems, the vast majority falling within the warm temperate biogeographic region and the few located within the subtropical region. The estuary of greatest importance is the Great Fish River, which forms the boundary between the Amathole DM and Cacadu DM to the south. This is the 13th most important estuary in South Africa due to its large size, significant habitat and biological diversity, and it is imperative that the system be effectively managed by both DMs. There are 8 other systems that are within the national top 50 in terms of estuarine importance, viz. Mpekweni, Mtati, Mgwalana, Keiskamma, Great Kei, Nxaxo/Ngqusi, Mbashe, and Xora.

ADM working with Department of Forestry, Fisheries and Environment have appointed a Service Provider for the development of ADM Biosphere Reserve which traverses three ADM local municipalities; Amahlathi, Raymond Mhlaba and Ngqushwa.

Amathole DM is situated in the central coastal portion of the Eastern Cape, between the Mbhashe River in the northeast and the Great Fish River in the southwest. The coastline extends for approximately 269 km, which accounts for about a fifth of the districts' jurisdictional boundary and roughly 34.1% of the Eastern Cape coastline. The coastline is generally warm, with humidity increasing towards the east. In total, the district covers a geographical area of 23 577 square kilometres. ADM has 21 beaches, with more recorded at Mbhashe local municipality. A number of beaches in the ADM is in a pristine nature, however general lack of infrastructure with regard to coastal amenities is a serious concern. This has a direct implication to coastal tourism and coastal public access. Health and safety is also another area of concern due to lack of lifeguards and beach health and safety services. ADM has eighteen boat launching sites which are mainly still under the management of the private bodies. The processes to transfer management is still underway as many local municipalities lack required capacity and experience in this regard. List of public boat launching sites in the ADM are found in Gazette No. 3363 of the Eastern Cape.

*T 3.14*

## 3.15 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

ADM ambient air quality is rated as acceptable in terms of the National Framework for Air Quality Management in the Republic of South Africa. The key sources of pollution in the ADM are:

▪ Industry and Manufacturing- There are approximately 15 industrial boilers within the district. There are also a number of wood drying operations, e.g., sawmills throughout the district.
▪ Residential Fuel Use- Use of wood and paraffin
▪ Biomass burning- Veld fires during winter
▪ Motor Vehicles and Unpaved Roads- Due to the rural extent of the District, One of the largest sources of particulate emissions is vehicular travel on unpaved roads, other emissions are related to waste management practices, agricultural emissions and poorly managed Mining, quarries and borrow pits. Identified priority pollutants in the ADM are:
Sulphur dioxide (SO2), Nitrogen dioxide (NO2), Particulate Matter (PM10 and PM2.5), Carbon Monoxide (CO), Benzene, Lead.

For areas that are found to be not in compliance with the National Framework for Air Quality Management, interventions and campaigns such tree planting are performed as a balancing factor in carbon emissions as they take in Carbon Dioxide and release Oxygen.

The following are the programmes and projects implemented under environmental management;

Environmental Management

The environmental management has been implementing the four environmental management programs and are as follows;

Coastal Management

To evaluate the water quality for the Blue Flag Programme, the ADM collaborated with Ngqushwa LM to assess the presence of microbiological parameters such as E. coli.

Using the standards set by the Wildlife and Environment Society of South Africa (WESSA) on 25 March 2024, the Ngqushwa LM submitted a Blue Flag Pilot Beach application. Ngqushwa LM was awaiting an invoice from WESSA, which was scheduled to be sent out in September.

ADM has purchased sign boards for the Hamburg Beach due to its pilot stage of blue flag status, and the procurement progress was scheduled to be completed in January.

In accordance with the Blue Flag Criteria, on the 22 August 2024, ADM and Ngqushwa LM organized a beach clean-up campaign in Bira and imparted environmental education. ADM and Ngqushwa LM celebrated marine week at Hamburg Beach on the 29 November 2024, focusing on the provisions of blue flag criteria. On the 26 March 2025 ADM participated in the Blue Flag awareness programme which was organised by Ngqushwa LM and trees were planted during this activity. ADM in collaboration with Ngqushwa Local Municipality conducted a blue flag awareness on the 26 June 2025 in Bodiam Primary School; the main objective of the awareness was to educate the learners about the blue flag criteria and how local municipalities are encouraged to involve local communities to promote safe and healthy environment for all. Additionally, learners were educated about how the water parameters are detected to ensure that water quality is not compromised.

On 14 November 2024, ADM held a District Coastal Committee meeting at the Calgary. On that platform, issues impacting the four coastal municipalities were considered. On August 27, 2024, ADM held a District Coastal Committee meeting under the jurisdiction of Great Kei LM. One of the decisions adopted at the meeting was to invite DMRE to participate in discussions on illicit sand mining issues that impact the four coastal communities. Mnquma LM Coastal Committee was held on the 26 February 2025; ADM participated and supported the programme. On the 11 March 2025 Amathole District Municipal Coastal Committee meeting seat in Calgary wherein all relevant and affected coastal municipalities attended with other stakeholders. All issues related to coastal management were discussed and possible solutions were provided, additionally, the issues which could not be resolved were deferred to Provincial Coastal Committee for their intervention. On the 13 March 2025, ADM participated on the Provincial Coastal Committee wherein a district presentation was made to solicit provincial support to our local coastal challenges which cannot be solved within the District Coastal Committee. Moreover, ADM conducted a District Coastal Committee on the 17 June 2025 at Calgary where coastal matters were discussed and issues not resolved were deferred to the Provincial Coastal Committee for intervention purposes.

Environmental empowerment

This is done as per the National Environmental Management Act No.107 of 1998, ADM is mandated to adhere to environmental days. In the case of the ADM in partnership with Local Municipalities and DEDEAT, DFFE local municipalities and communities has successfully conducted all four National

Environmental Empowerments Celebrations (Arbour Day, Marine Day, Water Day. Environmental Day) as per the set targets.

National Environmental Week Celebration which seeks to raise awareness about the protection and environmental conservation and advocate for the environmental sustainability and management of natural resources. ADM in partnership with Mbashe Local Municipality and Provincial Department of Economic Development Environmental Affairs and tourism conducted a National Environmental Day Celebrations at Mbashe Local Municipality on the 18th of March 2025. These celebrations were conducted under the theme" Beat Plastic Pollution" which focuses on combating plastic pollution.

Biosphere Implementation

As part of multi- stakeholder engagement, the Office of King Sandile (Rharhabe Kingdom) was consulted about the programme, which is expected to endorse the programme. This was done on the 10 September 2024.

On the 3 – 6 September 2024, a Biosphere Boundary Verification was done with multi-stakeholders.

ADM held a consultation meeting at New Rest village in Upper Rhabhula under the jurisdiction of Amahlathi Local Municipality on the 5 December 2024. A workshop for SGB's and teachers with Chief of Ndlambe A/A in Ngqushwa LM was conducted on the 6 March 2025 after a pre-visit to mobilise the schools and the office of chief to be part of the workshop. The aim of the workshop was to make communities aware of the project so that they can benefit when its officially endorsed by UNESCO. On the 19 March 2025, ADM participated in the community engagement organised by Amahlathi LM in Catha Community Hall and presented the Biosphere Programme as part of multi stakeholder engagement. Moreover, the community members and Community Property Association members assured to play a proactive role in the programme.

ADM had an engagement with COGTA for information sharing purposes on the 5th June 2025. COGTA was delighted about the Amathole Biosphere Reserve initiative and highlighted that it is in a stage of reviewing the Eastern Cape Spatial Development Framework and the presented information will be incorporated in the EC – SDF consultation sessions. Moreover, ADM sourced out the endorsement letters from all the key stakeholders that have direct interest in the program.

Climate Change Program

In terms of the 2012 National Waste Management Strategy (DEAT, 2012), Local Municipalities are required to develop Integrated Waste Management Plans (IWMP). Review and development the IWMP to ensure compliance with national and provincial legislation, policies, plans and permit requirements relating to waste management. Great Kei with the support of ADM and other relevant stakeholders have engaged and developed in house IWMP. This was done on the 25 July 2024.

ADM in collaboration with SANBI, DFFE had an initial engagement meeting to introduce and discuss the Enhance Direct Access-Locally Led Adaptation Small Grants Facility Projects. Additionally, the workshop took place at the ECPTA East London offices on the 17 October 2024.

ADM in collaboration with Raymond Mhlaba Local Municipality and DEDEAT conducted environmental capacity building targeting Raymond Mhlaba Municipality on the 6 March 2025. The role of ADM was to support the local municipality has it is experiencing the impacts of climate change. Hence it is mandated to incorporate climate considerations into their mandates to ensure service delivery and municipality protection against the impacts of climate change. Moreover, the local municipality was advised to access funding for climate change adaptation and update climate change response implementation plans.

ADM attended a public meeting conducted under the jurisdiction of Ngqushwa Local Municipality on the 29 May 2025. The aim of the meeting was to announce the proposed renewable energy development that will have a generation capacity of 8MW per turbine around the Celetyuma area. The proposed development has a positive impact as it is recognised as a climate change mitigation. Additionally, the proposed project will unlock economic spin-offs around the Ngqushwa Local Municipality.

*T 3.15.1*

SERVICE STATISTICS FOR POLLUTION CONTROL

*T 3.15.2*

| Pollution Control Policy Objectives Taken From IDP | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Service Objectives | Outline Service Targets | Year 0 | | Year 1 | | | Year 2 | Year 3 | | |
| | | Target | Actual | Target | | Actual | Target | | | |
| Service Indicators | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year | |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) | |
| Service Objective xxx | | | | | | | | | | |
| *Water and air purity* | Water: x% of all readings taken throughout the year on at least weekly to be found acceptable (clean) by National Standards | T0% clean | A0% clean | T1% clean | T1% clean | A1% clean | T2% acceptable | T5% acceptable | T5% acceptable | |
| | Air: x% of all readings taken throughout the year on at least weekly to be found acceptable by National standard | T0% clean | A0% clean | T1% clean | T1% clean | A1% clean | T2% acceptable | T5% acceptable | T5% acceptable | |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by* | | | | | | | | | | *T 3.15.3* |

| Employees: Pollution Control | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.15.4*

| Financial Performance Year 0: Pollution Control | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* *T 3.15.5*

| Capital Expenditure Year 0: Pollution Control | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* *T 3.15.6*

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.15.7*

## 3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

Coastal Development (blue flag programme)
The ADM has a coastine of approximately 190km=34.14% of the Eastern Cape coastline. ADM possesses both the Sunshine Coast and the Wild Coast. ADM in partnership with the Department of Environmental Affairs developed a coastal management plan, that serves as a guide for coastal and environmental management programs. The plan outlines the state of the coast, challenges, and opportunities.

In promoting tourism in ADM, ADM in collaboration with Ngqushwa conducted a blue flag awareness and clean-up campaign program at Hamburg Beach. The program targeted school going youth and two high schools participated in the program.

ADM in collaboration with DEDEAT has revived Mnquma, Great Kei, Mbhashe and Ngqushwa costal committees. The coastal committees' primary responsibility is to coordinate coastal related programs in their respective municipalities.

Climate Change Programme

The ADM is amongst the districts that are prone to drought in the Eastern Cape. During the year under review, ADM in partnership with DEDEAT conducted a climate change awareness campaign workshop in in Ngqushwa local municipality. Furthermore, ADM has trained community members residing in Xhilinxa Administrative Area in Mnquma Local Municipality on wetland Rehabilitation, environmental Awareness and education and alien Plant Removal.

Environmental Empowerments

ADM and its LMs obverse and implement all the statutory environmental campaigns as a way of promoting awareness on environmental related issues. It has partnered with communities across the district observing abor, marine, water, environmental management weeks.

In an effort to support its LMs, ADM has supported Raymond Mhlaba municipality, to develop the State of Environment report and during the 2023/2024 financial year. ADM facilitated support for Raymond Mhlaba through DEDEAT, DRDAR and DFFE in agro-processing of aloe plant.

ADM also participated in Mbashe Recycling Indaba, the purpose of the event was to conduct the environmental outreach on the latest methods of waste management and provide exhibition opportunity for product and services across waste value chain.

*T 3.16.1*

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

Marine Protected Areas (MPA)

ADM has two MPA, i.e., Dwesa-Cwebe at Mbhashe local municipality and Amathole MPA at Great Kei local municipality. Dwesa- Cwebe is the “No take Zone” because it is one of only two breeding sites for critically endangered fish species in South Africa, .e., white & red steenbras; the second being the Saldahan.

Freshwater Ecosystems

ADM has 56 Rivers and two major water management areas, i.e., Mzimvubu –Keiskamma and Fish River- Tsitsikama and numerous major Dams and Waterfalls. There are four major drainage regions in the ADM, i.e., Great Fish River catchment, Amathole catchment, Great kei River basin, and Mbashe River basin. The major rivers of the Amathole DM are the Koonap and Kat Rivers of the Groot Vis River in the western extent; the Keiskamma and Groot-Kei in the central extends; and the Mbhashe River in the eastern extent. The dams of the Amathole DM include: Binfield Dam, Bridle Drif Dam, Cata Dam, Debe Dam, Gcuwa Dam, Gubu Dam, Katrivier Dam, Laing Dam, Maden Dam, Mnyameni Dam, Nahoon Dam, Pleasant View Dam, Rooikrans Dam, Sam Meyer Dam, Sandile Dam, Stanford Dam, Toleni Dam and Xilinxa Dam.

ADM has benefited from the collaboration of SALGA and Government of Flanders funding of three South African Municipalities. An amount of £4.99million will be shared amongst the selected 3 District Municipalities. The project name is the Adaptive Capacity Facility which will be implemented in Xhilinxi Dam as a means of reducing the rate of silting up of the dam, thereby increasing the lifespan of the dam and ensuring better water quality for the inhabitants.

Wetlands

There are 9565 wetlands at Amathole district municipality with more recorded at Amahlathi local municipality.

Estuaries

The Eastern Cape has the highest concentration of estuaries of all provinces (estimated at 50% of South Africa‘s estuaries), the major systems including the Great Fish, Nahoon, Kei, Mthatha and Umzimvubu estuaries. Two of these, the Great Fish and Kei, are located in Amathole.

Within the Amathole DM there are five recognized estuarine types, namely temporarily closed estuaries (43 estuaries) and permanently open estuaries (6 estuaries).approximately 49 functional estuarine systems. These estuarine systems comprise only two of the five recognized estuarine types, namely temporarily closed estuaries (43 estuaries) and permanently open estuaries (6 estuaries).

Biodiversity

The biodiversity of the Amathole DM is represented in 5 major biomes that describe the different biotic communities. These biomes are Savanna (34.5%), Grasslands (31.5%), Albany Thicket (29.6% of the area), Indian Ocean Coastal Belt (3.7%) and Forests (0.7%). The variety in landscape and biodiversity within the Amathole DM is recognized within the Pondoland Centre of Endemism that stretches along the east coast below the Great Escarpment. One type of forest (Licuáti forest), three types of thicket, six types of bushveld, and five types of grassland are found only within the hotspot. About 80 percent of South Africa’s remaining indigenous forests fall within the Pondoland centre of endemism.

The region includes warm temperate forests that hold nearly 600 tree species, the highest tree richness of any temperate forest on the planet. The Amathole Complex is home to high biodiversity and is regarded as a center of endemism. It falls within an area classified as Critically Endangered by the Subtropical Thicket Ecosystem Project (STEP). During 2020/21 financial year, Department of

Enviromnent, Forestry and Fisheries appointed a services provider for the development of a Biosphere Reserve which traverses three (3) Municipalities, that is, Amahlathi LM, Raymond Mhlaba LM, and Ngqushwa LM.

Coastal

ADM coastline ranges from moderately protected to well protected. ADM coastal Environment is part of the large marine ecosystems (LMEs) of the world, namely the Agulhas Somali Current.
ADM has 63 functional estuaries which comprise approximately 40% of all the estuaries within the Eastern Cape and approximately 22% of all estuaries within South Africa. Only 11% of the 63 estuaries are classified as moderately modified. ADM - priority areas for operation Pakisa are Kob farm and the oyster farm in Hamburg, & the Qolora Aquaculture Development Zone. ADM has 21 beaches but one full blue flag status and one pilot status.

*T 3.16.2*

# Chapter 3

| Bio-Diversity; Landscape and Other Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by* | | | | | | | | | *T 3.16.3* |

| Employees: Bio-Diversity; Landscape and Other | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* T 3.16.4

| Financial Performance Year 0: Bio-Diversity; Landscape and Other | | | | | R'000 |
|---|---|---|---|---|---|
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* T 3.16.5

| Capital Expenditure Year 0: Bio-Diversity; Landscape and Other | | | | | R' 000 |
|---|---|---|---|---|---|
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* T 3.16.6

COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE AND OTHER OVERALL:

***<u>Delete Directive note once comment is completed</u>*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.16.7*

## COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

INTRODUCTION TO CLINICS

The District Municipality does not perform the function in terms of its powers.

*Note: Recent legislation includes the National Health Act 2004.*

***Delete Directive note once comment is completed*** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty

*T 3.17*

### 3.17 CLINICS

INTRODUCTION TO CLINICS

N\A

***Delete Directive note once comment is completed*** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

*T 3.17.1*

| Service Data for Clinics | | | | | |
|---|---|---|---|---|---|
| | Details | Year -2 | Year -1 | | Year 0 |
| | | Actual No. | Estimate No. | Actual No. | Estimate No. |
| 1 | Average number of Patient visits on an average day | | | | |
| 2 | Total Medical Staff available on an average day | | | | |
| 3 | Average Pateint waiting time | mins | mins | mins | mins |
| 4 | Number of HIV/AIDS tests undertaken in the year | | | | |
| 5 | Number of tests in 4 above that proved positive | | | | |
| 6 | Number of children that are immunised at under 1 year of age | | | | |
| 7 | Child immunisation s above compared with the child population under 1 year of age | % | % | % | % |
| | | | | | *T 3.17.2* |

Concerning T 3.17.2

***Delete Directive note once table is completed*** **–** Average patient waiting time and total medical staff availability on an average day are obtained but sampling staff and patients on different days at different times at regular intervals throughout the day.

*T 3.17.2.1*

# Chapter 3

| Clinics Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year 0 | | Year 1 | | | Year 2 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| *Proportion of population visiting public health clinics* | % of children under 1 year that are immunised. | T0% immunised | A0% immunised | T1% immunised | T1% immunised | A1% immunised | T2% immunised | T5% immunised | T5% immunised |
| *Proportion of population visiting public health clinics* | % of those tested for HIV/AIDS that proved positive; (number of those tested) | T0% tested positive; (xxxxxx tested) | A0% tested positive; (xxxxx tested) | T1% tested positive; (xxxxx tested) | T1% tested positive; (xxxxx tested) | A1% tested positive; (xxxxx tested) | T2% tested positive; (xxxxx tested) | T5% tested positive; (xxxxx tested) | T5% tested positive; (xxxxx tested) |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.17.3*

| Employees: Clinics | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.17.4*

| Financial Performance Year 0: Clinics | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* *T 3.17.5*

| Capital Expenditure Year 0: Clinics | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* *T 3.17.6*

COMMENT ON THE PERFORMANCE OF CLINICS OVERALL:

***<u>Delete Directive note once comment is completed</u>*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.17.7*

## 3.18 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

N\A, as the District does not perform the function.

***Delete Directive note once comment is completed*** – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to those communities that are living in poverty.

*T 3.18.1*

| Ambulance Service Data | | | | | |
|---|---|---|---|---|---|
| | Details | Year -2 | Year -1 | | Year 0 |
| | | Actual No. | Estimate No. | Actual No. | Estimate No. |
| 1 | Number of patients taken to medical facilities during the year | | | | |
| 2 | Average time from emergency call to arrival at the patient - in urban areas | | | | |
| 3 | Average time from emergency call to arrival at the patient - in rural areas | | | | |
| 4 | Average time from emergency call to the transportation of patient to a medical facility - in urban areas | | | | |
| 5 | Average time from emergency call to the transportation of patient to a medical facility - in rural areas | | | | |
| 6 | No. ambulance | | | | |
| 7 | No. paramedics | | | | |
| | | | | | *T 3.18.2* |

Concerning T 3.18.2

***Delete Directive note once table is completed*** **–**Average turnout and turn-round times are determined by logging the times taken from initial call to reaching an emergency incident and from initial call to the incident and then on to the medical facility and analysing the record.

*T 3.18.2.1*

| Ambulances Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| *Ambulance turnaround time (Timeout to patients and back to medical facility)* | Average turnaround time in rural areas | T0 min on average | A0 min on average | T1 min on average | T1 min on average | A1 min on average | T2 min on average | T5 min on average | T5 min on average |
| | Average turnaround time in urban areas | T0 min on average | A0 min on average | T1 min on average | T1 min on average | A1 min on average | T2 min on average | T5 min on average | T5 min on average |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.18.3*

| Employees: Ambulances | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* T 3.18.4

| Financial Performance Year 0: Ambulances | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* T 3.18.5

| Capital Expenditure Year 0: Ambulances | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |

*Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* T 3.18.6

| COMMENT ON THE PERFORMANCE OF AMBULANCE SERVICES OVERALL: |
| --- |
| ***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations). *T 3.18.7* |

## 3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC

The primary goal of environmental health actions is disease prevention by addressing adverse environmental practices behaviours that can have adverse impact on health. This can be achieved by, among other means, inspection of premises, health promotion, community involvement, intersectoral collaboration and law enforcement. Emphasis is also placed on voluntary compliance through education and awareness

In terms of the National Health Act, 2003 (Act No. 61 of 2003), ADM is entrusted with the following functions:

- Water Quality Monitoring;
- Food Control;
- Waste Management
- Health Surveillance of Premises;
- Surveillance and Prevention of Communicable Diseases, Excluding Immunization;
- Vector Control;
- Environmental Pollution Control;
- Disposal of the Dead.
- Chemical Safety

This is one of the core functions of the Amathole District Municipality (ADM) in terms of Section 32 of the Act. The National Environmental Health Norms and Standards for Premises were gazette in December 2015, these determine the frequency, norms and standards to be adhered to by premises.

In the last financial year ADM has been focusing on Water Quality Monitoring, Food Control, Waste Management, Health Surveillance of Premises, Surveillance and Prevention of Communicable Diseases, Vector Control, Environmental Pollution Control, Disposal of the Dead as its functional areas.

There is a District Health Information System (DHIS) that is used by the Department of Health for reporting purposes as required by the National Health Act. The reports of the system are generated by the Information Managers at sub - district to the District Health office to the Provincial Department of Health and presented to National Department of Health for planning purposes. The system has 13 data elements that are reported on by Environmental Health Services. Municipal Health Services of Amathole District Municipality is utilizing this system for reporting purpose on the data elements.

The ADM Environmental Health Practioners conducted the inspections of business premises with a special focus on Funeral Undertakers and later on included personal care businesses. Funeral undertaker premises and mortuaries were inspected to ensure compliance with Regulation 363.

*T 3.19.1*

## SERVICE STATISTICS FOR HEALTH INSPECTION, Etc

Water Quality Monitoring

A total of 1821 drinking water samples were taken from fixed drinking water sources for testing and the results of the analysis directly loaded onto the IRIS (former Blue Drop) system via the Laboratory Information Management System (LIMS). A total of 156 waste water samples were taken for analysis,

Food Control

The Food Quality Monitoring Programme is ongoing and it encompasses inspection of food handling premises, sampling and analysis, and capacitation of food handlers, in order to ensure that food sold to the public is fit for human consumption and complies with relevant legislation.

A total of 50 capacitation sessions were held for food handlers including caterers and street vendors that are running businesses within Amathole's area of jurisdiction. This is done to ensure food safety, and improve the quality of food sold to consumers as well as the minimisation of food poisoning incidents. The capacitation sessions held in the form of workshops and on site education during inspections for both the formal and informal food handlers.

Food handling premises were inspected in terms of Regulation 638. A total of 2076 inspections were conducted. Food products that were found to be unfit for human consumption were condemned and disposed of in a safe manner in terms of Regulation 1128.

212 Milk samples were taken and the non-compliance was high as most samples in the outlets did not comply with Regulation 1555. 45 inspections to 15 dairy farms were inspected and randomly when a need arises. Dairy farms are inspected on quarterly bases.

Waste Management

Landfill sites – Landfill sites inspections were conducted in the ADM areas on an adhoc basis.

Health Surveillance of Premises

Health Surveillance of Premises was conducted in line with the National Norms and Standards set in terms of the National Health Act as follows: Day care centers, a total of (745) inspections conducted, Accommodation Establishments (96) inspections to 25 accommodation establishments, Old Age Homes (12) were inspected, Beauty Salons (45) were inspected, (40) Schools were inspected, 161 inspections to 84 Health facilities were conducted.

Surveillance and Prevention of Communicable Diseases, Excluding Immunization

41 awareness campaigns were conducted in schools and communities. Awareness campaigns were conducted in collaboration with other stakeholders.

Disposal of the Dead

Funeral Undertakers' premises are inspected on quarterly basis in order to ensure compliance with the Regulation Relating to the Management of Human Remains, Government Notice No. 363 of 22 May 2013. This is done in order to prevent the spread of communicable diseases due to the unsafe handling of corpses. 180 inspections were conducted, and exhumations and reburials were monitored as per applications received.

*T 3.19.2*

# Chapter 3

| Health Inspection and Etc Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year 0 | | Year 1 | | | Year 2 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | *T 3.19.3* |

| Employees: Health Inspection and Etc (Municipal Health Services) | | | | | |
|---|---|---|---|---|---|
| Job Level | Year 2023/24 | Year 2024/25 | | | |
| | Employees<br>No. | Posts<br>No. | Employees<br>No. | Vacancies (fulltime equivalents)<br>No. | Vacancies (as a % of total posts)<br>% |
| TG 15 & above | 2 | 3 | 2 | 1 | **33%** |
| TG 13-14 | 7 | 10 | 7 | 3 | **30%** |
| TG 9-12 | 21 | 49 | 21 | 28 | **57 %** |
| TG 8 | 0 | 0 | 0 | 0 | **0%** |
| TG 4-7 | 0 | 0 | 0 | 0 | ***0*%** |
| **Total** | **30** | **62** | **30** | **32** | **52%** |
| | | | | | ***T 3.19.4*** |

| Financial Performance Year 2024/25: Health Inspection and Etc R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year - 2023/24 | Year 2024/25 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | | | | | |
| Expenditure: | 34 480 | 25,370 | 24,717 | 25,777 | 2% |
| Employees | 26 780 | 130 | 130 | | 0% |
| Repairs and Maintenance | 0 | 10,063 | 7,681 | 3,721 | -170% |
| Other | 7 701 | 35,563 | 32,527 | 29,498 | -21% |
| **Total Operational Expenditure** | 34 480 | 35,562 | 32,527 | 29,498 | -21% |
| **Net Operational Expenditure** | | **25,370** | **24,717** | **25,777** | **2%** |

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances arecalculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.19.5

| Capital Expenditure Year 0: Health Inspection and Etc | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.19.6* |

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONs, Etc OVERALL:

The Municipal Health Services unit is implementing their functions as per the National Environmental Health Norms and Standards for premises. The MHS Section has implemented cost recovery in terms of collecting revenue through payment for the COAs, COC, Health Certificates and processing of exhumation applications. The amount obtained is minimal as it is less than 1% of the total cost of the MHS budget.

Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.19.7*

## COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

| INTRODUCTION TO SECURITY & SAFETY |
| --- |
| Security and Safety comprises the following three sub units:<br><br>1) Fire Services as per responsibilities of District Municipalities and Fire Fighting Services assigned by the MEC in 4 of the seven 6 Local Municipalities in the ADM.<br><br>2) Disaster Management as per the responsibilities of a District Municipality - Disaster Management Act 57 of 2002<br><br>3) Community Safety Services [Excluding City Police and or VIP Protection Services] operates in terms of the National and Provincial Crime Prevention Strategies<br><br>*T 3.20* |

## 3.20 COMMUNITY SAFETY

INTRODUCTION TO COMMUNITY SAFETY

Community Safety operates in terms of the Constitution, the National Crime Prevention Strategy, the Provincial Crime Prevention Strategy the National Establishment of Community Safety Forums Policy. The Constitution of the Republic of South Africa as amended relates to the promotion of a safe and healthy environment. The Provincial Crime Prevention Strategy relates to multi-agency collaboration on crime prevention matters (particularly between government departments as per the. Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) and the Policy regulates the formation and responsibilities of Community Safety Forums and is detailed enough to serve as a Terms of Reference for Community Safety Forums.

In light of the above, Amathole District Municipality supports the following:

- The establishment and support to Community Safety Forums in each local municipality within the District, aimed at coordinating and increasing efficiency of various stakeholders in dealing with various aspects of community safety e.g. Social Development programs, Education initiatives, SAPS, NGO and Community Policing activities.

- Capacitating Community Safety stakeholders and affected communities in the concept of Community Safety, Roles and responsibilities of stakeholders, areas of social need to improve safety of vulnerable groups e.g. parenting skills, drug abuse, road and animal safety.

-The District supports initiatives that are identified by Community Safety Forum stakeholders which respond to address crime prevention in identified hotspots and in general. The focus is on the youth, Gender Based Violence and Femicide [GBV] and other designated groups.

-Create a District Platform for the co-ordination of Community Safety Activities in the District by convening a quarterly District Community Safety Forum.

-Community Safety Ward Based Audits, eight (8) Community Safety Audits were targeted for
the 2020 2021 financial year

*T 3.20.1*

| PROGRAMS | PURPOSE AND OUTCOMES |
|---|---|
| Convened 4 quarterly District CommunitySafety Fora. One virtual meeting convened. | P: Provide a platform for the sharing and coordination of stakeholder activities towards crime prevention.<br><br>O: During the COVID-19 epidemic where all reporting of community interventions wasreported through the COVID-19 Councils, Mnquma, Mbhashe, Ngqushwa and Amahlathi started returning back to separation of functions and were once again reporting to its Community Safety Forums and stakeholders. Great Kei is still reporting through its COVID-19 Council and Raymond Mhlaba remains a challenge in terms of getting its Community Safety function running.The regression in COVID-19 levels may impact on this return to functionality |
| 13 **Capacity Building** sessions for Stakeholders were held [Target was 4]. The mid-term review amended the target asit was deemed unsafe to conduct class room type interactions, transect walks and face to face interviews in community's as per the requirements of conducting the Audits. Application for amendment of thetarget was submitted and the audits target was set aside for quarters three and four: The amended annual audit target of four (4) was achieved | P: To capacitate stakeholders in their role inCommunity Safety and other activities andfunctions that encourages a safer and more law abiding citizenry.<br>O: Community members capacitated on how to assist with ensuring compliance of COVID 19 Safety protocols at local level and Gender Based Violence(GBV). |
| Supported 25 **initiatives** [target was 10] identified by Local Municipality Forumsaimed at preventing crime; addressing social issues that escalate into criminal activities. Most of the initiatives were of a non-contact nature with small groups and loud-hailer type awareness's being done in conjunction with other stakeholders. The fourth Quarter however concentrated largely on schools with Gender Based Violence and Femicide, which increased during COVID Lockdown periods, substance abuse and crime prevention as the thematic areas of priority. Outdoor groups with health protocols adhered to was the norm. | P: To support and participate in mobilization of communities through loud hailing and pamphlet distribution. COVID 19 Safety protocols always observed.<br><br>O: Pre and post Initiative reports at Joint Operation Centres (JOC) at local level from SAPS, the Departments of Social Development, and Education as well as Community Leaders inareas where community mobilization efforts were implemented indicated a short term improvement of conditions as the levels were adjusted as per the escalation of the pandemic.<br>• Covid -19 Safety, health requirements and social distancing, substance abuse and GBV and Femicide, Disaster Declaration and Regulations Awareness were the main focus through. Emphasis on super spreaders i.e. funeral, liquor outlets and traditional ceremonies. |

*T 3.20.2.*

| Police Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / *Service Indicators* | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| ***Reduction in road accidents*** | x% reduction in road accidents over the target for the previous year | T0% reduction in year -1 | A0% reduction in year -1 | T1% reduction in year 0 | T1% reduction in year 0 | A1% reduction in year 0 | T2% reduction in year 1 | T5% reduction in year 3 | T5% reduction in year 3 |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.20.3*

| Employees: Police Officers | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| Police / Administrators | Employees<br>No. | Posts<br>No. | Employees<br>No. | Vacancies (fulltime equivalents)<br>No. | Vacancies (as a % of total posts)<br>% |
| Chief Police Officer & Deputy | | | | | |
| Other Police Officers | | | | | |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.20.4*

| Financial Performance Year 0: Police | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Police Officers | | | | | |
| Other employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* *T 3.20.5*

| Capital Expenditure Year 0: Police | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.20.6* |

COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.20.7*

## 3.21 FIRE

| INTRODUCTION TO FIRE SERVICES |
| --- |
| ADM provide fire services in the four (4) local municipalities which are Mbhashe, Mnquma, Great Kei and Ngqushwa. Raymond Mhlaba and Amahlathi are providing fire services in their jurisdiction with ADM providing a planning and co-ordination role as per section 84 1 (j) of the Municipal Structures Act 117 of 1998. Section 3 of the Fire Brigade Services Act requires the local municipalities to establish and maintain the fire brigade service for the purpose of Preventing the outbreak or spread of fires.<br>Fire Brigade Services as per section 3 of the Fire Brigade Services Act 99 of 1987 are established to:<br><br>• Fighting or extinguishing of fire<br>• Protection of life and property against a fire or other threatening danger<br>• Rescue of life or property from a fire or danger<br>• Any function connected with the above<br><br>1) Basic service delivery and infrastructure development<br><br>The ADM conducted one hundred and forty (140) Fire Safety Compliance Inspections in the four local municipalities. From the fire compliance inspections conducted twenty-five (25) were carried-out in Mnquma, thirty-one (31) in Mbhashe, fifty-five (55) in Great Kei and Twenty-nine (29) in Ngqushwa Local Municipalities. An amount of R74 391,35 was collected as fire safety inspections were conducted. One hundred and ninety-six (196) awareness campaigns were conducted during the 2023/24 financial year. The campaigns focused more in preventing fires in informal settlements where the rate of fire incidents is high. Three hundred and forty-six (346) fire calls were attended to during the 2023/24 financial year as compared to two hundred and twenty-one (221) in 2022/2023. The increase in calls may be due to the high rainfall season which caused grass to grow faster and longer.<br><br>2) Local Municipal Financial Viability and Management<br><br>A total amount of R74 391.35 was collected from fire inspections conducted in the four local municipalities.<br><br>3) Local Economic Development<br><br>The continuous capacitation enhances the firefighting and rescue skills of the firefighters. One fire protection association was established in Mnquma, Mbhashe Local and Ngqushwa Local Municipalities. The Fire Protection Association will assist in the management of veld fires in the 2 local municipalities.<br><br>*T 3.21.1* |

## FIRE STATISTICS FOR THE PERIOD JULY 2024 – JUNE 2025

| TYPE OF INCIDENT | GREAT KEI | MNQUMA | MBHASHE | NGQUSHWA | TOTAL |
|---|---|---|---|---|---|
| Buildings | 1 | 2 | 1 | 3 | 7 |
| Dwellings (formal - brick & mortar) | 14 | 20 | 19 | 10 | 63 |
| Informal Dwellings (Shacks/mud/hut etc.) | 12 | 2 | 4 | 3 | 21 |
| Electrical | 0 | 0 | 0 | 1 | 1 |
| Rubbish | 1 | 0 | 1 | 0 | 2 |
| Vegetation | 46 | 39 | 47 | 55 | 187 |
| Transport (Cars/busses/trains/aircraft /ship) | 18 | 5 | 19 | 15 | 57 |
| Ancillary Services: Provision of Potable Water | - | - | - | - | - |
| Ancillary Services: Locked premises | 3 | - | - | - | 3 |
| Rescue (people/animals trapped/lost from machinery or water etc.) | - | - | - | - | - |
| Spillages (oil, diesel on road services) | - | 1 | - | - | 1 |
| Hazmat Spillages (chemicals etc.) | - | - | - | - | - |
| Any other types of humanitarian services | 2 | 3 | 1 | 1 | 7 |
| TOTAL CALLS ATTENDED | 97 | 72 | 92 | 88 | 346 |
| Estimated cost | R 39 905 000 | R47 135 700.00 | R24 666 487 | R 30 955 110 | R142 662 297.00 |

| Fatalities | Adult | Child | Adult | Child | Adult | Child | Adult | Child | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| | 8 | 0 | 0 | 0 | 7 | 4 | 15 | 3 | 37 |
| Injured victims treated by ADM Fire Services | Adult | Child | Adult | Child | Adult | Child | Adult | Child | TOTAL |
| | 17 | 1 | 9 | 6 | 38 | 2 | 16 | 3 | 92 |

Concerning T3.21.2

Turn out times within the urban and peri-urban settings of the towns of Dutywa, Butterworth, Komga and Peddie are 15 to 20 minutes, however the rural turn-out times are not ideal due to:

- Long distances to rural areas from the town based fire stations
- Poor road infrastructure
- Lack of water sources for fire- fighting thus large water carrying vehicles are utilized

In an effort to address this, the Amathole District Municipality has embarked on the establishment of satellite fire stations in the 4 local Municipalities for which it has been assigned the fire-fighting function.

• Three (3) major pumper, five (5) medium pumper, seven (7) sedans, six (6) skid unit vehicles are in operation.

*T 3.21.2.1*

# Chapter 3

| Fire Service Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
| ***Turnout time compared to National guidelines*** | % turn out within guidelines (total number of turn outs) | T0% within guidelines | A0% within guidelines or x if x is larger | T1% within guidelines or A0% if that is larger | 70% within guidelines or A0% if that is larger | A1% within guidelines | 75% within guidelines or A1 if that is larger; (xxxxx emergency turn outs in year) | 95% within guidelines or A4 if that is larger; (xxxxx emergency turn outs in year) | 95% within guidelines or A4 if that is larger; (xxxxx emergency turn outs in year) |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | *T 3.21.3* |

| Employees: Fire Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year 2022/23 | Year 2024/25 | | | |
| Fire Fighters<br>Administrators | Employees<br>No. | Posts<br>No. | Employees<br>No. | Vacancies (fulltime equivalents)<br>No. | Vacancies (as a % of total posts)<br>% |
| Chief Fire Officer & Deputy | 0 | 1 | 1 | 0 | **0%** |
| Other Fire Officers | 0 | 0 | 0 | 0 | **0%** |
| TG 15 & above | 1 | 0 | 0 | 0 | **0%** |
| **TG 13-14** | 0 | 0 | 0 | 0 | **0%** |
| **TG 9-12** | 34 | 44 | 27 | 17 | **38.63%** |
| **TG 8** | 46 | 0 | 0 | 0 | **0%** |
| **TG 4-7** | 0 | 115 | 95 | 20 | **17.39%** |
| **Total** | **81** | **160** | **12 3** | **37** | **23.12%** |
| | | | | | ***T3.21.4*** |

| Financial Performance Year 2024/25: Fire Services R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year - 2023/24 | Year 2024/25 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | *(133)* | *(7 738)* | *(7 738)* | *(2 133)* | *-263%* |
| Expenditure: | | | | | |
| Fire fighters | 59 399 | 55 866 | 60 147 | 56 916 | 2% |
| Other employees | - | - | - | - | #DIV/0! |
| Repairs and Maintenance | 91 | 73 | 73 | 17 | -327% |
| Other | 3 103 | 6 282 | 8 312 | 5 908 | -6% |
| **Total OperationalExpenditure** | *62 594* | *62 222* | *68 532* | *2 937* | |
| **Net Operational Expenditure** | *62 726* | *69 960* | *76 270* | *2 940* | *-8%* |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actualand Original Budget by the Actual.*

*T 3.21.5*

| Financial Performance Year 2024/2025: Fire Services R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year - 2023/2024 | Year 2024/2025 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 52 | 7,349 | 7,349 | 87 | -8302% |
| Expenditure: | | | | | |
| Fire fighters | | | | | |
| Other employees | 62,685 | 62,632 | 62,477 | 64,073 | 2% |
| Repairs and Maintenance | 7,048 | 8,733 | 8,718 | 7,291 | -20% |
| Other | 3,083 | 4,538 | 8,208 | 5,975 | 24% |
| **Total Operational Expenditure** | **72,817** | **75,904** | **79,402** | **77,339** | **2%** |
| **Net Operational Expenditure** | **72,764** | **68,555** | **72,053** | **77,252** | **11%** |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.*

*T 3.21.5*

| Capital Expenditure Year 0: Fire Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.21.6* |

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

A total number of one hundred and forty (140) inspections were conducted in 2024-2025 financial year. The more fire safety compliance inspections are conducted to promote safety; the more funds are generated by fire services. The Fire Service is intensifying fire safety inspections in the ADM area for the safety of communities and businesses.

A total number of four main fire stations and six satellite fire stations are in operation in four local municipalities.

**CHALLENGES**

ADM does not have enough permanent fire fighters to assist throughout the district.
There are not enough response vehicles in cases of breakdowns.
The turn around time for vehicles in for repairs is too long
Vehicles are pass their replacement date and breakdown often occur.
Fire station buildings, especially the rented ones are in a state of disrepair.

*T 3.21.7*

## 3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

INTRODUCTION TO DISASTER MANAGEMENT

The Disaster Management Act 57 of 2002, the Disaster Management Amendment Act 16 of 2015 and the National Disaster Risk Management Policy Framework promote inter alia:

- A coordinated approach to disaster management, with special emphasis on the prevention and mitigation of disasters;
- The facilitation of the development and implementation of public awareness to inculcate a culture of risk avoidance;
- The promotion of disaster management capacity through training and education.

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support of COGTA. The establishment of disaster volunteers was implemented in Mbhashe, Great Kei, Ngqushwa and Amahlathi local municipalities except for Mnquma and Raymond LMs. The ADM disaster officials provided the relevant support in the establishment of the disaster volunteers.

The local municipalities conducted Joint Operation Committee meetings on various days and reported for consolidation to the Covid 19 Disaster Command Centre and Council as per agreed protocols. One of the common challenges reported with regards to the seating of the of the local JOCs was the poor attendance by stakeholders within the local municipalities.

**CHALLENGES**

The district has more rural villages that are especially vulnerable to disasters due to their incapacity to cope with their poor socioeconomic situations. Poverty, communication-related information management, socio-economic status, community participation, and a lack of other sector departments involvement in disaster risk management are among the issues faced by the district. This makes it difficult for the Disaster Management Unit to effectively coordinate its activities

| | PURPOSE AND OUTCOMES |
|---|---|
| | To provide means to repair homes to families affected by disastrous incidents.<br>Provide sustainable shelter to vulnerable/ needy families by making consolidated submissions from affected local municipalities to the National and Provincial Department of Human Settlements. |
| | During the financial year 2023/2024, severe weather elements were reported to have caused damage to dwellings and infrastructure in all six Local Municipalities within the jurisdiction of Amathole District.<br><br>Three fatalities reported due to flooding and heavy rains during 15th and 16th October 2023 incident.<br>Two fatalities with one drowning and eight injuries were reported in the December/ January summer season period.<br><br>**Damages to dwelling structures:**<br>Three hundred and eighty-three (383) dwellings were partially damaged, while one thousand four hundred and sixty-nine (1,469) houses were completely destroyed leaving the affected homeless. |
| | **Damages to infrastructure:**<br><br>**Roads and Bridges:** All the six local municipalities have suffered significant damage to roads and low-lying bridges as a result of the heavy rain and flooding during the third and fourth quarter of 2023/24 financial year. |
| | **Edudation Facilities:** Fourteen schools were reported damaged, with mostly during the first quarter, and were repaired. |
| | **Health Facilitlies:** Three health facilities in the district were reported damaged and were rehabilitated. |
| | The Amathole District Municipality coordinated applications for grant funds from affected local municipalities, which were submitted to the Provincial Disaster Management Centre together with costed business plans as well as the lists of damaged road and bridges. |

*T 3.22.2*

# Chapter 3

| Disater Management, Animal Licencing and Control, Control of Public Nuisances, Etc Policy Objectives Taken From IDP | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Service Objectives | Outline Service Targets | Year 0 | | Year 1 | | | Year 2 | Year 3 | | |
| | | Target | Actual | Target | | Actual | Target | | | |
| *Service Indicators* | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year | |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) | |
| Service Objective xxx | | | | | | | | | | |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

*T 3.22.3*

| Job Level | Year 2021/22 | Employees: Disaster Management Year 2024/25 | | | |
|---|---|---|---|---|---|
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| TG 15 & above | 1 | 1 | 1 | 0 | **0%** |
| TG 13-14 | 1 | 0 | 0 | 0 | **0%** |
| TG 9-12 | 8 | 10 | 8 | 2 | **20%** |
| TG 8 | 0 | 0 | 0 | 0 | 0% |
| TG 4-7 | 0 | 1 | 1 | 0 | 0% |
| **Total** | **10** | **12** | **10** | **2** | **16.66%** |
| | | | | | T 3.22.4 |

| Financial Performance Year 2024/2025 : Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year - 2023/2024 | Year 2024/2025 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 0 | 0 | 0 | 0 | 0% |
| Expenditure: | | | | | |
| Employees | 6,495 | 6,007 | 6,102 | 6,389 | 6% |
| Repairs and Maintenance | | 2,380 | 2,382 | 93 | -2470% |
| Other | 1,019 | 2,934 | 4,109 | 3,698 | 21% |
| **Total Operational Expenditure** | **7,513** | **11,320** | **12,593** | **10,179** | **-11%** |
| **Net Operational Expenditure** | **7,513** | **11,320** | **12,593** | **10,179** | **-11%** |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.22.5* |

| **Financial Performance Year 2020/21: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc** | | | | | |
|---|---|---|---|---|---|
| | | | | | **R'000** |
| **Details** | **Year -2021/22** | **Year 2022/23** | | | |
| | **Actual** | **Original Budget** | **Adjustment Budget** | **Actual** | **Variance to Budget** |
| **Total Operational Revenue** | (2 259) | 0 | (1 116) | (709) | 100% |
| Expenditure: | | | | | |
| Employees | 6 763 | 6 852 | 940 | 6 181 | -11% |
| Repairs and Maintenance | 0 | 0 | 100 | 0 | 0% |
| Other | 3 854 | 2 363 | (229 912) | 2 910 | 19% |
| **Total Operational Expenditure** | 10 617 | 9 215 | (228 872) | 9 091 | -1% |
| **Net Operational Expenditure** | 8 358 | 9 215 | (229 989) | 8 382 | -10% |
| Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and original Budget. | | | | | T 3.22.5 |

| Capital Expenditure Year 0: Disater Management, Animal Licencing and Control, Control of Public Nuisances, Etc | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.22.6* |

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

T 3.22.7

## COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

| INTRODUCTION TO SPORT AND RECREATION |
| --- |
| Amathole District Municipality continues to use sports development as an investment to health, vitality and productivity of the communities in which it functions including our own employees. As reflected in the ADM's District Sport Development Strategy, the social benefits of investing in sport include an overall improvement in the quality of life, physical, -mental and moral well- being of a population.<br><br>Youth unemployment across the district is on the rise and through our sports development programs we are able to minimize them getting into illegal activities such as stealing including drug and alcohol abuse and all other social ills. Close collaborations with our strategic partners like sector departments, SALGA in the province and SAFA, we have been able to implement some of these programs over the years.<br><br>Inward looking to employee sports, it should be noted that employee sport plays an important role in the wellness of employees as it keeps people physically and mentally healthy, and therefore contributes in improving productivity. Hence one of the objectives of the ADM's District Sport Development Strategy is to promote continuous participation in sport by ADM staff members and Councillors. Sporting codes that are popular among employees are soccer, rugby, netball, tennis, hockey to mention but a few. During the year under review sporting activities were put on hold and that had an impact in the normal sporting activities our employees usually engage in. |
| *T 3.23* |

### 3.23 SPORT AND RECREATION

| SERVICE STATISTICS FOR SPORT AND RECREATION |
| --- |
| *T 3.23.1* |

| Sport and Recreation Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year 0 | | Year 1 | | | Year 2 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

T 3.23.2

| Employees: Sport and Recreation | | | | | |
|---|---|---|---|---|---|
| Job Level | *Year 2021/22* | *Year 2024/25* | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| TG 15 & above | 0 | 0 | 0 | 0 | 0% |
| TG 13-14 | 0 | 0 | 0 | 0 | 0% |
| TG 9-12 | 2 | 0 | 0 | 0 | 0% |
| TG 8 | 0 | 0 | 0 | 0 | 0% |
| TG 4-7 | 0 | 0 | 0 | 0 | 0% |
| Total | 2 | 0 | 0 | 0 | 0% |
| | | | | | *T 3.23.3* |

| Financial Performance Year 0: Sport and Recreation | | | | | |
|---|---|---|---|---|---|
| | | | | | R'000 |
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.23.4* |

| Capital Expenditure Year 0: Sport and Recreation | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.23.5* |

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

Sport development programs contribute in diverting the youth’s energy from crime activities and improving the general health of citizens. It is also through these programs that new talent is identified in all sport codes.

Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.23.6*

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY OFFICES,

***Delete Directive note once comment is completed*** – Provide brief introductory comments.

*T 3.24*

## 3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

Amathole District Municipality is an Executive Mayoral Type of Municipality with Executive Mayor, established in terms of section 56 of the Municipal Structures Act and Chapter 7 of the Municipal Financial Management Act,

There are 6 Section 80 Standing Committees of Council led by Portfolio Heads directly report to the Executive Mayor namely:

Good Governance and Public Participation
Municipal Transformation and Organizational Development
Community Services
Municipal Financial Viability
Local Economic Development
Basic Service Delivery and Infrastructure Investment

The Committees are established in alignment with the Local Government Key Performance Areas.

The Council in Total has 47 Councillors from diverse political formations and Local Municipalities and 3 Traditional Leaders participating in Council in accordance with Section 81 of the Municipal Structures Act of 1998 as amended.

The Portfolio Councillors are delegated specific functions by the Executive Mayor to perform and report to the Mayoral Committee in turn the Executive Mayor reports to Council
.
The Council has established section 79 Committees to assist Council to fulfil its oversight functions. The Committees are established in terms of section 160(8) of the Constitution of the Republic of South Africa, 1996 as amended with proportional representation of all the parties in council. The Committees are as follows:

(i) The Rules Committee
(ii) The Municipal Public Accounts Committee
(iii) The Women Caucus
(iv) Ethics Committee

These Committees perform the functions assigned to them in terms of their terms of reference and report to Council.

Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year.

*T 3.24.1*

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

*T 3.69.2*

| The Executive and Council Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs*

T 3.24.3

| Employees: The Executive and Council | | | | | |
|---|---|---|---|---|---|
| | Year *2023/24* | *Year 2024/25* | | | |
| Job Level | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| **TG 15 &above** | 8 | 5 | 3 | 2 | **40%** |
| **TG 13-14** | 6 | 9 | 3 | 6 | **66.66%** |
| **TG 9-12** | 2 8 | 15 | 7 | **8** | **53.33%** |
| **TG 8** | 3 | 0 | 0 | 0 | **0%** |
| **TG 4-7** | 0 | 0 | 0 | 0 | **0%** |
| **TOTAL** | | 29 | 13 | 16 | **55.17%** |
| | | | | | *T3.24.4* |

| Financial Performance Year 2022/23: The Executive and Council | | | | | |
|---|---|---|---|---|---|
| **Details** | **Year -2021/22** | **Year 2022/23** | | | |
| | *Actual* | *Original Budget* | *AdjustmentBudget* | *Actual* | *Variance t* |
| **Total Operational Revenue** | *(1 141 839)* | *1450 129* | *15 197 81* | *826 642* | *75%* |
| Expenditure: | | | | | |
| Employees | *62 302* | *320 247* | *710 336* | *276 148* | *16%* |
| Repairs and Maintenance | *9 985* | *1326* | *11 326* | *99 36* | *87%* |
| Other | *532 824* | *729 906* | *513 159* | *225 885* | *-223%* |
| **Total Operational Expenditure** | *883 955* | *1051 479* | *12 348 22* | *511 969* | *-105%* |
| **Net Operational Expenditure** | *307 884* | *398 649* | *284 959* | *314 673* | *-27* |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* *T 3.24.5* | | | | | |
| **Total** | **4 5** | **47** | **43** | **15** | **31.!** |

| Financial Performance Year 2024/2025: The Executive and Council | | | | | |
|---|---|---|---|---|---|
| **Details** | **Year - 2023/2024** | **Year 2024/2025** | | | |
| | **Actual** | **Original Budget** | **Adjustment Budget** | **Actual** | **Varia Bu** |
| **Total Operational Revenue** | | 0 | 0 | 0 | |
| Expenditure: | | | | | |
| Employees | 50,999 | 50,075 | 48,667 | 48,532 | |
| Repairs and Maintenance | | 0 | 0 | 0 | |
| Other | 1,837 | 19,845 | 20,933 | 18,733 | |
| **Total Operational Expenditure** | **52,837** | **69,920** | **69,600** | **67,265** | |
| **Net Operational Expenditure** | **52,837** | **69,920** | **69,600** | **67,265** | |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | |

| Capital Expenditure Year 0: The Executive and Council | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.24.6* |

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.24.7*

## 3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

The key performance area is the focus on long-term financial sustainability. It is imperative that the generated revenue base is of such a nature that the Municipality is able to fund its short-, medium- and long-term operations in order to ensure continuity and a financially sound and stable organisation.

The major key functional areas that have been identified and linked to financial sustainability are revenue enhancement, credit control measures and expenditure management.

**Revenue Enhancement and Credit control**

The outstanding debtors' balance for the 2024/25 financial year (before the provision for bad debt impairment) was R2 307 billion in which 63% of the total debt is owed by domestic category.

The average annual collection rate is 24% for the 2024/25 financial year; with the municipality billing R906 million and collecting R224.ADM continues to implement revenue enhancing strategies. These include;

- - electronic platforms for communication and access to statements; and
- integrated indigent registration.
- Full implementation of credit control and debt collection policy thereby implementing disconnections and restrictions to all defaulters

**Monitoring of supplier payments within legislative timeframes**

The municipality continues to monitor payments to suppliers within 30 days of receipt of the invoice. 73.5% invoices were paid within 30 days for the financial year ending 30 June 2025.

**Preparation of Annual Financial Statements**

Amathole District Municipality continues to prepare the annual financial statements in house for submission to the Auditor General South Africa, in accordance with Sec 122 and Sec 126 of the Municipal Finance Management Act. These statements were submitted in compliance with the legislative timeframes.

ADM improved the audit outcome from a Disclaimer audit opinion for the year ended on 30 June 2023, to a Qualified audit opinion for the year ended 30 June 2024.

**Management responses to audit queries**

After the issue of the Audit report and Management report, by the Auditor General, an action plan to address the matters in both these documents was compiled. The Municipality has implemented the Operation Clean Audit template to manage the actions and timeframes. The progress on the resolution of the audit queries is monitored closely by the Executive management, Internal Audit and Provincial Treasury, with weekly meetings to discuss progress. The municipality has also been updating the audit action plan progress on the National Treasury's wev enabled audit action plan.

**mSCOA compliance**

ADM is transacting on mSCOA version 6.7 as required by National Treasury for the 2024/25 financial year. The municipality is still experiencing challenges around the submission of the data strings via the portals as the IDP and budget modules are not yet live.

Data strings have however been submitted manually, with all monthly data strings being submitted. Due to the continuing challenges surrounding the current financial system and its non-compliance with mSCOA, the municipality has procured a new financial management system. This system was used to submit the data strings for the 2025/2026 financial year draft and final budget.

*T 3.25.1*

| Debt Recovery | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | | | R' 000 |
| **Details of the typesof account raised and recovered** | **Year 2022/23** | | **Year 2023/24** | | | **Year 2024/25** | |
| | **Actual for accounts billed in year** | **Proportion of accounts value billed that were collectedin the year %** | **Billed in Year** | **Actual for accounts billed in year** | **Proportion of accounts value billed that were collected %** | **Estimated outturn for accounts billed in year** | **Estimated Proportionof accounts billed that were collected** |
| Property Rates | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Electricity - B | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Electricity - C | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Water - B | 6 398 | 38% | 15 686 | 14 918 | 26% | 16 739 | 60% |
| Water - C | 373 475 | 38% | 638 610 | 347 419 | 19% | 448 362 | 60% |
| Sanitation | 121 585 | 43% | 229 079 | 206 843 | 29% | 167 105 | 60% |
| Refuse | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Other | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| *B- Basic; C= Consumption.* | | | | | | | *T 3.25.2* |

Concerning T 3.25.2

***Delete Directive note once table is completed*** **–** The proportion of account value billed is calculated by taking the total value of the year’s revenues collected against the bills raised in the year by the year’s billed revenues.

*T 3.25.2.1*

# Chapter 3

| Financial Service Policy Objectives Taken From IDP | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / *Service Indicators* | Outline Service Targets | Year 0 | | Year 1 | | | Year 2 | Year 3 | | |
| | | Target | Actual | Target | | Actual | Target | | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year | |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) | |
| Service Objective xxx | | | | | | | | | | |
| ***Increase in speed of payment of tariffs, tax demands, invoices*** | No more than x% of creditors raised (in Rand value) during the year outstanding (**o/s**) at year end | No more than T0% of current yr creditors o/s at yr end | No more than A0% of current yr creditors o/s at yr end | No more than T1% of current yr creditors o/s at yr end | No more than T1% of current yr creditors o/s at yr end | No more than A1% of current yr creditors o/s at yr end | No more than T2% of current yr creditors o/s at yr end | No more than T5% of current yr creditors o/s at yr end | No more than T5% of current yr creditors o/s at yr end | |
| ***Reducing the number of invoices raised by increasing advance payment for services rendered (A project requiring partipation by all departments but let by the central finance department)*** | x% reduction in number of invoices raised over the previous year's target | T0% reduction in invoices raised; target limit of invoices | A0% reduction in invoices raised; target limit of invoices | T1% reduction in invoices raised; target limit of invoices | T1% reduction in invoices raised; target limit of invoices | A1% reduction in invoices raised; target limit of invoices | T2% reduction in invoices raised; target limit of invoices | T5% reduction in invoices raised; target limit of invoices | T5% reduction in invoices raised; target limit of invoices | |
| ***Improving speed of legal measures to recover revenues*** | Commence legal proceedings for recovery of revenues within 4 weeks of the due date | Legal proceeding within 4 weeks of due date | Legal proceeding within 4 weeks of due date | Legal proceeding within 4 weeks of due date | Legal proceeding within 4 weeks of due date | Legal proceeding within 4 weeks of due date | % of legal proceeding commenced within 4 weeks of due date | % of legal proceeding commenced within 4 weeks of due date | % of legal proceeding commenced within 4 weeks of due date | |
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*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*

T 3.25.3

| Employees: Financial Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year 2023/24 | Year 2024/25 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| TG 15 &above | 11 | 11 | 8 | 3 | **27.27%** |
| TG 13-14 | 14 | 35 | 18 | 17 | **48.57%** |
| TG 9-12 | 48 | 22 | 6 | 16 | **72.72%** |
| TG 8 | 0 | 30 | 1 | 29 | **96.66%** |
| TG 4-7 | 0 | 25 | 25 | 0 | **0%** |
| **Total** | **73** | **123** | **58** | **65** | **52.84%** |
| | | | | | *T 3.25.4* |

| Financial Performance Year 2024/2025: Financial Services R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year - 2023/2024 | Year 2024/2025 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 612,303 | 308,630 | 308,630 | 132,816 | -132% |
| Expenditure: | | | | | |
| Employees | 109,655 | 114,713 | 114,312 | 114,185 | 0% |
| Repairs and Maintenance | 1,794 | 950 | 1,125 | 771 | -23% |
| Other | 33,185 | 41,508 | 46,802 | 42,222 | 2% |
| **Total Operational Expenditure** | **144,634** | **157,171** | **162,240** | **157,179** | **0%** |
| **Net Operational Expenditure** | **(467,669)** | **(151,458)** | **(146,390)** | **24,362** | **722%** |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.25.5* |

| Capital Expenditure Year 0: Financial Services R' 000 | | | | | |
|---|---|---|---|---|---|
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.25.6* |

| COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL: |
| --- |
| ***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations). |
| *T 3.25.7* |

## 3.26 HUMAN RESOURCE SERVICES

| |
|---|
| The Human Resources Services is generally managed by adhering to the relevant prescripts of law and policies like Recruitment & Selection Policy, Employment Equity Plan and Training & Development Policy. |
| All the necessary Plans were developed and submitted to Council for Approval.<br>ADM also set aside a budget for the purchase of Protective Clothing in line with the needs and requirements of employees. The Organisation ensured that there was constant communication with all its stakeholders including employees and Councillors to ensure that there was no information gap and that all were pulling in our direction. |
| Protective clothing is ordered in bulk and distributed periodically to all employees as per the needs. |
| Proper SCM processes are followed in the procured of the PPE to ensure that all relevant prescripts are adhered to.<br><br>Regarding the Institutional arrangements assignment and In line with the Municipal Turnaround Strategy, Amathole District Municipality has managed to develop Job Descriptions for positions in the new Organogram and a Job Evaluation Committee was established and is fully functional. Job descriptions developed are continuously subjected to the committee for evaluation and ultimately submitted to the Provincial Audit Committee to prepare for the migration. The intention is to have all jobs in the new structure graded by the District Job Evaluation Committee and audited by the Provincial Audit Committee, which is a SALGA body, so that ADM could reach a maintenance stage of job evaluation.<br><br>Another intended goal is the implementation of Migration Plan that was approved by Council. This process can only be objectively conducted when all positions in the structure have grades. The approved Migration Plan makes provision for the consideration of skills possessed by each individual and relevant experience to ensure that employees are properly placed where their skills and experience are needed<br><br>The Corporate Services Department has also conducted an extensive skills and competency audit for the entire establishment which will not only assist during the implementation of the Migration Plan, but also in the establishment of a credible database of skills and competencies in the institution.<br><br>As part of lowering the staff complement and also lowering the salary bill, ADM embarked on a process of introducing the Mutual Separation Agreements and an application for funding was made to the Department of National Treasury and National Department of Cooperation and Traditional Affairs. The National Department has shown keep interest in funding this initiative as it is in line with the pronouncements made by the Minister of Finance in his Budget speech in early 2019.<br><br>The institution was directed by the department to develop a concrete Business Plan for submission and that was subsequently done and a positive outcome has still not been secured.<br>ADM has now opted to look for funding internally and take an approach of staggering the applications to ensure affordability. Many options were considered and will be tabled in Council. Such include but not limited to Bank loans, utilizing the salary budget etc. |

The institution has also managed to institute disciplinary actions within 3 months of all reported cases and with that, it is compliant with the South African Local Government Bargaining Council Collective Agreement. The institution also prides itself on the filling of Section 56 Manager positions as all positions are currently filled including that of the Municipal Manager.

The Organisation has about 6 suspensions of senior employees which extend beyond the 3 months stipulated in the SALGBC and the Accounting Officer has now ensure that all such cases are speeded up through the appointment of Presiding Officers and Prosecutors.

The institution has finalised the Delegation Framework to give effect to the new Regional Model which has now been introduced to manage the satellite offices. This will enhance the service delivery initiatives and provide for a
speedy response rate to areas of need.

To note as well is that Amathole District Municipality has achieved 90 % of its Municipal Transformation and Institutional Arrangements Key Performance Indicator targets and that performance guarantees that all institutional targets as set out in the IDP and in the institutional Strategic Planning Session are achieved.

The KPIs delivered by the institution are in line with Vision 2030 objectives.
or the next financial year (2021/2022), the department plans to reconfigure the Biometrics system to derive best value for money and also ensure that there is no time lost due to poor access control.that there is no time lost due to poor access control.
In the year under review, due to the challenges experienced with the Biometrics system, ADM management re- introduced Manual register to ensure that attendance of staff is monitored and there is compliance with all relevant prescripts. The manual registers and the Biometrics system have been running concurrently and without any glitches.

The Human Resource Plan
In the 2019/2020 financial year, ADM developed a Human Resource Plan which sought to provide s strategic direction in respect of the sourcing of human capital to ensure that the resources are directed towards pertinent programmes. ADM is a Water Service Authority and Water Service Provider and therefore, it is necessary for the Establishment Plan (Organogram) to be designed and engineered in order to be responsive to the powers and functions of the District Municipality. The last approved Organogram, in June 2018, was designed to offer technical positions in order to be able to deliver on the mandate of the organisation which is the provision of water and sanitation. More positions have been added on the technical services which include the Engineering Department.

The Human Resource Plan that was approved by Council in March 2019 seeks to identify critical talent pipelines with the intention of building on those and the Corporate Services department is charged with the responsibility of ensuring that the organisation is able to deliver on its mandate utilising talent and skills available within the organisation. As part of developing the HR Plan,

The HR Plan provides guidance on how to manage the ADM human capital from the stage wherein the skills are recruited into the organisation until a stage where employees exit the organisation. The HR Plan provides a blueprint that ensures that ADM is able attract the best skills available within the country and be able to sustain and hold on to that skill and more-over, be able to speedily replace such skills should it be lost.

The Human Resource Plan further provides for the conducting of Exit Interviews for those employees who exit the organisation in order to ensure that the information gathered through such exercises is utilised to benefit the organisation. The Plan will be a living policy which will be reviewed annually to ensure that it remains relevant and useful for the organisation

Employment Equity Plan

The Employment Equity Plan (EE) was reviewed and adopted in 2022. The analysis of the existing employee profile of ADM revealed that at ADM race is not a problem, but the main challenges are: Under representation of females and Gross under representation of People with Disabilities. The EE plan's objective is to pursue and achieve a female representation of 47.2% as per the Provincial EAP Gender Statistics, and 2% in People with Disability category. The 2012 baseline (a year in which a report was released after the first adoption of the EE plan) for Female representation and People with Disabilities was 36% and 0.3% respectively in the institution.

In 2023/2024 financial period, female representation stands at 46% whilst the percentage is 0.3% on People with Disabilities. The current Employment Equity Plan that stretches to 30 June 2027 seeks to address the percentage gaps.

Employee Wellness & Occupational Health & Safety

The Employee Wellness and Occupational Health and Safety Unit has the following policies and strategies:

Employee Wellness policy & strategy

Occupational Health and Safety policy & strategy

Bereavement policy

HIV and Chronic Illnesses strategy

All the above guiding documents are still within, and programs are implemented in line with strategies. These programs are promoting the health and Safety of employees at work, preventing the occurrence of diseases and injuries on duty. They also help the employees solve the problems they encounter at work and those that affect their personal lives, which in turn negatively impact their work performance.

The following programs were conducted on 3 strategies Commemoration of TB, workplace inspections, Employee Wellness Day; HIV& AIDS testing and education, General Health Checks; Inspection of ADM office; Health & Fitness Session, HIV&AIDS Awareness Financial Management, Flu Vaccine, Snake Awareness Workshop on Conflict Management.

Health Exposition and Financial Management Workshop.

Organisational Development and Job Evaluation

The aim of Organisational Development and Job Evaluation Unit amongst other things, is to provide advisory services in developing an appropriate organisational structure, maintain organisational charts, provide work study services to departments and coordinate job evaluation services in order to fulfil the primary objective of Section 66

(1) of The Local Government Municipal Systems Act 32 of 2000.

The establishment plan was developed and tabled before Council on the 31st January 2024, where it was approved. The 2023/24 organogram contains 1897 positions; this figure includes Section 55 and 56 Managers positions which are all filled. Amathole District Municipality has introduced a Regional model in the organisational structure that will enhance the existing satellite model to deliver quality and integrated services in the six local municipalities. This on-the-ground approach helps to streamline the delivery process and ensure effective and efficient response. The Regional Offices focuses on coordination and monitoring integrated service delivery within the different satellite offices.

The table below depicts the approved organogram and the distribution positions as per directorate:

| Department | Number ofPositions | Percentage |
|---|---|---|
| Office of the Municipal Manager | 28 | 1.48 |
| Strategic Planning & Development | 91 | 4.80 |
| Budget & Treasury Office | 193 | 10.17 |
| Corporate Services | 120 | 6.33 |
| Engineering & Infrastructure Services | 1182 | 62.29 |
| Community Services | 244 | 12.86 |
| Spatial Planning & Economic Development | 39 | 2.05 |
| TOTAL | 1897 | 100% |

NOTE: Amathole District Municipality Council adopted the reviewed Organisational Structure with a process plan that outlined:

- Job Descriptions development;
- Evaluation of Job Descriptions;
- Auditing of Job Descriptions;
- Workforce Transition Process; and
- Criteria for Filling of Vacant Critical Positions.

OD & Job Evaluation Unit has the following policy & Strategy
- Job Evaluation Policy
- Organizational Development Strategy

Proposed structural Review 2023/24

Due to relentless financial crisis ADM has decided on a need to review its organisational structure afresh, and further reduction in its salary bill and gaining more financial viability are some of the targeted outcomes. The decision was complemented by the implementation of a Regional

Management Support Contractor Programme, commonly referred to as the Financial Recovery Plan (FRP), which is an instrument that is designed to provide guidance in addressing financial distress in the municipality.

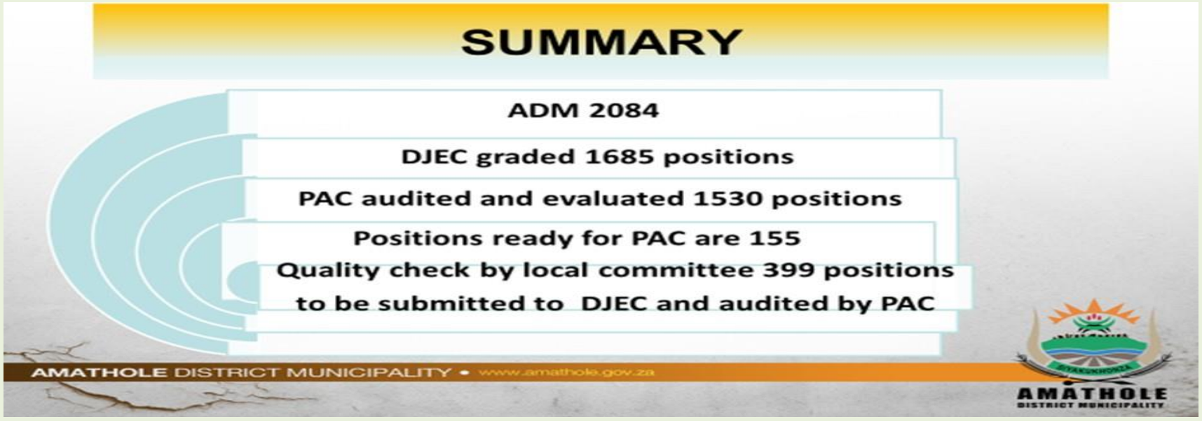
The Section ensured that critical Organizational Design principles were adhered to throughout the process, such as

- Core mandate of the institution as a District Municipality - powers and functions
- strategic goals of the institution – a structure follows function notion
- function (not person) consideration to develop an objective structure
- Objectives of the Financial Recovery Plan etc.

The proposed structure is still undergoing processes within relevant structures such as consultation with Local Labour Forum until it gets approval by the Council.

Progress of Job Evaluation and Auditing

As at 30 June 2021;1685 (one thousand six hundred and eighty-five) positions have been graded by DJEC and 1530 positions have been confirmed by the PAC, and this translates to 81% and 73% respectively of the total positions ready for migration. This gives a total of 399 positions (three hundred and ninety nine) that are outstanding for evaluation and auditing. To this end, 155 (one hundred and fifty-five) positions have been evaluated by the DJEC and will be submitted to the relevant structure accordingly.




Delays experienced in jobs grading processes are negatively affecting the implementation of the above plan as all data relating to the new structure can only be available after all jobs have been audited by the PAC and confirmed by the institution.

At Amathole District Municipality there are no scarce skills, in keeping with the ADM's Scarce Skills Policy, if ADM advertises twice without success, then that position is categorised as a scarce skill. (head hunting commences). However, the institution has not been faced with that challenge. Even though skills may be critical, but it is not scarce.

The new approved structure for the year 2018/19 has not yet implemented, however below is the list of filled positions and vacancies, since we still using the old structure: -

- 2018/2019 Establishment plan has 2299 positions

- Filled positions are a total of 1469 (one thousand four hundred and sixty-nine)
- Vacancies equals to 875 (eight hundred and seventy-five)
- No of positions budgeted are 1500 (one thousand five hundred), positions vacated on 31 January 2021 backwards are not funded.

Vacancy rate – 36% Filled positions – 64%

*T 3.26.1*

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

*T 3.26.2*

# Chapter 3

| Human Resource Services Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | *T 3.25.3* |

| Employees: Human Resource Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year *2022/23* | *Year 2024/25* | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| TG 15 & above | 10 | 13 | 11 | 2 | **15.38%** |
| TG 13-14 | 9 | 1 | 1 | 0 | **0%** |
| TG 9-12 | 19 | 39 | 32 | 7 | **17.94%** |
| TG 8 | 16 | 1 | 1 | 0 | **0%** |
| TG 4-7 | 47 | 65 | 52 | 13 | **20%** |
| **Total** | **101** | **119** | **97** | **22** | **18.48%** |

*T3.26.4*

| Financial Performance Year 2024/2025: Human Resource Services R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year - 2023/2024 | Year 2024/2025 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 318 | 133,712 | 133,712 | 249 | -53586% |
| Expenditure: | | | | | |
| Employees | 66,974 | 64,432 | 65,458 | 59,656 | -8% |
| Repairs and Maintenance | 12,297 | 13,951 | 15,427 | 21,922 | 36% |
| Other | 18,926 | 28,631 | 27,602 | 23,254 | -23% |
| **Total Operational Expenditure** | **98,196** | **107,014** | **108,487** | **104,832** | **-2%** |
| **Net Operational Expenditure** | **97,878** | **(26,698)** | **(25,225)** | **104,583** | **126%** |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.26.5* |

| Capital Expenditure Year 0: Human Resource Services R' 000 | | | | | |
|---|---|---|---|---|---|
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.26.6* |

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The institutional diagnosis conducted at ADM, revealed amongst other findings, that ADM staff establishment was bloated. In an effort to deal with that anomaly and to achieve other envisaged strategic goals, the institution took a decision to embark on a comprehensive organizational re-engineering. An Institutional Arrangement project which involved a number of key interventions that were aimed at enabling ADM to move closer to achieving its desired goal, commenced in 2018/2019.

In the main, the envisaged outcomes were to ensure that ADM has a lean and affordable structure that is directed at core functions of the institution, and that all jobs are in the correct skills level and TASK Grade. In order to ensure that all jobs are in the correct skill level and task grades, twelve officials were trained on job description writing and job evaluation, and were tasked to review all the written job description, and further participate in the job evaluation processes, in line with South African Local Government Association (SALGA) policies

Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.26.7*

## 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

| INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES | |
|---|---|
| | |
| The main responsibility of ADMs ICT services is providing and maintaining Information Systems (IS) that responds to the information needs and requirements of the municipality as well as to ensure connectivity of ADM users at all times by focusing on the following areas; | |
| - | Security of all Information Technology (IT) systems and assets; |
| - | Availability of systems; |
| - | High performance of systems; |
| - | Increase service delivery of ADM to its greater customers through highly effective systems; |
| - | Support and maintain systems used by ADM departments; |
| - | Ensure IT systems work according to business requirements; |
| - | Ensure seamless integration of systems and platforms; and |
| - | To lead delivery of IT systems and services according to industry best practices and |
| | government-based procedures. |
| | |
| | |
| Significant advancements were made with the implementation of the new financial system(SAGE) within the 2024/2025 financial year. This transition aims to streamline financial operations, enhance reporting accuracy and improve overall efficiency across departments. In parallel, the introduction of digital signatures was successfully implemented, supported by an approved policy to ensure security, compliance and authenticity in document management. | |
| Efforts are underway to internalise and embed the use of both SAGE as the financial system and digital signatures as part of automation, into daily workflows, with targeted training sessions and change management initiatives facilitating user adoption. | |
| Collectively, these initiatives mark an important step towards digital transformation fostering transparent, secure and efficient financial administration. | |
| | |
| | |
| The GIS Strategy was on its final year of implementation where all projects and intiatives were completed. The GIS Shared Services has been successful in supporting the local municipalities with GIS skills that lack in their space and ADM has been offering through the shared services model. This has resulted in a district view of corporate GIS with linkages to Billing, Land Administration whilst leveraging projects undertaken by the relevant departments as they are GIS enabled. The integration of infrastructure assets yielded benefits from a planning and service delivery perspective including mapping | |

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|---|
| the Biosphere reserve of the district or region, fire hydrants, fire danger zones and customer care incidents. The Environmental Health Services project resulted in the digitisation of the business process where online capturing of activities was achieved, and all the forms digitised on the GIS platform. The internal GIS Steering Committee has been successful in coordinating these projects. The continuous update of the land audit and property base forms the baseline of GIS with updated cadastral information, land ownership, land use and DEEDS data. The billing information contributes to the revenue strategy where it i integrated with GIS and a district view is mapped and enabled. This links with land use and ownership information adn ensure accuracy of billing for water and sanitation services. |
| |
| The establishment of IT Steering Committee and the appointment of it's members was done as part of implementing the IT Governance Framework as a governance structure for IT investments thus ensuring the alignment to the strategic objectives of the municipality and its goals. The deployment of 2 IdeaHubs in the Legislative boardroom building and another in the main administration building boardroom has yielded results as part of innovation in terms of virtual meetings for the municipality thus enabling use hybrid meeting with the integration of visual meetings (TEAMS) and in person meetings. This pilot project has formed a base to standardise this technology int he municipality. Another pilot project linked to records management through Microsoft SharePoint was the implementation of Microsoft Purview in terms of data security and access permissions thus looking document classification . SALGA has also nominated Amathole District Municipality in the pilot project for Innovation using Technology in the municipalities amongst other municipalities where digital maturity assessments were conducted and now developing the Innovation Plan. From a security perspective ADM replaced it's firewall to the latest technology and implemented redundancy for failover. This has allowed for the implementation of security policy and thus improving the security measures. ADM replaced the Wireless Access Points (AP's or WiFi) through the head office buildings and satellite offices for ease of connect to the network for staff and councillor. This enables laptops and other mobile devices to access business systems and applications for efficiency, in that from any ADM office one can access the systems seamlessly. Lastly, ADM has replaced the old laptops and desktops for staff members inorder to improve efficiency and proficiency thus making it able for the staff to perform their duties and submit reports as required legislatively. |
| Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by ICT service during the year. |
| *T 3.27.1* |

| SERVICE STATISTICS FOR ICT SERVICES |
|---|
| *T 3.27.2* |

| ICT Services Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| Service Indicators | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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| Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role. | | | | | | | | | T 3.27.3 |

| Employees: ICT Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year 2022/23 | Year 2024/25 | | | |
| | Employees No. | Posts No. | Employees No. | Vacancies (fulltime equivalents) No. | Vacancies (as a % of total posts) % |
| TG 15 & above | 3 | 4 | 3 | 1 | **25%** |
| TG 13-14 | 10 | 0 | 0 | 0 | **0%** |
| TG 9-12 | 1 | 15 | 10 | 5 | **33.33%** |
| TG 8 | 0 | 0 | 0 | 0 | **0%** |
| TG 4-7 | 0 | 0 | 0 | 0 | **0%** |
| **Total** | **14** | **20** | **14** | **6** | **30%** |
| | | | | | *T3.27.4* |

| R'000 | | | | | |
|---|---|---|---|---|---|
| Details | Year - 2023/2024 | Year 2024/2025 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 0 | 0 | 0 | 0 | 0% |
| Expenditure: | | | | | |
| Employees | 10,970 | 11,618 | 11,700 | 12,139 | 4% |
| Repairs and Maintenance | 15,925 | 37,555 | 23,813 | 15,576 | -141% |
| Other | 31,512 | 28,890 | 31,735 | 18,716 | -54% |
| **Total Operational Expenditure** | **58,406** | **78,063** | **67,248** | **46,431** | **-68%** |
| **Net Operational Expenditure** | **58,406** | **78,063** | **67,248** | **46,431** | **-68%** |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.27.5* |

| Capital Expenditure Year 2024/2025: ICT Services | | | | | |
|---|---|---|---|---|---|
| R' 000 | | | | | |
| | Year 2024/2025 | | | | |
| **Capital Projects** | **Year 2024/2025** | **Capital Projects** | **Year 2024/2025** | **Capital Projects** | **Year 2024/2025** |
| **Total All** | **37,500** | **23,758** | **15,576** | **-141%** | |
| | | | | | |
| Project A | 8,000 | 8,000 | 1,318 | -507% | 8,000 |
| Project B | 28,000 | 14,258 | 14,258 | -96% | 28,000 |
| Project C | 1,500 | 1,500 | | 0% | 1,500 |
| Project D | | | | | |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.27.6* |

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The Municipality under the year of review experienced challenges with the licensing of IT Infrastructure software to ensure optimal functionality and guaranteed availability of ICT services due to financial constraints. Onsite support continues to be rendered to the Integrated Financial Management System and user confidence in its understanding and use has improved. Historical data from legacy systems is accessible to the Municipality. Service providers for SAP support and ICT Co-source have been appointed for three years to address system gaps and challenges identified in the implementation of ADMaC and to augment internal ICT unit capacity. Data allocation has been consolidated into one service rather than individual data contracts which have proven difficult to manage over time and is now managed centrally.

Support has been received through SALGA and GIZ and an IT Capability Maturity Assessment was performed to identify areas that require improvement and/maintained to ensure the ICT unit is able to render acceptable services to end users. The next phase is to conduct an end-user survey on provisioning of ICT services which will be analyzed against the IT Capability Maturity Assessment report to provide a holistic view and areas of improvement. Due to financial constraints in the previous financial year critical systems i.e. backups, firewall, server hardware maintenance and support etc have been licensed. In the advent of Covid-19 ADM has been able to conduct virtual meetings and council meetings and have been able to pilot the use of digital signatures and the system has been setup and functional for use in 2021/22.

The land Audit cadastral information has been updated up until March 2021. Routine maintenance i.e. Capturing and Linking of building plans to the cadastral land audit update, update of “Who is My Councillor” application etc is done to ensure that both systems are always available and with up to date information. ADM Internal datasets including Customer care complaints, VIP toilets as well Water sampling points have been captured and integrated onto the GIS system

*T3.27.7*

## 3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

| INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES |
|---|
| ***Delete Directive note once comment is completed*** – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by Property, legal, risk management and procurement services during the year. |
| *T3.28.1* |

| SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES |
|---|
| *T 3.28.2* |

| Property; Legal; Risk Management; and Procurement Services Policy Objectives Taken From IDP | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Service Objectives / Service Indicators | Outline Service Targets | Year -1 | | Year 0 | | | Year 1 | Year 3 | |
| | | Target | Actual | Target | | Actual | Target | | |
| | | *Previous Year | | *Previous Year | *Current Year | | *Current Year | *Current Year | *Following Year |
| (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) |
| Service Objective xxx | | | | | | | | | |
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| Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year 0 Budget/IDP round; *'Current Year' refers to the targets set in the Year 1 Budget/IDP round. *'Following Year' refers to the targets set in the Year 2 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role. | | | | | | | | | T 3.28.3 |

| Employees: Property; Legal; Risk Management; and Procurement Services | | | | | |
|---|---|---|---|---|---|
| Job Level | Year -1 | Year 0 | | | |
| | Employees | Posts | Employees | Vacancies (fulltime equivalents) | Vacancies (as a % of total posts) |
| | No. | No. | No. | No. | % |
| 0 - 3 | 1 | 1 | 1 | 0 | 0% |
| 4 - 6 | 3 | 3 | 3 | 0 | 0% |
| 7 - 9 | 6 | 8 | 6 | 2 | 25% |
| 10 - 12 | 7 | 15 | 7 | 8 | 53% |
| 13 - 15 | 9 | 15 | 9 | 6 | 40% |
| 16 - 18 | 11 | 21 | 11 | 10 | 48% |
| 19 - 20 | 18 | 30 | 18 | 12 | 40% |
| Total | 55 | 93 | 55 | 38 | 41% |

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* T 3.28.4

| Financial Performance Year 0: Property; Legal; Risk Management and Procurement Services | | | | | R'000 |
|---|---|---|---|---|---|
| Details | Year -1 | Year 0 | | | |
| | Actual | Original Budget | Adjustment Budget | Actual | Variance to Budget |
| **Total Operational Revenue** | 120 | 125 | 100 | 95 | -32% |
| Expenditure: | | | | | |
| Employees | 125 | 244 | 250 | 248 | 2% |
| Repairs and Maintenance | 25 | 244 | 250 | 248 | 2% |
| Other | 45 | 244 | 250 | 248 | 2% |
| **Total Operational Expenditure** | 195 | 732 | 750 | 744 | 2% |
| **Net Operational Expenditure** | 75 | 607 | 650 | 649 | 6% |

*Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* T 3.28.5

| Capital Expenditure Year 0: Property; Legal; Risk Management and Procurement Services | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Projects | Year 0 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| Total All | 260 | 326 | 378 | 31% | |
| | | | | | |
| Project A | 100 | 130 | 128 | 22% | 280 |
| Project B | 80 | 91 | 90 | 11% | 150 |
| Project C | 45 | 50 | 80 | 44% | 320 |
| Project D | 35 | 55 | 80 | 56% | 90 |
| *Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.* | | | | | *T 3.28.6* |

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

***Delete Directive note once comment is completed*** – Explain the priority of the four largest capital projects and explain the variations from budget for net operating and capital expenditure. Confirm your year 5 targets set out in the IDP schedule can be attained within approved budget provision and if not then state how you intend to rectify the matter. Explain the priority of the four largest capital projects and explain variances from budget for net operating and capital expenditure. Also explain any likely variation to the total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

*T 3.28.7*

## COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

| INTRODUCTION TO MISCELLANEOUS |
| --- |
| ***Delete Directive note once comment is completed*** – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by this service during the year.<br><br>N\A<br><br>*T 3.29.0* |

# Chapter 3

## COMPONENT K: ORGANISATIONAL PERFOMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

## 1. INTRODUCTION

Section 39 of the Municipal Systems Act 32 of 2000 requires municipalities to manage the development of the municipality's Performance Management System (PMS); assign responsibilities in this regard to the Municipal Manager and submit the proposed system to the Municipal Council for adoption. Amathole District Municipality (ADM) Performance Management Framework was first adopted in 2001 and has since been reviewed yearly as part of the IDP Review process.

## 2. STRATEGIC (INSTITUTIONAL / ORGANISATIONAL) LEVEL LINKED TO THE IDP

It is important at the Municipality, that the Council and management should have access to the appropriate information for considering and making timeous interventions to uphold or improve the capacity of its delivery systems. The performance of any ***municipality as a service delivery mechanism*** is fundamentally determined by factors enabling it to perform its Constitutional and statutory mandates. It is important that these causal and contributory factors for performance excellence at the municipality be measured to determine performance gaps timeously with the objective to respond with appropriate remedial interventions.

At a strategic level the five-year IDP of a municipality forms the basis for performance management, whilst at operational level it is the annual SDBIP. The IDP is a long-term plan and by its nature the performance measures associated with it will have a long-term focus, measuring whether a municipality is achieving its IDP objectives.

## 3. EARLY WARNING MECHANISMS

One of the key functions of a PMS is to serve as an early warning system to indicate so-called "gaps" in the levels of service delivery to the community. It is therefore imperative that the processes of regular monitoring, measurements and reviews are executed, to timeously identify those areas within which performance levels are to be found below satisfactory.

# Chapter 3

Reporting and review process is listed below:

## 3.1 DEPARTMENTAL REVIEWS (MONTHLY)

It is intended that departments review their performance at least monthly. Decision-makers should be immediately warned of any emerging failures to service delivery such that they can intervene if necessary. It is important that departments use these reviews as an opportunity for reflection on their goals and programmes and whether these are being achieved.

## 3.2 MUNICIPAL MANAGERS REVIEWS (QUARTERLY)

Departments will then need to report on their performance in the required format to the municipal manager. Additional indicators that occur in the strategic and operational plans will also be reviewed. The formulation of a strategic scorecard and the process of review will be co-ordinated by the Performance Management team. The Municipal Manager's Review Panel will need to reflect on whether targets are being achieved, what are the reasons for targets not being achieved where applicable and corrective action that may be necessary.

## 3.3 MANAGEMENT TEAM REVIEWS

Each portfolio committee will be required to review the performance of their respective services against their service scorecard. The portfolio committee should appraise the performance of the service against committed targets. Where targets are not being met, portfolio committees should ensure that the reasons for poor performance are satisfactory and sufficient, and the corrective strategies proposed are sufficient to address the reasons for poor performance.

## 3.4 EXCO REVIEWS

On a quarterly basis, the Executive Mayoral Committee should engage in an intensive review of municipal performance against both the service scorecards and the strategic scorecard, as reported by the municipal manager.

Many of the indicators in the strategic scorecard will only be measurable on an annual basis. The quarterly reviews should thus culminate in a comprehensive annual review of performance in terms of both scorecards. The review should reflect on the performance of services and the strategic scorecard. The Executive Committee will need to ensure that targets committed to in the strategic scorecard are being met, where they are not, that satisfactory and sufficient reasons are provided and that the corrective action being proposed is sufficient to address the reasons for poor performance. The review should also focus on reviewing the systematic compliance to the performance management system, by departments, portfolio committees and the Municipal Manager.

## 3.5 Council and Community Oversight (Through Rep Forum Meetings)

The cycle of performance management requires Council and community oversight in each of the stages of the cycle. Oversight is exercised in the interests of society in general and should ensure that the considerable powers that government executives and administrations assume are monitored to avoid abuse and under-performance.

It is important to note that reporting on performance as provided for in the framework will not in itself enable Councillors to fully exercise their internal oversight role effectively. Not everything a Department does would be reflected in quarterly performance reports or lends itself to review through key performance indicators and targets. In addition to the required performance reports; monthly progress reports are submitted to the relevant Portfolio Committee of Council dealing with the broader activities of each Department during the preceding month.

## KPA 1 Municipal Transformation and Institutional Development

### DDM Pillars: Demographic Change and People Development, Governance and Finance Management and Economic Positioning

| Priority/Focus Area | STRATEGIC OBJECTIVE | 5 YEAR OUTCOMES | INDICATOR | INDICATOR DESCRIPTION | INDICATOR CODE | BASELINE | TARGET 2023/24 | TARGET 2024/25 | TARGET 2025/26 | TARGET 2026/27 |
|---|---|---|---|---|---|---|---|---|---|---|
| Effective and efficient Human Capital | To achieve a lean and affordable structure which is in line with the powers & functions of ADM by 2027 | Reduced redundancies and increased organizational efficiencies | % of Staff Migrated into the New Organogram. | No of officials migrated and placed in the organogram as per the percentage of the staff establishment. | MTI 01 | 0% | 100% of Staff Migrated into the New Organogram. | 100% of Staff Migrated into the New Organogram. | N\A | N\A |
| | | Affordable Cost of Employment | % reduction of human Capital Cost with adequately compensated staff | Measuring the percentage cost of the reduction of the salary bill as per the initiatives taken (Labor Relations Act 139, MFRP | MTI 02 | | 10% reduction of human Capital Cost with adequately compensated staff | % reduction of human Capital Cost with adequately compensated staff | % reduction of human Capital Cost with adequately compensate d staff | % reduction of human Capital Cost with adequately compensated staff |
| Institutional performance | To ensure district wide monitoring and evaluation of IDP by 2027 | Improved Organizational performance | % Improvement of organizational performance against targets set. | Measure the performance of organization as per the Performance Management Framework | MTI 03 | 68% | 80% Improvement of organizational performance against targets set. | 81% Improvement of organizationa l performance against targets set. | 82% Improvemen t of organization al performance against targets set. | 83% Improvement of organizational performance against targets set. |
| Integrated and coherent Human Resource Management System. | To maximally utilise the Human Resources for improved Service Delivery by 2027 | Improved Municipal Capabilities. | No. of internal candidates capacitated on training interventions. | No. of internal candidates capacitated on training interventions as per the WSP. | MTI 04 | 98 | 85 of internal candidates capacitated on training interventions. | 90 of internal candidates capacitated on training intervention. | 100 of internal candidates capacitated on training intervention. | 100 of internal candidates capacitated on training interventions. |
| | | | % recovery of total skills of municipal skills development levy recovered | % collection of all levies due as per the Skills development levy act Regulations for skills development | MTI 05 | 20% | 20% of municipal skills development levy recovered | 20% of municipal skills development levy recovered | 20% of municipal skills development levy recovered | 20% of municipal skills development levy recovered |
| Human Capital Development | To improve the human capital profile of the District 2027 | Improved employability | No. of WIL candidates to participate in the Workplace integrated | No. of WIL candidates provided with work place to enable to graduate. | MTI | 10 | 10 WIL candidates | 10 WIL candidates | 10 WIL candidates | 10 WIL candidates |

| Priority/Focus Area | STRATEGIC OBJECTIVE | 5 YEAR OUTCOMES | INDICATOR | INDICATOR DESCRIPTION | INDICATOR CODE | BASELINE | TARGET 2023/24 | TARGET 2024/25 | TARGET 2025/26 | TARGET 2026/27 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Learning program | | | | | | | |
| | | | No. of interns participating in the internship program | Ten interns to be provided with work over a period of 12 months to enable them to graduate. | MTI | 10 | 10 Interns candidates | 10 Interns candidates | 10 Interns candidates | 10 Interns candidates |
| Fleet Management | To ensure an efficient, effective and economical usage of fleet that enables basic service delivery by 2027. | Cost effective fleet Management. | % reduction on fleet operating costs. | To measure the efficiency, effectiveness and economic usage of fleet towards Service Delivery. | MTI | 5% | 10% reduction on fleet operating costs. | 15% reduction on fleet operating costs. | 20% reduction on fleet operating costs. | 25% reduction on fleet operating costs. |
| Records Management | To improve electronic documents and records Management System by 2027 | Improved information and knowledge management | % implementation of the electronic records management system. | To measure the development and implementation of the electronic documentation and records management system. | MTI | 0% | 20% implementation of the electronic records management system. | 30% implementation of the electronic records management system. | 40% implementation of the electronic records management system. | 50% implementation of the electronic records management system. |

## KPA 2 Basic Service Delivery and Infrastructure Investment

**DDM Pillars: Infrastructure Engineering, Spatial Restructuring and Environmental Sustainability, Economic Positioning and Integrated Service Provisioning**

| Priority/Focus Area | STRATEGIC OBJECTIVE | 5 YEAR OUTCOMES | INDICATOR | INDICATOR DESCRIPTION | INDICATOR CODE | BASELINE | TARGET 2023/24 | TARGET 2024/25 | TARGET 2025/26 | TARGET 202627 |
|---|---|---|---|---|---|---|---|---|---|---|
| Water Quality | Improved water and waste water quality through an inclusive and integrated approach by 2027 | Improved quality of water and Wastewater. | % Micro compliance sampling points complying with SANS 241 - | Measuring improvement of water quality against South African National Standards. | SDI | 95% | 97% Micro compliance sampling points complying with SANS 241 - | 97% Micro compliance sampling points complying with SANS 241 - | 100% Micro compliance sampling points complying with SANS 241 - | 100% Micro compliance sampling points complying with SANS 241 - |
| | | | % Micro Compliance of wastewater samples compliant to Water Use License conditions.- | Measuring improvement of waste water quality against South African National Standards. | SDI | 50% | 60% Micro Compliance of wastewater samples compliant to Water Use License conditions | 65% Micro Compliance of wastewater samples compliant to Water Use License conditions | 70% Micro Compliance of wastewater samples compliant to Water Use License conditions | 75% Micro Compliance of wastewater samples compliant to Water Use License conditions |
| Water | To provide safe adequate infrastructure and safe drinking water to all communities by 2027 | Improved access to water | No. of households with access to basic water supply | Measuring the provision of safe drinking water to all communities. | SDI | 229 113 HH (backlog 8 183) | 2200 Households with access to basic water supply | 1300 Households with access to basic water supply | 1400 Households with access to basic water supply | 1500 Households with access to basic water supply |
| Asset management | Renew and maintain the water and sanitation Infrastructure Assets by 2027 | Improved asset Management | Number of assets upgraded or refurbished. | Reporting on the refurbishment work to be done on existing plants. | SDI | 3 assets upgraded or refurbished | 5 assets upgraded or refurbished | 5 assets upgraded or refurbished | 6 assets upgraded or refurbished | 6 assets upgraded or refurbished |
| Sanitation | To provide sustainable and environmentally friendly sanitation Services to all communities by 2027 | Improved access to sanitation | No. of households with access to basic level of sanitation. | Measuring the provision of pit latrines and the low flush toilets. | SDI | 233 613 | 5000 households with access to basic sanitation | 5000 households with access to basic sanitation | 5000 households with access to basic sanitation | 5000 households with access to basic sanitation |
| Rural yard connection | Formalise illegal Connections and ensure all "key" consumers are | Improved Service Delivery and Consumer billing | No. of functional water meters on key consumers accounts | Maintenance of water meters on key consumers accounts | SDI | 645 Key accounts | 300 functional meters on key accounts. | 8002 meters installed | 8003 meters installed | 8004 meters installed |

| Priority/Focus Area | STRATEGIC OBJECTIVE | 5 YEAR OUTCOMES | INDICATOR | INDICATOR DESCRIPTION | INDICATOR CODE | BASELINE | TARGET 2023/24 | TARGET 2024/25 | TARGET 2025/26 | TARGET 202627 |
|---|---|---|---|---|---|---|---|---|---|---|
| | accurately billed by 2027 | | | | | | | | | |

## KPA 3 Local Economic Development

### DDM Pillars: Economic Positioning, Demographic Change and People Development and Governance and Finance Management

| Priority/Focus Area | STRATEGIC OBJECTIVE | 5 YEAR OUTCOMES | INDICATOR | INDICATOR DESCRIPTION | INDICATOR CODE | BASELINE | TARGET 2023/24 | TARGET 2024/25 | TARGET 2025/26 | TARGET 2026/27 |
|---|---|---|---|---|---|---|---|---|---|---|
| Financially viable institution | To ensure sound and sustainable financial Institution by 2027 | To promote holistic sustainable regional economic development by 2030 | % of invoices for all capital projects funded with grants paid within 30 days | Monitoring payment of invoices for all capital projects funded with grants paid that they are paid within 30 days of receipt by BTO (Excluding those with disputes) | LED | 99% | 100% of invoices for all capital projects funded with grants paid within 30 days | 100% of invoices for all capital projects funded with grants paid within 30 days | 100% of invoices for all capital projects funded with grants paid within 30 days | 100% of invoices for all capital projects funded with grants paid within 30 days |
| Local Economic Development | To promote a holistic sustainable regional development by 2030 | Improved levels of economic activity in Municipal economic spaces | 1. No. of jobs created through LED including Capital Projects | Number of jobs created through local economic development including capital projects (e.g. EPWP etc.) | LED | 16900 jobs created through EPWP including capital projects | 800 jobs created utilising EPWP and capital projects | 1400 jobs created utilising EPWP and capital projects | 1600 jobs created utilising EPWP and capital projects | 1800 jobs created utilising EPWP and capital projects |
| | | Improved ease of business within the Municipal Area | No. of economic projects implemented in partnership with Strategic Partners. | Economic development initiatives in partnership with the strategic partners. | LED | 5 economic projects implemented in partnership with relevant stakeholders; | 5 economic projects implemented in partnership with relevant stakeholders; | 5 economic projects implemented in partnership with relevant stakeholders; | 5 economic projects implemented in partnership with relevant stakeholders; | 5 economic projects implemented in partnership with relevant stakeholders; |

## KPA 4 Municipal Financial Viability & Management

### DDM Pillars: Governance and Finance Management and Economic Positioning

| Priority/Focus Area | STRATEGIC OBJECTIVE | 5 YEAR OUTCOMES | INDICATOR | INDICATOR DESCRIPTION | INDICATOR CODE | BASELINE | TARGET 2023/24 | TARGET 2024/25 | TARGET 2025/26 | TARGET 2026/27 |
|---|---|---|---|---|---|---|---|---|---|---|
| Financially viable institution | To ensure sound and sustainable financial Institution by 2027 | Improved financial sustainability and liability Management | % of total operating revenue to finance total debt; | Measurement of improved total operating revenue to finance total debt; | MFV | 45% | 45% of total operating revenue to finance total debt; | 45% of total operating revenue to finance total debt; | 45% of total operating revenue to finance total debt; | 45% of total operating revenue to finance total debt; |
| | | | % change in the cash backed reserves | Measurement of % change of cash backed reserves. | MFV | 0% | 0.1% change in the cash backed reserves | 0.1% change in the cash backed reserves | 0.1% change in the cash backed reserves | 0.1% change in the cash backed reserves |
| | | Improved liquidity management | % Change in cash and cash equivalent | Measuring improved liquidity of the Municipality in terms of change in cash equivalent. | MFV | | 5% Change in cash and cash equivalent | 6% Change in cash and cash equivalent | 7% Change in cash and cash equivalent | 8% Change in cash and cash equivalent |
| Enhanced municipal budgeting and budget implementation | To ensure sound and sustainable financial Institution by 2027 | Improved revenue and debt Management. | Total collection on outstanding debts | Measuring of collection versus billing | MFV | 30% revenue collection | | 40% total collection on outstanding debts | 45% total collection on outstanding debts | 50% total collection on outstanding debts |
| | | | % net increase operating surplus margin | Measurement of net operating surplus margin(increase) | MFV | -7% | | -4% net operating surplus margin | -6% net operating surplus margin | -8% net operating surplus margin |
| | | | % of expenditure against total budget. | Measurement of % expenditure against total budget. (capex & opex bottom layer) | MFV | 98% | | 98% of expenditure against total budget. | 98% of expenditure against total budget. | 98% of expenditure against total budget. |
| Expenditure Management | To ensure sound and sustainable financial Institution by 2027 | Improved expenditure Management | Percentage change of unauthorised, irregular, fruitless and wasteful expenditure | Measurement of Percentage change of unauthorised, irregular, fruitless and | MFV | 12% | 20% | 20% | 20% | 20% |

| Priority/Focus Area | STRATEGIC OBJECTIVE | 5 YEAR OUTCOMES | INDICATOR | INDICATOR DESCRIPTION | INDICATOR CODE | BASELINE | TARGET 2023/24 | TARGET 2024/25 | TARGET 2025/26 | TARGET 2026/27 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | wasteful expenditure | | | | | | |
| Supply Chain Management | To ensure sound and sustainable management of municipal finances by 2027 | Improved Supply Chain Management. | % change in amount of irregular expenditure as a result of SCM processes Transgressions. | Measurement of % change in amount of irregular expenditure as a result of SCM Transgressions. | MFV | 16% | 3,2% Change in amount of irregular expenditure as a result of SCM Transgressions. | 3,2% Change in amount of irregular expenditure as a result of SCM Transgression | 3,2% Change in amount of irregular expenditure as a result of SCM Transgressions. | 3,2% Change in amount of irregular expenditure as a result of SCM Transgressions. |

## KPA 5 Good Governance and Public Participation

**DDM Pillars: Economic Positioning, Demographic Change and People Development and Governance and Finance Management**

| Focus Area | STRATEGIC OBJECTIVE | 5 YEAR OUTCOMES | INDICATOR | INDICATOR DESCRIPTION | INDICATOR CODE | BASELINE | TARGET 2023/24 | TARGET 2024/25 | TARGET 2025/26 | TARGET 2026/27 |
|---|---|---|---|---|---|---|---|---|---|---|
| Public Participation | Enhance Communication between ADM and External Stake Holders by 2027 | Improved council functionality | Number of reports on monitoring of the MPAC Resolutions. | Reported progress on the implementation of the MPAC Action Plan. | GGP | Annual Report on the Implementation of the 2023.24 MPAC Action Plan. | Annual Report on the Implementation of the 2023.24 MPAC Action Plan. | Annual Report on the Implementation of the 2024.25 MPAC Action Plan. | Annual Report on the Implementation of the 2025.26 MPAC Action Plan. | Annual Report on the Implementation of the 2026.27 MPAC Action Plan. |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Governance | To ensure clean and accountable governance in the district by 2027 | Improved Municipal Administration | Unqualified audit opinion | Monitoring the implementation of OPCAR. | GGP | Disclaimer opinion | **100%** Implementation of OPCAR. | **100%** Implementation of OPCAR | **100%** Implementation of OPCAR | **100%** Implementation of OPCAR |

AMATHOLE DISTRICT MUNICIPALITY 2024.25 INSTITUTIONAL SDBIP

| PRIORITY / FOCUS AREA | STRATEGIC OBJECTIVE | STRATEGY FOR IMPLEMENTATION | OUTCOME | TYPE OF INDICATOR & WEIGHT | INDICATOR | INDICATOR DESCRIPTION | BASELINE | PROJECT | ANNUAL TARGET | MEASUREMENT SOURCE | ANNUAL FINANCIAL TARGET | FUNDING SOURCE | INDICATOR CODE | CIRCULAR 88 CODE | Q1 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q2 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q3 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q4 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | CUSTODIAN |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| KPA 01 : MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT KPA WEIGHT 20% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Effective and efficient Human Capital | To achieve a lean and affordable structure which is in line with the powers & functions of ADM by 2027 | Staff migration to the new organogram. | 100% of staff migrated to the new organogram. | OPI 2.5% | % of staff migrated to the new organogram. | % of staff migrated to the new organogram as per the staff establishment. | 90% | Migration of Staff to the new organogram. | 100% of staff migrated to the new organogram. | Quaterly Reports | R0,00 | None | MTI TL01 | GG1.21 | % of staff migrated to the new organogram. | R0.00 | 1. Quartely Report 2. Attendance registers | % of staff migrated to the new organogram. | R0.00 | 1. Quartely Report 2. Attendance registers | 98% of staff migrated to the new organogram. | R0.00 | •Quarterly report; •Attendance register; •Listing of staff numbers | 100% of staff migrated to the new organogram. | R0.00 | •Quarterly report; •Attendance register; •Listing of staff numbers | Dir. Coporate Services |
| | | Implementation of the MFRP Interventions relating to COE, (Implemetation of reviewed Policies, Implementation of the 2023 Structure.) | 8% reduction of human Capital Cost with adequately compensated staff | OPI 2.5% | % reduction of human Capital Cost with adequately compensated staff | Measuring the percentatge cost of the reduction of the salary bill as per the initiatives taken (Labor Relations Act 139, MFRP | % R801 312 000 per annum | Reduction of human capital costs | 8% reduction of human Capital Cost with adequately compensated staff | Quaterly Reports | R0,00 | None | MTI TL02 | GG1.21 | 2% reduction of COE | R0.00 | 1.Quartely Report 2. System Printout | 2% reduction of COE | R0.00 | 1.Quartely Report 2. System Printout | 2% reduction of COE | R0.00 | 1.Quartely Report 2. System Printout | 2% reduction of COE | R0.00 | 1.Quartely Report 2. System Printout | Dir. Coporate Services |
| Institutional performance | To ensure district wide monitoring and evaluation of IDP by 2027 | Implementation of the Performance Management Framework Plan. | Improved Municipal Performance | OPI 2.5% | % of improvement of organisational performance against targets set. | To monitor and report Institutional perfomance for continous improvement. | 78% Instiitutional Perfomance | Implementation of the 2024.25 SDBIP \ Conduct Institutional Perfomance for the 2024.25 Financial Year | 81% institutional perfomance. | Quaterly Reports Supported by Evidance | R0,00 | None | MTI TL03 | GG1.21 | 1. 2024.25 SDBIP 2. 78% Institutional Perfomance | R0,00 | 1. 2024.25 SDBIP 2. Q4 2023.24 Institutional Performance 3. Minutes of performance reviews | 82% institutional perfomance | R0,00 | 1. Q1 2024.25 performance Report 2. Minutes of performance reviews 3. Attendance register | 83% institutional perfomance | R0,00 | 1. Q2 2024.25 performance Report (83%) 2. Minutes of performance reviews 3. Attendance register | 85% institutional perfomance | R0,00 | 1. Q3 2023.24 performance Report (85%) 2. Minutes of performance reviews 3. Attendance register | Dir. Strategic Planning and Management |
| Integrated and coherant Human Resource Management System | To maximarly utilise the Human Resources for improved Service Delivery by 2027 | Implementation of the Human Resources Development Strategy | internal candidates capacitated on training interventions. | OPI 2.5% | No. of internal candidates capacitated on training interventions. | No. of internal candidates capacitated on training interventions inline with the WSP. | 98 | Capacitated internal candidates on training interventions inline with the WSP | 100 internal candidates capacitated on training interventions. | Quaterly Reports | R600 000 | ADM funding | MTI TL04 | GG1.21 | 25 candidates | R150 000 | Attendance Register; SAP Expenditure Report | 25 candidates | R150 000 | Attendance Register; SAP Expenditure Report | 25 candidates | R150 000 | Attendance Register; SAP Expenditure Report | 25 candidates | R150 000 | Attendance Register; SAP Expenditure Report | Dir. Coporate Services |
| Human Capital Development | To improve the human capital profile of the District 2027 | Implementation of the Human Resources Development Strategy | Improved human capital | OPI 2.5% | No. of WIL candidates to participate in the Workplace integrated Learning program | No. of WIL candidates participating in the work place to enabale to graduate. | 10 | Participation of WIL candidates in the work place to enabale to graduate | 23 WIL candidates to participate in the Workplace integrated Learning program | Quaterly Reports | R0,00 | None | MTI TL05 | GG1.21 | 23 Learners | R0.00 | Attendance Register; Supporting evidence | 23 Learners | R0.00 | Attendance Register; Supporting evidence | 23 Learners | R0.00 | Attendance Register; Supporting evidence | 23 Learners | R0.00 | Attendance Register; Supporting evidence | Dir. Coporate Services |
| | | Implementation of the Human Resources Development Strategy | Improved human capital | OPI 2.5% | No. of Interns participating in the internship program | No. of Interns candidates participating in the Internship program. | 10 | Participation of Interns in the Internship program. | 10 Interns participating in the internship program | Quaterly Reports | R0,00 | None | MTI TL06 | GG1.21 | 10 candidates | R0.00 | Attendance Register; Supporting evidence | 10 candidates | R0.00 | Attendance Register; Supporting evidence | 10 candidates | R0.00 | Attendance Register; Supporting evidence | 10 candidates | R0.00 | Attendance Register; Supporting evidence | Dir. Coporate Services |
| Fleet Management | To ensure an efficient, effective and economical usage of fleet that enables basic service delivery by 2027 | Implementation of the Fleet Management Strategy | Cost effective fleet management. | OPI 2.5% | % reduction on Fleet mantenance costs. | To measure the efficiency, effectiveness and economic usage of fleet towards Service Delivery. | 5% | Reduction in Fleet maintenance cost. | 8 % reduction in Fleet maintenance cost. | Quaterly Reports | R0,00 | None | MTI TL07 | GG1.21 | 2 % reduction of Fleet maintence Costs | R0.00 | 1.Cost Analysis Report 2. Quartely report | 2 % reduction of Fleet maintence Costs | R0 | 1.Cost Analysis Report 2. Quartely report | 2 % reduction of Fleet maintence Costs | R0 | 1.Cost Analysis Report 2. Quartely report | 2% reduction of Fleet maintence Costs | R0 | 1.Cost Analysis Report 2. Quartely report | Dir. Coporate Services |
| Records Mangement | To improve electronic documents and records Management System by 2027 | Implementation of the Records management Strategy | Improved information and knowledge management | OPI 2.5% | % implementation of the electronic records management system. | To measure the development and implementation of the electronic documentation and records management system. | 0% | Effective records management. | 40% implemenetation of electronic Records Management systems | Quaterly Reports | R0,00 | None | MTI TL08 | GG1.21 | 10% implementation of electronic records management system | R0.00 | Progress Report | 10% implementation of electronic records management system | N/A | Progress Report | 10% implementation of electronic records management system | N/A | Progress Report | 10% implementation of electronic records management system | N/A | Progress Report | Dir. Coporate Services |
| Planning | To ensure proper planning and budteging of water and Sanitation Programs | Consultation and research | Draft Final WSDP, WSMP and IAMP developed | OPI | No. of draft infrastructure plan documents developed(WSDP, WSMP and IAMP) | Draft Water Services Developement Plan (WSDP), Water Services Management Plan (WSMP) and the Infrastructure Asserts Management Plan (IAMP). | Outdated WSDP, WSMP and IAMP | Development of WSDP, WSMP and IAMP | **3 Draft Plan Documents (namely WSDP, WSMP and IAMP)** | Quaterly Reports | 5 200 000 | WSIG | MTI 09 | GG1.21 | N/A | N/A | N/A | N/A | N/A | N/A | Progress Report on the Development of the plans | R2 000 000 | Progress Report | 3 Draft Plan Documents (namely WSDP, WSMP and IAMP) | R3 500 000 | 1 draft WSDP 1 draft WSMP 1 draft IAMP | Dir. Engineering Services |
| KPA 02 : SERVICE DELIVERY AND INFRASTRUCTURE KPA WEIGHT 30% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PRIORITY / FOCUS AREA | STRATEGIC OBJECTIVE | STRATEGY FOR IMPLEMENTATION | OUTCOME | TYPE OF INDICATOR & WEIGHT | INDICATOR | INDICATOR DESCRIPTION | BASELINE | PROJECT | ANNUAL TARGET | MEASUREMENT SOURCE | ANNUAL FINANCIAL TARGET | FUNDING SOURCE | INDICATOR CODE | CIRCULAR 88 CODE | Q1 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q2 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q3 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q4 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | CUSTODIAN |
| Water Quality | Improved water and waste water quality through an inclusive and integrated approach by 2027 | Implementation of the Municipal Health Services Plan | Improved quality of water and waste water | OBI 5% | % Micro compliance sampling points complying with SANS 241 - | Measuring improvement of water quality against South African National Standards. | 97% | Monitoring of drinking water and waste water quality | 97% Micro compliance sampling points complying with SANS 241 - At Water Treatment Works (final water) | Quarterly report with supported evidence | R0,00 | | SDITL01 | WS4.1 | Micro compliance 97% of sampling point complying with SANS 241 at WTW's final water - Operational Compliance 85% at WTW's final water | R0,00 | Quartely Reports. Final Water test results | Micro compliance 97% of sampling point complying with SANS 241 at WTW's final water - Operational Compliance 85% at WTW's final water | R0,00 | Quartely Reports. Final Water test results | Micro compliance 97% of sampling point complying with SANS 241 at WTW's final water - Operational Compliance 85% at WTW's final water | R0,00 | Quartely Reports. Final Water test results | Micro compliance 97% of sampling point complying with SANS 241 at WTW's final water - Operational Compliance 85% at WTW's | R0,00 | Quartely Reports. Final Water test results | Dir. Engineering Services |
| | | | Improved Service Delivery | OBI 5% | % Micro Compliance of wastewater samples compliant to Water Use License conditions.- | Measuring improvement of waste water quality against South African National Standards. | 55% | Improvement of waste water quality against South African National Standards. | 60% Micro Compliance of wastewater samples compliant to Water Use License conditions | Quarterly report with final water test results | R0,00 | | SDITL02 | WS4.2 | 60% Micro Compliance of wastewater samples compliant to Water Use License conditions | R0,00 | Quartely Reports. Final Water test results | 60% Micro Compliance of wastewater samples compliant to Water Use License conditions | R0,00 | Quartely Reports. Final Water test results | 60% Micro Compliance of wastewater samples compliant to Water Use License conditions | R0,00 | Quartely Reports. Final Water test results | 60% Micro Compliance of wastewater samples compliant to Water Use License conditions | R0,00 | Quartely Reports. Final Water test results | Dir. Engineering Services |
| Water | To provide safe adequate infastructure and safe drinking water to all communities by 2027 | Implementation of the Water Services Development Plan (WSDP) | Improved access to water | OBI 5% | No. of Communal taps installed to provide households with access to basic water supply | The indicator will be the number of taps constructed to provide access to safe drinking water to households. The taps will be in accordance to the RDP Standard (200m radious). | 229 113 HH (backlog 8 183) | Communal taps installed to provide households with access to basic water supply | 722 Communal taps Constructed (Provision of basic water supply to 1500 Households) and 800 Households with basic water supply - (adding Q1 & Q2 before mid-term adjustment) | Quarterly report with | R73 502 528,00 | MIG | SDITL03 | WS2.11 | 300 Households with basic water supply | R3 500 000,00 | 1.Completion certificate with list of villages connected 2. Arial view report(GIS) 3. Expenditure report | 500 households with basic water supply | R5 000 000,00 | 1.Completion certificate with list of villages connected 2. Arial view report(GIS) 3. Expenditure report | 237 Communal taps Constructed (Provision of basic water supply to 1500 Households | 9 733 991.00 | Quarterly project report. Listing of taps installed. Technical report with completion certificate. Aerial photographs reflecting taps installed. | 485 (245)Communal taps Constructed (Provision of basic water supply to 1500 Households) | 5 425 318.00 | Quarterly project report. Listing of taps installed. Technical report with completion certificate. Aerial photographs reflecting taps installed. | Dir. Engineering Services |
| Water | To provide safe adequate infastructure and safe drinking water to all communities by 2028 | Implementation of the Water Services Development Plan (WSDP) | Improved access to water | | % progress implementation reported for 13 planned water projects which are at planning stage. | The progress reporting will be averaged i.e Total number of projects being implemented and individual progress and calculate the average progress. These are measured multi year projects that are at planning stage that will continue beyond 2024.25 financial year. | % Progress | Water Projetcs (Planning Stage) | 10,4% progress reported for (Q3 & Q4) 13 number of planned water projects | Quarterly report with | 48 240 320 | MIG | SDITL3.1 | WS2.11 | N/A | N/A | N/A | N/A | N/A | N/A | 4,8% progress reported for (Jan, Feb & Mar) 13 number of planned water projects. | 11 900 000 | 1. Signed progress Report 2. Listing of 13 planned water projects. | 5,6% progress reported for (Apr, May & Jun) on the 13 number of planned water projects.. | 11 300 000 | 1. Signed progress Report 2. Listing of 13 planned water projects. | Dir. Engineering Services |
| Water | To provide safe adequate infastructure and safe drinking water to all communities by 2029 | Implementation of the Water Services Development Plan (WSDP) | Improved access to water | | % progress implementation of water projects which are at Construction stage. | The progress reporting will be averaged i.e Total number of projects being implemented and individual progress and calculate the average progress. These are multi year projects that are at construction stage that will continue beyond 2024.25 financial | % Progress | Water Projects (Construction Stage) | 10.2% progress reported for (Q3 & Q4) on the 6 number of water projects on construction Stage. | Quarterly report with | 136 682 286 | MIG & RBIG | SDITL3.2 | WS2.11 | N/A | N/A | N/A | N/A | N/A | N/A | 4% progress reported for (Jan, Feb & Mar) on the 6 number of water projects under construction | 43 317 398.00 | 1. Signed progress Report 2. Listing of 6 water projects under construction. | 6.2% progress reported for (Apr, May & Jun) on the 6 number of water projects under construction. | 46 614 813.00 | 1. Signed progress Report 2. Listing of 6 water projects under construction. | Dir. Engineering Services |

| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Asset management | Renew and maintain the water and sanitation Infrastructure Assets by 2027 | Infrastructure and Asset Master Plan | Improved asset management | OBI 5% | No. of facilities refurbished | In the context of water and sanitation infrastructure, refurbishment refers to the process of repairing, upgrading, or renovating existing systems, such as water treatment plants, pipelines, pumps, and sanitation facilities, to restore their functionality, extend their lifespan, and improve performance. This may involve replacing outdated components, repairing leaks, improving efficiency, ensuring compliance with current standards, and addressing issues like corrosion or wear, all aimed at ensuring reliable and sustainable water and sanitation | Planning report to inform the list of projects to be implemented. Business Plan Technical report | Refurbishment of Sanitation Facilities | 14 facilities refurbished | Quarterly report with supporting evidence: Listing of facilities; | 42 953 250 | WSIG | SDITL04 | MF 5,3 and 5,2 | Progress report on refurbishment projects as per maintenance plan | R2 000 000,00 | Quartely Reports Practical Completion Certificate. | Progress report on refurbishment projects as per maintenance plan | R5 000 000,00 | Quartely Reports | 2 x Practical Completion certificates of the 14 facilities refurbishments. | R6 000 000,00 | 1. Quarterly Report on facilities refurbished. 2. Completion Certificate | 3 x Practical Completion certificates of the 14 facilities refurbishments. | 11 484 000 | 1. Quarterly Report on facilities refurbished. 2. Completion Certificate | Dir. Engineering Services |
| Asset management | Renew and maintain the water and sanitation Infrastructure Assets by 2027 | Infrastructure and Asset Master Plan | Improved asset management | | % progress on facilities being refurbished (Dontsa Water Supply - RM Retaining Structures - Borehole Drilling - Borehole Equipping) | Reporting on the percentage progress on refurbishment projects under construction which will be not completed during the 2024.25 financial year. The progress reporting will be averaged i.e Total number of projects being implemented and individual progress and calculate the average progress. | Technical report | Refurbishment of Facilities | Dontsa Water Supply - 45% RM Retaining Structures 80% Borehole Drilling - 70% Borehole Equipping - 70% | Quarterly report with supporting evidence | 26 482 466 | WSIG | SDITL4.1 | MF 5,3 and 5,2 | N/A | N/A | N/A | N/A | N/A | N/A | Dontsa Water Supply - 20% - RM Retaining Structures - 40% - Borehole Drilling - 30% - Borehole Equipping - 30% | 12 950 000 | 1. Quarterly Reports with photos 2.Minutes of Progress Meetings | Dontsa Water Supply - 45% RM Retaining Structures - 80% Borehole Drilling - 70% Borehole Equipping - 70% | 27 100 000 | 1.Quarterly Reports with photos 2.Minutes of Progress Meetings | Dir. Engineering Services |
| Sanitation | To provide sustainable and environmentally friendly sanitation Services to all communities by 2027 | Implementation of sanitation programme | Improved acess to Sanitaion | OBI 5% | No. of households with access to basic level of sanitation | Measuring the provision of pit latrines and the low flush toilets. | 233 613 | Provision of basic level of sanitation (pit latrines and the low flush toilets). | 5 000 households with access to basic level of sanitation | Quarterly report with supporting evidence | R71 250 000,00 | MIG | SDITL05 | WS 1,11 AND C 62 | 1000 Households with basic Sanitation supply | R0,00 | 1. Planning sheets for areas to receive toilets 2.Happy letters 3. List of beneficiaries | 1500 Households with basic Sanitation supply | R0,00 | 1. Planning sheets for areas to receive toilets 2.Happy letters 3. List of beneficiaries | 1000 Households with basic Sanitation supply | R30 000 000,00 | 1. Planning sheets for areas to receive toilets 2.Happy letters 3. List of beneficiaries | 1500 Households with basic saniation supply | R41 250 000,00 | 1. Planning sheets for areas to receive toilets 2.Happy letters 3. List of beneficiaries | Dir. Engineering Services |
| | | | | OBI 5% | % progress implementation of Sanitation projects that are at planning stage | | % Progress | Sanitation Projects (Planning Stage) | 16.9% progress reported for Sanitation projects that are at planning stage | Quarterly report with supporting evidence | 14 614 888 | MIG | SDITL05.1 | WS 1,11 AND C 63 | N/A | N/A | N/A | N/A | N/A | N/A | 8,5% progress reported in (Jan, Feb & Mar) for 6 number of planned sanitation projects. | 4 070 479.00 | 1.. Signed progress Report 2. list of 6 planned sanitation projects. | 8.4% progress reported in (Apr, May & Jun) for 6 number of planned sanitation projects | 4 092 909.00 | 1. Signed progress Report 2. list of 6 planned sanitation projects. | Dir. Engineering Services |
| | | | | OBI 5% | % progress implementation of Sanitation projects which are at Construction stage. | The progress reporting will be averaged i.e Total number of projects being implemented and individual progress and calculate the average progress. These are multi year Sanitation Projects that are at construction stage that will continue beyond 2024.25 financial year. | % Progress | Sanitation Projects (Construction Stage) | 17.1% progress reported on 2 sanitation projects which are at Construction stage | Quarterly report with supporting evidence | 7 971 304 | MIG | SDI TL05.2 | WS 1,11 AND C 62 | N/A | N/A | N/A | N/A | N/A | N/A | 10% progress reported on 2 sanitation projects | 2 370 526 .00 | 1. Signed progress Report on 2 sanitation projects | 7.1%. progress reported on 2 sanitation projects | 2 027 556.00 | 1.Signed progress Report on 2 sanitation projects | Dir. Engineering Services |
| Rural Yard connection | Formalise ilegal Conections and ensure all "key" consumers are accurately billed | Implementation of the Rural Yard Connection Strategy and the billing policy. | Improved Service Delivery | OBI 5% | No. of functional water meters on key consumers accounts replaced. | Maintenance of water meters on key consumers accounts for properties regisyerd for business and other institutions excluding the domestic households. | 645 Key accounts | Maintenance of water meters on key consumers accounts | 478 key accounts installed. | Quarterly report with supporting evidence | R1 323 913,00 | WSIG | SDITL06 | WS 1,11 AND C 62 | Audit of key consumer meters | R400 000,00 | Audit report on key account connections verified | 100 meters Replaced. | R300 000,00 | Quarterly report with list of meters replaced. Job cards signed by the Contractor and the ADM Representative. | N/A | N/A | N/A | N/A | N/A | N/A | Dir. Engineering Services |
| Rural Yard connection | Formalise ilegal Conections and ensure all "key" consumers are accurately billed | Implementation of the Rural Yard Connection Strategy and the billing policy. | Improved Service Delivery | OBI 5% | No. of domestic and bulk meters replaced or istalled | Replacement or putting new meters for domestic accounts (Meters installed in residential properties) and bulk meters (Meters installed in the plants) excluding key accounts. | | Implementation of the WSDP. | 300 domestic and 20 bulk meters replaced or installed | Quarterly report with supporting evidence | R21 707 968,00 | WSIG | SDITL07 | WS 1,11 AND C 62 | N/A | N/A | N/A | N/A | N/A | N/A | Draft Strategy of the WCDM Complletednal Strategy of the WCDM Complleted 300 Domestic Meters replaced or installed 20 Bulk Meters replaced or installed | R22 500 000,00 | Listing from BTO for domestic accounts; Listing of plants requiring meters; Detailed list of 300 domestic meters replaced or installed. 4.Detailed list of 20 bulk water meters replaced or installed. 5.Job card of meters replaced signed by ADM and SP | Final Strategy of the WCDM Complletednal Strategy of the WCDM Complleted | N/A | Final Strategy of the WCDM Complletednal Strategy of the WCDM Complleted | Dir. Engineering Services |
| PRIORITY / FOCUS AREA | STRATEGIC OBJECTIVE | STRATEGY FOR IMPLEMENTATION | OUTCOME | TYPE OF INDICATOR & WEIGHT | INDICATOR | INDICATOR DESCRIPTION | BASELINE | PROJECT | ANNUAL TARGET | MEASUREMENT SOURCE | ANNUAL FINANCIAL TARGET | FUNDING SOURCE | INDICATOR CODE | CIRCULAR 88 CODE | Q1 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q2 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q3 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q4 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | CUSTODIAN |
| Local Economic Development | To promote a holistic sustainable regional economic development by 2030 | Implementation of the Economic Growth and Development Strategy | Holistic sustainable regional economic | OPI 3.33% | No. of jobs created through LED including Capital Projects | Number of jobs created through local economic development including capital projects (e.g. EPWP etc.) | 16900 jobs created through EPWP including capital projects | Job creation through EPWP Initiatives | 800 jobs created utilising EPWP and capita projects | Quaterly Reports | R1 878 000 | EPWP | LED TL01 | LED | Beneficiaries identification and implementation | R 50,000 | 1. Signed quarterly report on the list of Beneficiaries. 2. Expenditure report. | 400 jobs created | R 800,000 | 1. Signed quarterly report on the list of Beneficiaries. 2. Expenditure report. | 200 jobs created | R 500,000 | 1. Signed quarterly report on the list of Beneficiaries. 2. Expenditure report. | 200 jobs created | R 450,000 | 1. Signed quarterly report on the list of Beneficiaries. 2. Expenditure report. | Director: Spatial planning & Local Economic Development |
| | | | | OPI 3.33% | No. of economic projects implemented in partnership with Strategic Partners. | Economic development initiatives in partnership with the strategic partners. | 05 Economic Development Initiatives implemented/supported across the District in 2023.24 | Implementation and supporting Economic Development Initiatives across the District. | 05 Economic Development Initiatives implemented/supported across the District | Quaterly Reports | R0,00 | None | LED TL02 | LED | 05 Economic Development Initiatives implemented/supported across the District | R0,00 | Quarterly report with supporting evidance. | 05 Economic Development Initiatives implemented/supported across the District | R0,00 | Quarterly report with supporting evidance. | 05 Economic Development Initiatives implemented/supported across the District | R0,00 | Quarterly report with supporting evidance. | 05 Economic Development Initiatives implemented/supported across the District | R0,00 | Quarterly report with supporting evidance. | Dir. Spatial Planning and LED |
| KPA 04 : MUNICIPAL FINANCIAL VIABILITY. | | KPA WEIGHT 30% | | | | | | | | | | | | | | | | | | | | | | | | | |
| PRIORITY / FOCUS AREA | STRATEGIC OBJECTIVE | STRATEGY FOR IMPLEMENTATION | OUTCOME | TYPE OF INDICATOR & WEIGHT | INDICATOR | INDICATOR DESCRIPTION | BASELINE | PROJECT | ANNUAL TARGET | MEASUREMENT SOURCE | ANNUAL FINANCIAL TARGET | FUNDING SOURCE | INDICATOR CODE | CIRCULAR 88 CODE | Q1 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q2 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q3 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q4 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | CUSTODIAN |
| Financial viable Institution | To ensure sound and sustainable financial Institution by 2027 | Implementation of the Fiancial Recovery Plan. | Financial Viable Institution | OPI 3.33% | % of invoices for all capital projects funded with grants paid within 30 days | Monitoring payment of invoices for all capital projects funded with grants paid that they are paid within 30 days of receipt by BTO (Excluding those with disputes) | 99% of invoices for all capital projects funded with grants paid within 30 days | Processinga nd payment of Invoices for Capital Projects | 100% of invoices for all capital projects funded with grants paid within 30 days | Quaterly Reports | R0,00 | None | MFV TL01 | | 100% of Q1 invoices for all capital projects funded with grants paid within 30 days | R0,00 | Quaterly Reports with supporting evidance. | 100% of Q2 invoices for all capital projects funded with grants paid within 30 days | R0,00 | Quarterly report with supporting evidance. | 100% of Q3 invoices for all capital projects funded with grants paid within 30 days | R0,00 | Quarterly report with supporting evidance. | 100% of 43 invoices for all capital projects funded with grants paid within 30 days | R0,00 | Quarterly report with supporting evidance. | Chief Financial Officer |
| Financially viable institution | To ensure sound and sustainable financial Institution by 2027 | Implementation of the Revenue Enhancement Strategy | Improved financial sustainable and liability management | OPI 3.75% | % of total operating revenue to finance total debt; | Measurement of improved total operating revenue to finance total debt; | 45% | Improved total operating revenue to finance total debt; | 45% of total operating revenue to finance total debt; | Quaterly Reports | R0,00 | None | MFV TL02 | FM2.2(ANNUAL AS PER CIRCULAR 88) | 45% | R0,00 | Ratio calculation for Q4 of 2021/22 Sec 52(d) report of Q4 2021/22 | 45% | R0,00 | Ratio calculation for Q1 of 2022/23 Sec 52(d) report of Q1 2022/23 | 45% | R0,00 | Ratio calculation for Q2 of 2022/23 Sec 52(d) report of Q2 2022/23 | 45% | R0,00 | Ratio calculation for Q3 of 2022/23 Sec 52(d) report of Q3 2022/23 | Chief Financial Officer |
| | | | Improved financial sustainable and liability management | OPI 3.75% | % change in the cash backed reserves | Measurement of % change of cash backed reserves. | 0% | Measurement of change of cash backed reserves. | 0.1% change in the cash backed reserves | Quaterly Reports | R0,00 | None | MFV TL03 | FM2.2(ANNUAL AS PER CIRCULAR 88) | 0,025% | R0,00 | Ratio calculation for Q4 of 2021/22 Sec 52(d) report of Q4 2021/22 | 0,025% | R0,00 | Ratio calculation for Q1 of 2022/23 Sec 52(d) report of Q1 2022/23 | 0,025% | R0,00 | Ratio calculation for Q2 of 2022/23 Sec 52(d) report of Q2 2022/23 | 0,025% | R0,00 | Ratio calculation for Q3 of 2022/23 Sec 52(d) report of Q3 2022/23 | Chief Financial Officer |
| | | | Improved liquidity management | OPI 3.75% | % Change in cash and cash equivalent | Measuring improved liquidity of the Municipality in terms of change in cash equivalent. | | Improvement on liquidity of the Municipality in terms of change in cash equivalent | 5% Change in cash and cash equivalent Change in cash and cash equivalent | Quaterly Reports | R0,00 | None | MFV TL04 | FM3.11 | 2,00% | R0,00 | Ratio calculation for Q4 of 2022/23 Sec 52(d) report of Q4 2022/23 | 1,50% | R0,00 | Ratio calculation for Q1 of 2022/23 Sec 52(d) report of Q1 2023/24 | 1,25% | R0,00 | Ratio calculation for Q2 of 2023/24 Sec 52(d) report of Q2 2023/24 | 0,250% | R0,00 | Ratio calculation for Q3 of 2023/24 Sec 52(d) report of Q3 2023/24 | Chief Financial Officer |

| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Enhanced municipal budgeting and budget implementation | To ensure sound and sustainable financial Institution by 2027 | Implementation of the Revenue Enhancement Strategy | Collecting of outstanding debts | OPI 3.75% | Total collection on outstanding debts | Measuring of collection versus billing | 30% revenue collection | Measuring of collection versus billing | 40% total collection on outstanding debts | Quaterly Reports | R0,00 | None | MFV TL05 | FM7.12 | 10% collection of outstanding debts (excluding provision for doubtful debts) | R0,00 | Quarterly report on debt collection with supporting evidence and Financial system report | 10% collection of outstanding debts (excluding provision for doubtful debts) | R0,00 | Quarterly report on debt collection with supporting evidence and Financial system report | 10% collection of outstanding debts (excluding provision for doubtful debts) | R0,00 | Quarterly report on debt collection with supporting evidence and Financial system report | 10% collection of outstanding debts (excluding provision for doubtful debts) | R0,00 | Quarterly report on debt collection with supporting evidence and Financial system report | Chief Financial Officer |
| | | | Sustainable Financial Institution | OPI 3.75% | % net increase operating surplus margin | Measurement of net operating surplus margin(increase) | -7% | Measurement of net operating surplus margin(increase) | -4% net operating surplus margin | Quaterly Reports | R0,00 | None | MFV TL06 | MF7.3(ANNUAL) | | R0,00 | Ratio calculation for Q4 of 2021/22 Sec 52(d) report of Q4 2021/22 | | R0,00 | Ratio calculation for Q1 of 2022/23 Sec 52(d) report of Q1 2022/23 | | R0,00 | Ratio calculation for Q2 of 2022/23 Sec 52(d) report of Q2 2022/23 | -1 | R0,00 | Ratio calculation for Q3 of 2022/23 Sec 52(d) report of Q3 2022/23 | Chief Financial Officer |
| | | | Sustainable Financial Institution | OPI 3.75% | % of expenditure against total budget. | Measurement of % expenditure against total budget. (capex&opex bottom layer) | 98% | Measurement of % expenditure against total budget. (capex&opex bottom layer) | 98% of expenditure against total budget. | Quaterly Reports | R0,00 | None | MFV TL07 | FM1.1 | 20% | R0,00 | Ratio calculation for Q1 of 2022/23 SAP Budget Report FMRP _RW_Budget | 40% | R0,00 | Ratio calculation for Q2 of 2022/23 SAP Budget Report FMRP _RW_Budget | 60% | R0,00 | Ratio calculation for Q3 of 2022/23 SAP Budget Report FMRP _RW_Budget | 98% | R0,00 | Ratio calculation for Q4 of 2022/23 SAP Budget Report FMRP _RW_Budget | Chief Financial Officer |
| Expenditure Management | To ensure sound and sustainable financial Institution by 2027 | Monitoring and acceleration of expenditure patterns. | Improved expenditure management | OPI 3.75% | % change of unauthorised, irregular, fruitless and wasteful expenditure | Measuement of Percentage change of unauthorised, irregular, fruitless and wasteful expenditure | 12% | Measuement of Percentage change of unauthorised, irregular, fruitless and wasteful expenditure | 20% change of unauthorized, irregular, fruitless and wasteful expenditure | Quaterly Reports | R0,00 | None | MFV TL08 | FM4.1 | 5% | R0,00 | 1. Irregular Expenditure Register 2. Fruitless & Wasteful Expenditure Register 3. Unauthorised Expenditure Register 4. Quarter 4 Report (refer S52(d) | 5% | R0,00 | 1. Irregular Expenditure Register 2. Fruitless & Wasteful Expenditure Register 3. Unauthorised Expenditure Register 4. Quarter 1 Report (refer S52(d) Report) | 5% | R0,00 | 1. Irregular Expenditure Register 2. Fruitless & Wasteful Expenditure Register 3. Unauthorised Expenditure Register 4. Quarter 2 Report (refer S52(d) Report) | 5% | R0,00 | 1. Irregular Expenditure Register 2. Fruitless & Wasteful Expenditure Register 3. Unauthorised Expenditure Register 4. Quarter 3 Report (refer S52(d) Report) | Chief Financial Officer |
| Supply Chain Management | To ensure sound and sustananble management of municipal finances by 2027 | Implementation of the Supply chain management Strategy. | Improved Supply chain management | OPI 3.75% | % change in amount of irregular expenditure as a result of SCM processes Transgressions. | Measurement of % change in amount of irregular expenditure as a result of SCM Transgressions. | 16% | Measurement of % change in amount of irregular expenditure as a result of SCM Transgressions | 3,2% Change in amount of irregular expenditure as a result of SCM Transgressions. | Quaterly Reports | R0,00 | None | MFV TL09 | | 1,00% | R0,00 | 1. Irregular Expenditure Register 2. Quarter 4 Report (refer S52(d) Report) | 1,00% | R0,00 | 1. Irregular Expenditure Register 2. Quarter 1 Report (refer S52(d) Report) | 1,00% | R0,00 | 1. Irregular Expenditure Register 2. Quarter 2 Report (refer S52(d) Report) | 1,00% | R0,00 | 1. Irregular Expenditure Register 2. Quarter 3 Report (refer S52(d) Report) | Chief Financial Officer |
| KPA 5: Good Governance and Public Participation Objectives and Strategies | | | | KPA Weight 10% | | | | | | | | | | | | | | | | | | | | | | | |
| PRIORITY / FOCUS AREA | STRATEGIC OBJECTIVE | STRATEGY FOR IMPLEMENTATION | OUTCOME | TYPE OF INDICATOR & WEIGHT | INDICATOR | INDICATOR DESCRIPTION | BASELINE | PROJECT | ANNUAL TARGET | MEASUREMENT SOURCE | ANNUAL FINANCIAL TARGET | FUNDING SOURCE | INDICATOR CODE | CIRCULAR 88 CODE | Q1 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q2 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q3 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | Q4 DELIVERABLE | FINANCIAL TARGET | EXPECTED EVIDENCE | CUSTODIAN |
| Public Participation | Enhance Comunication between ADM and External Stake Holders by 2027 | Implementation of the Public Participation Strategy | Improved Municipal Administration and Governance | OPI 5% | Number of reports on monitoring of the MPAC Resolutions. | Reported progress on the implementation of the MPAC Action Plan. | 2023.24 Annual Report on the Implementation of the MPAC Action Plan. | Implememnattion of the 2024.25 MPAC Action Plan. | Annual Report on the Implememnattion of the 2024.25 MPAC Action Plan. | Quarterly reports supported by evidence | R0,00 | None | GGP TL01 | | Q1 Report on the Implememnattion of the 2024.25 MPAC Action Plan. | R0,00 | Quaterly Report. MPAC Action Plan Recommendations of the MPAC Meetings Attendance Register | Q2 Report on the Implememnattion of the 2024.25 MPAC Action Plan. | R0,00 | Quaterly Report. MPAC Action Plan Recommendations of the MPAC Meetings Attendance Register | Q3 Report on the Implememnattion of the 2024.25 MPAC Action Plan. | R0,00 | Quaterly Report. MPAC Action Plan Recommendations of the MPAC Meetings Attendance Register | Q4 Report on the Implememnattion of the 2024.25 MPAC Action Plan | R0,00 | Quaterly Report. MPAC Action Plan Recommendations of the MPAC Meetings Attendance Register | |
| Governance | To ensure clean and accountable governance in the district by 2027 | Strengthening of oversight, accountability and Service Delivery | Improved Municipal Administration and Governance | OPI 5% | % Implementation of the OPCAR. | Monitoring the implementation of OPCAR. | 38% Implementation of the OPCAR. | Implementation of OPCAR for the 2023.24 Audit | 100% Implementation of OPCAR for the 2023.24 Audit. | Quaterly Reports Supported by Evidance | R0,00 | None | GGP TL02 | | N/A | N/A | N/A | N/A | N/A | N/A | 30% Implementation of OPCAR | R0,00 | Q3 OPCAR Report | 100% Implementation of OPCAR | R0,00 | Q4 OPCAR Report | Dir. Strategic Planning and Management |

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Below is the performance report for the draft Un audited Annual Performance Report 2024.25 FINANCIAL YEAR

| SUMMARY OF THE ANNUAL ORGANISATIONAL PERFORMANCE (TOP LAY SDBIP 2023.24) | | | | | | | |
|---|---|---|---|---|---|---|---|
| **KEY PERFORMANCE AREAS** | **Outstanding Performance (5)** | **Performance Significantly above expectation (4)** | **Fully Effective (3)** | **Performance Not fully Effective (2)** | **Unacceptable Performance (1)** | **Not Applicable** | **TOTAL** |
| **Municipal Transformation and Institutional Development** | **1** | **0** | **4** | **4** | **0** | **0** | **9** |
| **Basic Service Delivery** | **1** | 0 | 8 | 2 | 1 | 0 | 12 |
| **Local Economic Development** | **0** | 1 | 1 | 0 | 0 | 0 | 2 |
| **Municipal Financial Viability** | **2** | 0 | 2 | 3 | 2 | 0 | 9 |
| **Good Governance and Public Participation** | **0** | 0 | 1 | 1 | 0 | 0 | 2 |
| **TOTAL** | **4** | 1 | 16 | 10 | 3 | 0 | 34 |

## DETAILED PERFORMANCE RESULTS:

### Municipal Transformation and Institutional Development

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2024.25 REMEDIAL ACTION |
|---|---|---|---|---|---|---|---|---|
| KPA 1: Municipal Transformation and Institutional Development | | | | KPA Weight 20% | | | | |
| KPI 01 | MTI 01 | % of Staff Migrated into the New Organogram | 100% of staff in the new Organogram | 99% of staff migration to the new organogram, placement of all employees has not been achieved due to the proposed staff establishment that is still underway. | 2 | Target not achieved: **98%** of staff migrated into the new organogram due to that the process of migration/placement of staff was divided into 3 phases of which 2 of theses phases have been completed | 2 | Placement of staff to the approved organogram will be completed once the proposed structure of 2025/2026 gets approved by council anticipated to be 30 September 2025 |
| KPI 02 | MTI 02 | % Reduction of human Capital Cost with adequately compensated staff | 8% reduction of human Capital Cost with adequately compensated staff | Target not met. 4% reduction of human Capital Cost with adequately compensated staff. There is still staff in acting positions and others working overtime. | 2 | Target not achieved: The cost reduction of employment stands at 5.68% in comparison to last financial year which was 3.69%. There were 50 employees terminated this financial year and the cost thereof R8 501 304.98. This resembles the savings of 5.68%. | 1 | Enforcement of overtime policy by all departments and 100% migration and placement of staff to the new structure. |
| KPI 03 | MTI 03 | % institutional performance | 81% institutional performance. | PPM has therefore concluded the reviews and the performance is at 64%. The target therefore is not met. | 2 | The actual achievement is 77% and the departments have provided variance reports. | 2 | The target is an overall performance of the institution and therefore assessment takes into consideration the targets that have not been met. For each KPI that has not been met a variance report is provided and these get monitored by PME, Internal Audit and the Executive Management. |
| KPI 04 | MTI 04 | No. of internal candidates capacitated on training interventions | 100 internal candidates capacitated on training interventions | 791 candidates capacitated on training interventions, supporting evidence availed | 5 | **145** candidates capacitated on training interventions. Supporting evidence is availed | 4 | None target met. |

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 REMEDIAL ACTIONS |
|---|---|---|---|---|---|---|---|---|
| **KPA 1: Municipal Transformation and Institutional Development** | | | | **KPA Weight 20%** | | | | |
| **KPI 05** | MTI 05 | No. of WIL candidates to participate in the workplace integrated learning program | 23 WIL candidates to participate in the workplace integrated learning program | 29 WIL candidates to participate in the workplace integrated learning program | 3 | Annual report on **13** WIL candidates to participate in the Workplace integrated Learning program, supporting evidence is provided. | 3 | None target met. |
| **KPI 06** | MTI 06 | No. of interns participating in the internship program. | 10 interns participating in the internship program. | 10 interns participating in the internship program. | 3 | No. of interns participating in the internship program. | 3 | None, target is met. |
| **KPI 07** | MTI 07 | % Reduction on fleet maintenance costs. | 8% Reduction on fleet maintenance costs. | 5.3% reduction on fleet operating costs: the repairs and maintenance costs are high due to the age of fleet as well as the terrain on which vehicles operate. Most vehicles have reached their utmost useful condition and require constant maintenance. The increases in fuel prices have a great impact on the high costs of fuel and when vehicles have exceeded their useful lives, they consume fuel in large quantities sts. | 2 | 8% Reduction on fleet maintenance costs. | 3 | The ADM needs to prioritize budget for procurement of new fleet as these high costs relate to high maintenance and repairs of vehicles |
| **KPI 08** | MTI 08 | % implementation of the electronic records management system | 40% implementation of the electronic records management system | 56% implementation of records management systems, supporting is availed | 3 | 30% implementation of the electronic records management system | 3 | None target is met. |
| **KPI 09** | MTI 09 | No. of draft infrastructure plans developed (WSDP, WSNP and IAMP). | 3 Draft Plan Documents (namely WSDP, WSMP and IAMP) | 3 Draft infrastructure plans developed (WSDP, WSNP and IAMP). | 3 | N\A | N\A | None target met |

## Service Delivery and Infrastructure

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 REMEDIAL ACTIONS |
|---|---|---|---|---|---|---|---|---|
| KPA 2: Service Delivery and Infrastructure KPA Weight 30% | | | | | | | | |
| KPI 10 | SDI 01 | % Micro compliance sampling points complying with SANS 241 – | 97% Micro compliance sampling points complying with SANS 241 - | Annual report on 97% micro compliance sampling points complying with SANS 241 | 3 | Annual report on 99% micro compliance sampling points complying with SANS 241 | 3 | None, target is met |
| KPI 11 | SDI 02 | % Micro Compliance of wastewater samples compliant to Water Use License conditions. - | 60% Micro Compliance of wastewater samples compliant to Water Use License conditions | 64% Micro Compliance of wastewater samples compliant to Water Use License conditions | 3 | Target not achieved: 53.1% was compliant due to the Peddie and Adelaide wastewater treatment are 100% overloaded which makes it difficult to comply | 2 | None, target is met |
| KPI 12 | SDI 03 | No. of taps installed to provide households with access to basic water supply | 722 Communal taps Constructed (Provision of basic water supply to 1500 Households) and 800 Households with basic water supply - (adding Q1 & Q2 before mid-term adjustment) | 70 communal taps constructed: the scheduled completion of upgrading of water storages in Dutywa, ward 31, Ngqamakwe water supply phase 3 and Shixini water supply projects during Q3 was delayed due to a combination of prolonged adverse water conditions and additional scope of work requested by O&M unit. The additional work was deemed necessary to ensure long-term sustainability and functionality of the infrastructure. With regards to Zingcuka Water Supply project, although physical have been completed, the PSC raised objections regarding the issuing of the completion | 1 | Annual report on **10 095** households with access to basic water supply, supporting evidence in the form of completion certificates and arial views are availed | 5 | For Idutywa and Shixini projects: contractors have been granted formal extensions, and revised completion dates that fall within Q1 of 25/26 fin year. The sites are being closely monitored to ensure accelerated progress and mitigation of further details. For Zingcuka project: ADM has appointed a service provider to repair the electrical components |

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| | | | | certificate. The PSC highlighted that 2 villages within the project area were not covered under the current scope, and as such they are withholding approval of project closure until clarity is provided. Electrical components at the pump station were vandalised which affected the completion of Zingcuka water supply. There was also a storm that washed away the submissible pumps that affected the completion of Shixini water supply | | | | |

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2024.25 REMEDIAL ACTION |
|---|---|---|---|---|---|---|---|---|
| **KPA 2: Service Delivery and Infrastructure KPA Weight 30%** | | | | | | | | |
| **KPI 13** | **SDI 3.1** | % progress implementation reported for 13 planned water projects which are at planning stage | 10.4% progress implementation reported for 13 planned water projects which are at planning stage | 11.5% progress reported for water projects which are at planning stage, supporting evidence is availed | 3 | N/A | N\A | None as the target is met.. |
| **KPI 14** | **SDI 3.2** | % progress implementation of water projects which are at construction stage | 10.2% progress implementation of water projects which are at construction stage | 14.7% progress reported for water projects which are at construction stage, supporting evidence is availed | 3 | N/A | N\A | None target met. |
| **KPI 15** | SDI 04 | No. of facilities refurbished | 14 facilities refurbished | 15 facilities refurbished | 3 | Annual report on 5 assets upgraded or refurbishment with 2 refurbishments completed and 3 still in progress of upgrading and or refurbishment, supporting evidence is availed | 3 | None target is met |
| **KPI 16** | SDI 4.1 | % progress on facilities being refurbished (Dontsa Water Supply -RM Retaining Structure -Borehole Drilling -Borehole Equipping) | Dontsa Water Supply - 45% RM Retaining Structures - 80% Borehole Drilling - 70% | 1 project out of 4 is not achieved: RM retaining structures is at 52% less than 80% targeted for the year. This is due to a delayed start on the contractor due to compliance matters. The contractor struggled to get guarantees and insurance on time that then delayed site establishment. The contractor is also having financial challenges | 2 | N\A | N\A | The contractor is organizing cession agreements to assist with the financial and a catch-up plan is requested from the contractor |

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2024.25 REMEDIAL ACTION |
|---|---|---|---|---|---|---|---|---|
| KPA 2: Service Delivery and Infrastructure KPA Weight 30% | | | | | | | | |
| **KPI 17** | SDI 05 | No. of households with access to basic level of sanitation. | 5000 households with access to basic sanitation | 9287 households with access to basic sanitation | 3 | Target not achieved: 644 households with access to basic sanitation this is due to: The municipality did not have any contractors with valid contracts during Q4. The previous panel had lapsed, and the municipality has advertised for contractors for a new panel for construction of VIP toilets. The bid was later re-advertised and is still under evaluation & ADM then extended the scope of the supplier in order fast track the erection of VIP which is still underway. | 2 | None target met. |
| **KPI 18** | SDI 5.1 | % progress implementation of sanitation projects that are at planning stage (8 projects planned) | 16.9% progress implementation of sanitation projects that are at planning stage (8 projects planned) | 11.1% progress reported, target not achieved due to delays in the appointment of the contractor for the Peddie Wastewater Treatment works upgrade. The delays are due to the extended period required by the appointed consulted to incorporate comments and inputs from the ADM appraisal team following the presentation of draft designs and tender documentation. This review process was necessary to ensure that the project scope and design met all technical and compliance requirements. | 2 | N\A | N\A | The department expeditiously developed a procurement plan upon receipt of the revised designs and tender documentation. The plan was submitted for approval by the MM. The department is working towards finalizing the appointment of a suitable contractor by the end of May 2025 to enable project implementation to commence without further delay |

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2024.25 REMEDIAL ACTION |
|---|---|---|---|---|---|---|---|---|
| **KPA 2: Service Delivery and Infrastructure KPA Weight 30%** | | | | | | | | |
| **KPI 19** | SDI 5.2 | % progress implementation of sanitation projects that are at construction stage | 17.1% progress implementation of sanitation projects that are at construction stage. | 44% progress implementation of sanitation projects that are at construction stage. | 3 | N\A | N\A | None target met. |
| **KPI 20** | SDI 06 | No of functional water on key consumer accounts replaced. | 478 functional water on key consumer accounts replaced. | 478 functional water on key consumer accounts replaced. | 3 | Annual report on 645 functional meters on key accounts assessed together with list of 176 faulty meters were replaced during the year | 1 | None, target is met |
| **KPI 21** | SDI 6.1 | No of domestic and bulk meters replaced or installed. | 300 domestic and 20 bulk meters replaced or installed. | 2541 domestic and 29 bulk meters replaced or installed together with the final strategy of the WCDM, supporting evidence is availed | 5 | N\A | N\A | None, target is met. |

**Local Economic Development**

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2024.25 REMEDIAL ACTION |
|---|---|---|---|---|---|---|---|---|
| KPA 3:Local Economic Development KPA Weight 20% | | | | | | | | |
| **KPI 22** | LED 01 | No. of jobs created through LED including Capital Projects | 800 jobs created through LED including Capital Projects | 1358 jobs (Q1 =85 + Q2= 426 + Q3= 426 + Q3= 421) were created against 800 on target. Signed quarterly report, the list of beneficiaries and expenditure report were availed throughout the quarters of the year. | 4 | N\A | N\A | None target is met |
| **KPI 23** | LED 02 | No. of economic projects implemented in partnership with strategic partners | 05 economic projects implemented in partnership with strategic partners | 5 economic projects are implemented in partnership with Strategic Partners. (Heritage, Tourism, Agriculture, Rural development, Enterprise and Environmental). Supporting evidence is availed. | 3 | 5 economic projects are implemented in partnership with Strategic Partners. (Heritage, Tourism, Agriculture, Rural development, Enterprise and Environmental). Supporting evidence is availed. | 3 | None, target is met. |

## Municipal Financial Viability

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2024.25 REMEDIAL ACTION |
|---|---|---|---|---|---|---|---|---|
| KPA 4: Municipal Financial Viability KPA Weight 30% | | | | | | | | |
| KPI 24 | MFV 01 | % of invoices for all capital projects funded with the grants paid within 30 days. | 100% of invoices for all capital projects funded with the grants paid within 30 days. | Target not met.<br><br>The following capital invoices were not paid within 30 days as per the payment register of Quarter 4:<br><br>1. Iliso Consulting Ref: IL19582 (52 days)<br>2. Mvesto Investments Ref: KBRMPA32 (54 days)<br>3. Mvesto Investments Ref: KBRMPA31 (65 days)<br>4. Iliso Consulting Ref: IL19574 (71 days) Vaxobyte PTY (LTD) Ref: vax000010 (1124 days) | 2 | 100% of invoices for all capital projects funded with grants are paid within 30 days. Payment registers for Q3 of 2023/24 is availed. | 3 | Working with departments to ensure timely processing of invoices with no disputes in adherence to the policy and legislative guidelines. |
| **KPI 25** | MFV 02 | % of total operating revenue to finance total debt | 45% of total operating revenue to finance total debt. | 0.01% of total operating revenue to finance total debt. | 3 | 0% is achieved against 45% on target. Ratio calculation for Q3 of 2023/24<br>Sec 52(d) report of Q3 2023/24 is availed as evidence. | 5 | None target is met. |
| **KPI 26** | MFV 03 | % change in the cash backed reserves | 0.1% change in the cash backed reserves. | 0.12% change in the cash backed reserves. | 3 | 13 % change in the cash backed reserves is achieved exceeding 0,03% targeted. Ratio calculation for Q3 of 2023/24<br>Sec 52(d) report of Q3 2023/24 | 5 | None target has been met. |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **KPI 27** | MFV 04 | % change in cash and cash equivalent | 5% change in cash and cash equivalent | 16% change in cash and cash equivalent | 1 | 15.3% is achieved Change in cash and cash equivalent against 1.25% on target. Ratio calculation for Q3 of 2023/24 Sec 52(d) report of Q3 2023/24 is availed as evidence. | 5 | Strict implementation of the credit control and debt collection policy in order to improve the collection rate. Implementation of cost containment to reduce expenditure and thereby reduce the overflow of cash. |
| KPI 28 | MFV 05 | % Total collection on outstanding debts. | 40% Total collection on outstanding debts. | 24% upon adding quarterly scores. The target has not been achieved. 6% collected. (Q1=6%, Q2=6,3%, Q3=5,57% and Q4=6%) The collection rate is | 2 | 40% Total collection on outstanding debts. | 3 | Enforcement of credit control policy. |

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2024.25 REMEDIAL ACTION |
|---|---|---|---|---|---|---|---|---|
| **KPA 4: Municipal Financial Viability KPA Weight 30%** | | | | | | | | |
| KPI 29 | MFV 06 | % net operating surplus margin | -4% net operating surplus margin | The ratio is 44% which is above the target of -4%. The section 52d report for 30 June 2025 has been used to caltulate this ratio, however these figures are subject to change as te year end accruals and provisionings are yet to be recognized. | 1 | 50% net operating surplus margin is achieved against -4% targeted. Ratio calculation for Q2 of 2022/23. Sec 52(d) report of Q3 2023/24 | 5 | The indicator is dependent on the generation of revenue to sustain operations. The Strict Measure of the Credit Policy is one of the attempts to improve the collection rate. |
| KPI 30 | MFV 07 | % of expenditure against total budget | 98% of expenditure against total budget | Based on the Q4 budget, adjusted budget and actual expenditure report, the target has not been achieved with only R1 839 284 220,10 spent out of R2 573 559 459,81 resulting to 71,47% expenditure. | 2 | Target is not achieved. 84% is achieved against 98% on target. Debt impairment not yet accounted for on the SAP system and late invoices relating to 2023/24 still to be accrued. Major reason for debt impairment journal not yet processed is because of debtors age | 2 | The new system to assist in ensuring monthly posting for depreciation is processed. Invoices to be submitted timely to departments. Departments to ensure expenditure is within the available budget. |
| **KPI 31** | MFV 08 | % change of unauthorised, irregular, fruitless and wasteful expenditure | 20% change of unauthorized, irregular, fruitless and wasteful expenditure | 49.5% change of unauthorized,+1 irregular, fruitless and wasteful expenditure | 5 | Target is not achieved. There is 7041% increase of unauthorized, irregular, fruitless and wasteful expenditure against quarterly target is 5% reduction. Supporting evidence of S52(d) is availed. | 1 | None target is met. |
| **KPI 32** | MFV 09 | % change in amount of irregular expenditure as a result of SCM Transgressions | 3.2% change in amount of irregular expenditure as a result of SCM Transgressions | 49.7% change in amount of irregular expenditure as a result of SCM Transgressions | 5 | Target is not achieved. Irregular expenditure has increased by 4155.23%, which is an increase of R200 388 165,84. The Panels for Consultants and Contractors during the 2022/2023 financial year have been deemed to be irregular by AG. This resulted in the instances of irregular expenditure increasing as all projects awarded against these panels are also irregular. | **1** | None target met. |

Good Governance and Public Participation

| INDI REF | IDP REF | INDICATOR | ANNUAL TARGET | 2024.25 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2023.24 ANNUAL PERFORMANCE RESULTS REASONS/EVIDENCE | SCORE | 2024.25 REMEDIAL ACTION |
|---|---|---|---|---|---|---|---|---|
| KPA 5: Good Governance and Public Participation KPA Weight 30% | | | | | | | | |
| KPI 33 | GGP 01 | No. of quarterly reports on monitoring of MPAC Resolutions. | Annual Report on the Implementation of the 2024.25 MPAC Action Plan. | Target met, quarterly Report on. MPAC Action Plan Recommendations of the MPAC Meetings, with attendance register are availed as evidence. | 3 | 4 quarterly reports on monitoring MPAC Resolutions have been prepared, achieved and reported for 2023/24 quarters. | 3 | None- target is achieved |
| KPI 34 | GGP 02 | % implementation of OPCAR | 100% Implementation of OPCAR for the 2023.24 Audit. | 67% Implementation of OPCAR is achieved. Q4 OPCAR Report and supporting evidence is availed. | 2 | Target is not achieved. 5% is implemented on OPCAR, while 45% is in progress. This is due to AG management report issued in Q3. A disclaimer in audit opinion 2022/23 has been expressed by Auditor General. | 1 | 33% will be resolved on the 2025/26 financial year |

# Chapter 4

**ANNUAL PERFOMANCE SUMMARY**

- The annual institutional performance target for the 2023.24 financial year is 80% and the final score will be finalized on the completion of the draft financial statements. The indication though is that as there are targets that have not been met the performance will be less than the projected percentage.

- There are performance targets that have not been archived hence the performance is not at 100%. In terms of the performance framework there rating calculator has a score of 1 to 5, 1 being poor performance and 5 being performance above expectation.
- Further the score is not inclusive of the core competency scores of the Directors which will account for 20% of the final scores.
- There is a total of 10 targets that are falling within the not acceptable score, MTI 2, SDI 2, MFV 5 and GGP 1. For all the target wherein, the targets are not me the variance reports have been provided.

- Under municipal financial viability, the financial constraint and low revenue collection are the main indicators of poor performance of the institution Resulting to 5 targets met at level 1.
- This is despite the intervention of the Mandatory Financial recovery plan. A concerted effort with the support of COGTA and Treasure are in place to improve the financial positioning of the Municipality.
- The filling in of all positions for the Senior Management is an indication to ensure consistency and continuity on the strategies and the plans of the Municipality to improve performance.

**ANNUAL PERFOMANCE SUMMARY 2024.25**

- During the Mid term Adjustment there were additional SDI and MTI KPIS included, to ensure budget alignment and full reporting of the grant funded programs and expenditure. These are projects that were being implemented but not reflecting on the score card, hence the inclusion. The process resulted to a total of 34 KPIs that are being reported in the Institutional SDBIP for the 2024.25 financial year.

- The annual institutional performance target for the 2024.25 financial year is 81% and the final score is 77% due to a total of 10 KPIs met at rating level 2 and 3 that are met at rating level 1.

- The 3 KPIs that are met at level 01 are under MFV (2) and SDI (1) being the following:-
  - 5% in cash and cash equivalent
  - 44% net operating surplus margin and the one on SDI is
  - 722 Communal taps Constructed (Provision of basic water supply to 1500 Households)

- The common factor on the MFV indicators is that they are dependent on the revenue collection which continuos to pose a challenge for the institution, however variance reports are provided. This is despite the intervention of the Mandatory Financial recovery plan. A concerted effort with the support of COGTA and Treasure are in place to improve the financial positioning of the Municipality.

- The SDI indicator i=on installation of taps was due to the delays by the contractor on site, which ended up requesting extension of time.

- The Indicators that are met at level 2 are 4 in MTI, 2 in SDI, 3 MFV and 1 in MTI which gives a total of 10 KPIs met at level 2.

- A notable contribution to improvement of performance and governance in the institution is that from August 2024 all positions of Directors were filled. Further there is a significance progress in the placement and filling of positions to the Organisational Structure that was approved for the 2025.26 financial year. The stability has also yielded an improvement in the Audit outcome.

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

***<u>Delete Directive note once comment is completed</u>*** - Provide a brief introduction to your municipality's organisational development function.

*T 4.0.1*

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

| Employees | | | | | |
|---|---|---|---|---|---|
| Description | Year -1 | Year 0 | | | |
| | Employees | Approved Posts | Employees | Vacancies | Vacancies |
| | No. | No. | No. | No. | % |
| Water | 26,485 | 26,485 | 23,572 | 23,572 | % |
| Waste Water (Sanitation) | 8,541 | 8,541 | 8,285 | 8,285 | % |
| Electricity | 12,355 | 12,355 | 10,254 | 10,254 | % |
| Waste Management | 14,232 | 14,232 | 13,235 | 13,235 | % |
| Housing | 6,542 | 6,542 | 5,496 | 5,496 | % |
| Waste Water (Stormwater Drainage) | 5,643 | 5,643 | 5,530 | 5,530 | % |
| Roads | 5,643 | 5,643 | 5,530 | 5,530 | % |
| Transport | 5,322 | 5,322 | 4,470 | 4,470 | % |
| Planning | 1,254 | 1,254 | 1,003 | 1,003 | % |
| Local Economic Development | 2,516 | 2,516 | 2,063 | 2,063 | % |
| Planning (Strategic & Regulatary) | 12,546 | 12,546 | 10,413 | 10,413 | % |
| Local Economic Development | 2,355 | 2,355 | 2,190 | 2,190 | % |
| Community & Social Services | 4,565 | 4,565 | 3,698 | 3,698 | % |
| Enviromental Proctection | 5,649 | 5,649 | 4,971 | 4,971 | % |
| Health | 5,649 | 5,649 | 4,971 | 4,971 | % |
| Security and Safety | 5,649 | 5,649 | 4,971 | 4,971 | % |
| Sport and Recreation | 5,649 | 5,649 | 4,971 | 4,971 | % |
| Corporate Policy Offices and Other | 5,649 | 5,649 | 4,971 | 4,971 | % |
| **Totals** | **136,240** | **136,240** | **120,592** | **120,592** | **–** |
| *Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.* | | | | | *T 4.1.1* |

| Vacancy Rate: Year 0 | | | |
|---|---|---|---|
| Designations | *Total Approved Posts<br><br>No. | *Vacancies<br>(Total time that vacancies exist using fulltime equivalents)<br>No. | *Vacancies<br>(as a proportion of total posts in each category)<br>% |
| Municipal Manager | 1 | 0 | 0.00 |
| CFO | 1 | 1 | 100.00 |
| Other S57 Managers (excluding Finance Posts) | 10 | 1 | 10.00 |
| Other S57 Managers (Finance posts) | 3 | 1 | 33.33 |
| Police officers | 12 | 3 | 25.00 |
| Fire fighters | 20 | 3 | 15.00 |
| Senior management: Levels 13-15 (excluding Finance Posts) | 25 | 5 | 20.00 |
| Senior management: Levels 13-15 (Finance posts) | 6 | 2 | 33.33 |
| Highly skilled supervision: levels 9-12 (excluding Finance posts) | 35 | 8 | 22.86 |
| Highly skilled supervision: levels 9-12 (Finance posts) | 8 | 1 | 12.50 |
| **Total** | **121** | **25** | 20.66 |
| *Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* | | | *T 4.1.2* |

| Turn-over Rate | | | |
|---|---|---|---|
| Details | Total appointments as of beginning of Financial Year No. | Terminations during the Financial Year | Turn Over Rate |
| Year 2021/2022 | *1487* | *81* | *5%* |
| Year 2022/2023 | 1 434 | 87 | 6% |
| Year 2023/24 | *1291* | *74* | *6%* |
| ** Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year* | | | *T 4.1.3* |

COMMENT ON VACANCIES AND TURNOVER:

ADM has for the past years been facing serious challenges to deliver on its mandate of providing improved services to its constituency due to its oversized salary bill, which is beyond the acceptable National Treasury norms of 25% - 35%. Subsequent to the high salary bill, a Municipal Turnaround Strategy was developed and adopted. Moreover, the Financial Recovery Plan has been instituted with the assistance of National Treasury and Provincial Department of Cooperative Governance and Traditional Affairs and the progress is remarkable. The turnover rate for 2023/2024 stands at 6%.

All positions below the management levels are advertised internally for the benefit of the internal candidates and only if there is no suitable candidate found are the positions advertised externally. The positions of section 56 managers are advertised nationally.

Detail the attempts made to fill the posts of senior management and highly skilled supervision and explain why there are no appropriate internal staff to fill the vacancies. Explain how long, at a minimum, the section 57 vacancies (including MM and CFO) have remained unfilled and the reasons for this. Give reasons for the turnover rate experienced by your municipality. Explain measures taken to successfully attract and retain staff.

*T 4.1.4*

# Chapter 4

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Amathole District Municipality is a progressing district municipality which has a wide range of policies which are reviewed annually and also, as and when need arises. Amongst these policies are the Recruitment and Selection Policy, Leave policy, cell phone policy and the Fleet Management Policy. The workforce is managed appropriately within the institution with clear reporting lines and proper delegation and authority given to the appropriate and relevant offices.

The Municipal Manager has delegated some authority to the Section 56 Managers through a delegation framework that provides guidance on delegations matters. The Heads of Departments have in-turn, delegated some authority to the Senior Managers in order to enable them to be able to manage their divisions on a day to day basis. With regards to management practices, the municipality has a system of reporting and processing issues which commences with the departmental Working Group meetings which is comprised of all employees from TG 14 upwards. The intention to extend the participation to Task Grade 14 is to build a new layer of management echelon in the department and to impart skills. Each Unit Manager is permitted to bring along one subordinate to the Working Group to observe and learn. The decentralized Working Group approach was introduced to ensure that there is maximum participation of assistant manager in the business of Council and to empower them. Further motivation for that was to begin to develop a layer of management that would be able to rise through the ranks at some point, and to ensure that there is institutional memory throughout.

The second structure of Council that processes issues is the Executive Management Committee which is composed of all Section 56 managers and is chaired by the Municipal Manager.
ADM also established Standing Committee linked to the 5 key performance areas of local government which are: Good Governance & Public Participation, Municipal Transformation & Institutional Development, Local Economic Development, Municipal Financial Viability, and Basic Service delivery & Infrastructure Development.

On the 15th March 2020, Co-operative Governance Minister, Dr N Dlamini-Zuma declared a national State of Disaster in Government Gazette 43096, citing the magnitude and severity of the Covid-19 outbreak which had been declared a global pandemic, and the need to augment the measures undertaken by organs of state to deal with the pandemic. As a department that is tasked with the responsibility of looking after the wellbeing of the organization's internal stakeholders, the Corporate Services Department, in consultation with the Community Services Department immediately established a COVID-19 Response Task Team which was representative of all ADM Departments. This set in motion a series of actions, including the development of ADM response to Covid-
19 Action Plan that was subsequently tabled through all structures of Council and eventually approved for implementation.

In a concerted effort to combat the transmission of this infectious disease, The plan is intended to outline measures to guide ADM staff and Councillors on keeping safe, becoming accustomed to healthy

practices, mitigating against possible negative impacts on their wellbeing, and becoming advocates for the disease prevention and control even at their homes. This, by implication, means that it will be the responsibility of each person to ensure that a conducive working environment is created within the institution.
Below is the Lockdown COVID – 19 operational plan which, although Corporate Services Department will be at the forefront, all managers in various departments will be responsible to ensure that the plan and accompanying regulations are adhered to by each person:

Strengthening of the existing COVID-19 Response Task Team to include all Managers and Supervisors such that it is representative of all levels in the organization

- ADM partnering with the Provincial Department of Health or procuring of external Service Providers to screen all ADM employees and Councillors of COVID-19 prior to resumption of work.
- Disinfect the internal environment of all ADM buildings after the initial screening on recommencing of duties, ADM employees and Councillors are encouraged to visit the EAP unit for screening every month.
- Establishment of mechanisms for reporting of identified cases of transmission and infection, without raising alarm and fear.
- Conducting awareness sessions electronically which will also address de-stigmatization; and distribution of pamphlets to ADM employees (head office, satellite offices and treatment plants).
- Procuring of cloth masks on a large scale instead of surgical masks, and each Employee / Councillor to be provided with a pair.
- Wearing of cloth masks to be compulsory at all times where more than two people are gathered,
- Making available 60%+ alcohol based sanitizers and soap to wash hands in all work places at all times
- Sanitizing of hands to be compulsory at the entrance. Alcohol based sanitizer to be always used for all cleaning or cleansing purposes
- Stringent social distancing measures to be compulsory and observed at all times
- Providing good ventilation in all gatherings with more than two people
- Taking of temperature of all those visiting the assessment rooms of the Wellness Unit in the Corporate Services Department
- Prohibiting of office to office visits at all costs and use of telephones and other electronic devices to be encouraged
- Visiting of offices by people from outside ADM to be avoided, unless there are compelling reasons
- Encouraging employees to get tested in available facilities.
- Encouraging employees to get vaccinated for flu.
- Providing frontline staff and those working in the open plan space with the materials or equipment necessary to prevent person-to – person transmission. Wearing of such protective gear will be compulsory
- Prioritizing electronic document routing measures to minimize person-to-person transmission through document and stationery handling.
- Devising means to revive electronic signatures to eliminate person-to-person touching of Papers
- Providing online training for frontline and general staff on hygiene and sanitizing of workplaces

and on COVID-19 risk identification and response protocols.

- Developing a new set of rules for the cleaning staff, ensuring frequent cleansing and sanitizing of reception areas, offices and boardroom surfaces, chairs, floors, lifts, door handles, walking rails and taps. Such should be done as frequently as possible
- Discontinuation of sharing utensils, including cups (staff to bring their own, and keep them in their offices/spaces).
- Discontinuation of sharing water and glasses in Boardroom, (to bring/fetch own water from the kitchen)
- Sanitizing ADM vehicles after every use
- Ensure that sufficient stock is available for the duration of the national state disaster.
- Identifying the most vulnerable employees and Councillors (old and those with underlying health conditions) and recommending that they work from home.
- Cleaners to be supplied with disposable gloves and pinafores; (Importance of “disposable” pinafore to avoid contamination or use of daily sterilized pinafores is encouraged.

The objective of introducing extreme precautionary measures is to curtail or delay the spread of virus. Consideration has also been taken that the virus is sometimes incubated and people remain asymptomatic while unknowingly affecting others. For this reason, it is advisable that each person perceives the other as a carrier of the virus, and such could even be adopted as ADM slogan; “stay safe-perceive the other as a carrier of the virus’’.
Periodical measurement and evaluation of the plan will be necessary as to ascertain its continuous effectiveness.

*T 4.2.0*

# Chapter 4

## 4.2 POLICIES

| HR Policies and Plans | | | | |
|---|---|---|---|---|
| | Name of Policy | Completed % | Reviewed % | Date adopted by council or comment on failure to adopt |
| 1 | Affirmative Action Framework | 100% | | March 2015 |
| 2 | Attraction and Retention | 100% | | Talent Retention Strategy adopted in 2010 |
| 3 | Code of Conduct for employees | 100% | | 6 June 2024 |
| 4 | Delegations, Authorisation & Responsibility | 100% | | |
| 5 | Disciplinary Code and Procedures | 100% | | |
| 6 | Essential User Scheme | 100% | N/A | 6 June 2024 |
| 7 | Employee Assistance / Wellness | 100% | 100% | 30 June 2020 |
| 8 | Employment Equity | 100% | 100% | Plan reviewed in 2022 |
| 9 | Exit Management | 100% | 100% | Included in Recruitment & Selection Policy reviewed on 31 May 2023 |
| 10 | Grievance Procedures | | | |
| 11 | HIV/Aids and Chronic Illnesses | 100% | 100% | Reviewed in June 2018 |
| 12 | Human Resource and Development / Training and Development | 100% | 100% | Reviewed 31 May 2022 |
| 13 | Information Technology | 100% | 100% | 6 June 2024 |
| 14 | Job Evaluation | 100% | 100% | 6 June 2024 |
| 15 | Leave | 100% | 100% | 6 June 2024 |
| 16 | Occupational Health and Safety | 100% | 100% | Reviewed 31 May 2023 |
| 17 | Official Housing / Homeowners Allowance | 100% | | Collective Agreement |
| 18 | Placement Policy | 100% | 100% | Reviewed 31 May 2023 |

| | | | | |
|---|---|---|---|---|
| 19 | Bereavement Policy for ADM Employees | 100% | 100% | 6 June 202 |
| 20 | Official Working Hours and Overtime / Overtime and Emergency | 100% | 100% | Reviewed 6 June 2024 |
| 21 | Organisational Rights | 100% | | |
| 22 | Payroll Deductions | | | |
| 23 | Performance Management Framework | 100% | 100% | PM Framework is reviewed yearly as part of the IDP review process |
| 24 | Recruitment, Selection and Appointments | 100% | 100% | Reviewed 31 May 2023 |
| 25 | Remuneration Scales and Allowances | | | |
| 26 | Resettlement | | | |
| 27 | Sexual Harassment / EAP Policy | 100% | 100% | Covered in EAP Policy last reviewed in March 2019 |
| 28 | Skills Development/Training & Development | 100% | 100% | 31 May 2022 |
| 29 | Smoking | 100% | 100% | Covered in EAP Policy under addictive behaviours, last reviewed in June 2020 |
| 30 | Special Skills/Scarce Skills | 100% | | Reviewed in March 2013 |
| 31 | Work Organisation / Organisational Development Strategy | 100% | | Adopted in March 2019 |
| 32 | Uniforms and Protective Clothing | 100% | 100% | Included in OHS Strategy reviewed 31 May 2023 |
| 33 | Other: Substance abuse | 100% | 100% | 30 June 2020 |
| 34 | Travel Allowance Policy | 100% | 100% | 6 June 2024 |
| 35 | Subsistence and Travel Policy | 100% | 100% | 30 June 2020 |
| 36 | Cellphone Policy | 100% | N/A | 6 June 2024 |
| 37 | Termination Policy | 100% | N/A | |
| 38 | Transfer, Secondment & Acting Allowance Policy | 100% | 100% | 31 May 2023 |
| 39 | Learnership | 100% | 100% | Reviewed in June 2018 |
| 40 | Workplace Integrated Learning (WIL) | 100% | 100% | Reviewed in June 2018 |
| 41 | Human Resource Plan | 100% | 100% | Reviewed in March 2019 |
| | | | | *T 4.2.1* |

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

***Delete Directive note once comment is completed*** **–** Comment on progress made during the year and plans for completing this work.

*T 4.2.1.1*

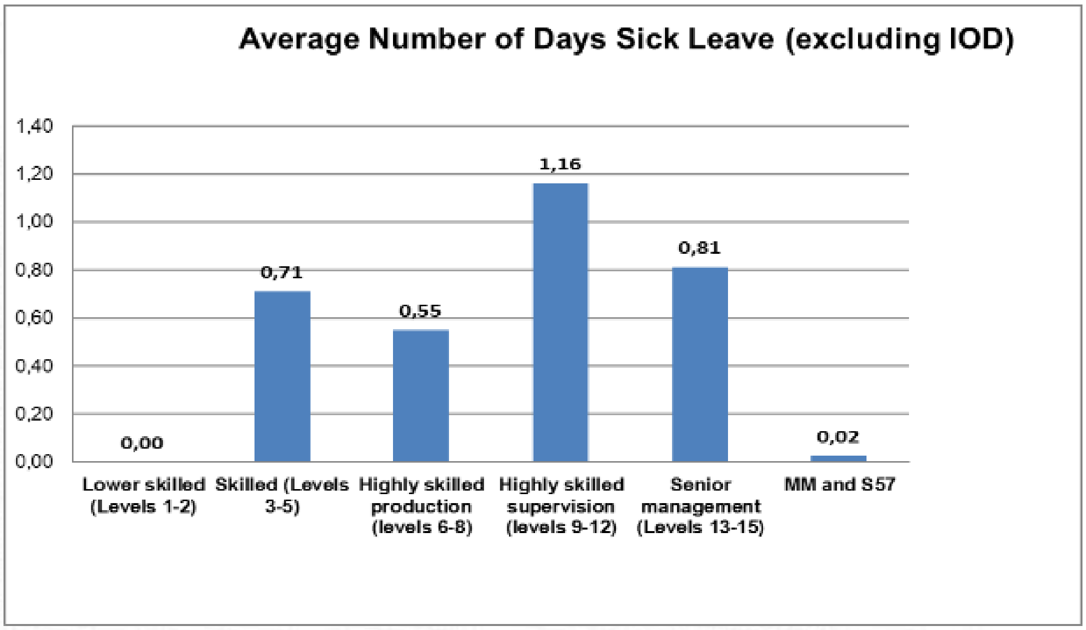
## 4.3 INJURIES, SICKNESS AND SUSPENSIONS

| Number and Cost of Injuries on Duty | | | | | |
|---|---|---|---|---|---|
| **Type of injury** | **Injury Leave Taken**<br>**Days** | **Employees using injury leave**<br>**No.** | **Proportion employees using sick leave**<br>**%** | **Average Injury Leave per employee**<br>**Days** | **Total Estimated Cost**<br>**R'000** |
| Required basic medical attention only | 60 | 5 | 8% | 12 | 60 |
| Temporary total disablement | | | | | |
| Permanent disablement | | | | | |
| Fatal | | | | | |
| Total | 60 | 5 | 8% | 12 | 60 |
| | | | | | *T 4.3.1* |

| Number of days and Cost of Sick Leave (excluding injuries on duty) 2023/2024 | | | | | | |
|---|---|---|---|---|---|---|
| Salary band | Total sick leave<br>Days | Proportion of sick leave without medical certification<br>% | Employees using sick leave<br>No. | Total employees in post*<br>No | *Average sick leave per Employees<br>Days | Estimated cost |
| Unskilled Occupational level (TG 1-3) | 0 | 0% | 0 | 0 | 0,00 | 0 |
| Semi-Skilled Occupational level (TG 4-8) | 2 206 | 17% | 300 | 785 | 2,81 | 1 599 |
| Skilled Occupational | 3 168 | 27% | 276 | 427 | 7,4 | 4 840 |

| | | | | | | |
|---|---|---|---|---|---|---|
| level (TG 9-13) | | | | | | |
| Mid-management Occupational level (TG 14-16) | 426 | 27% | 54 | 95 | 4,84 | 1 132 |
| Senior management (TG 17-20) | 142 | 27% | 23 | 34 | 4,17 | 559 |
| MM and S57 | 4 | | 2 | 6 | 0,67 | 23 |
| Total | 5 946 | 20% | 655 | 1 347 | 4,41 | 8 153 |

** - Number of employees in post at the beginning of the year*
**Average is calculated by taking sick leave in colunm 2 divided by total employees in colunm 5T 4.3.2*




T.4.3.3

*T 4.3.3*

COMMENT ON INJURY AND SICK LEAVE:

Training of employees on workplace hazards and occupational diseases and safety workshops were conducted to ensure that all ADM employees understand the importance of reporting unsafe practices to prevent workplace injuries. When an accident happens in a particular workplace, the investigation is conducted, and the findings are discussed with all employees to prevent re-occurrences. Each area has trained First Aider and Health and Safety Representatives who assist when an emergency occurs. Fire

Marshals have been trained and equipped with knowledge on how to assist in cases of emergency, fire evacuation, and to assist during emergency evacuation drills.

During the Policy Roll out of ADM Policies that was conducted in June and July 2024, Leave Policy was presented to employees and all types of leaves including the sick leave.

*T 4.3.4*

| NUMBER AND PERIOD OF SUSPENSION | | | | |
|---|---|---|---|---|
| **Position** | **Nature of Alleged Misconduct** | **Date of Suspension** | **Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised** | **Date Finalised** |
| Director Corporate Services | Gross Misconduct | 02 June 2023 | The matter is still under investigation | Not scheduled yet |
| Director Engineering Services | Gross Misconduct | 02 June 2023 | The matter is still under investigation | Not scheduled yet |
| Senior Help Desk Operator | Gross misconduct | 02 June 2023 | The matter is still under investigation | Not scheduled yet |
| | | | | *T 4.3.5* |

| Disciplinary Action Taken on Cases of Financial Misconduct | | | |
|---|---|---|---|
| **Position** | **Nature of Alleged Misconduct and Rand value of any loss to the municipality** | **Disciplinary action taken** | **Date Finalised** |
| N/A | N/A | N/A | N/A |
| | | | *T 4.3.6* |

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

The cases relating to financial misconduct are all at different stages of progress. ADM does not yet have the Financial Misconduct Board and the cases are dealt with in line with the Labour Relations Act and SALGBC Disciplinary Code Collective Agreement

*T 4.3.7*

## 4.4 PERFORMANCE REWARDS

| Performance Rewards By Gender | | | | | |
|---|---|---|---|---|---|
| **Designations** | **Beneficiary profile** | | | | |
| | **Gender** | **Total number of employees in group** | **Number of beneficiaries** | **Expenditure on rewards Year 1 R' 000** | **Proportion of beneficiaries within group %** |
| Lower skilled, Highly skilled production and Highly skilledsupervision (TG 4-10) | Female | 437 | 223 | N/A | 51% |
| | Male | 642 | 271 | N/A | 42% |
| Junior, Middle and Seniormanagement (TG 11-20) | Female | 190 | 82 | N/A | 43% |
| | Male | 183 | 77 | N/A | 42% |
| MM and S56 | Female | 2 | - | 0 | 0 |
| | Male | 5 | - | 0 | 0 |
| Total | | | | | |
| *Has the statutory municipal calculator been used as part of the evaluation process?* | | | | | Yes |
| | | | | | *T 4.4.1* |

COMMENT ON PERFORMANCE REWARDS:

The Municipal Manager and section 56 managers are the only employees who qualifies to receive performance bonus at ADM. However, during 2023/2024 performance cycle, no performance bonuses were paid out due to financial constraints.

Part B of the Employee Performance Management Policy stipulates that the Departmental Evaluation Panels shall be established to recommend the employees who will be rewarded with special leave days at the end of the performance cycle. Departmental checklists are attached as annexures which contains names of employees recommended for 2022/23 performance rewards.

Performance rewards for employees below section 56 managers are non-financial, they are in a form of medals and special leave days and the categories are as follows:

117% - 132% - Silver Medal and 3 special leave days 133% - 159% - Gold Medal and 4 special leave days 160% and above - Platinum Medal and 5 special leave days.

35% of employees qualify for 3 special leave days, whereas 14% qualify for 4 special leave days , 0.1 qualify for 5 special leave days and 51% did not qualify for 2022/23 performance cycle.

*T 4.4.1.1*

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

MINIMUM COMPETENCY LEVEL TRAINING

According to Government Gazette 29967, National Treasury (NT) specified occupational categories that need to be sent for this training. From the NT designated categories the status is as follows; Municipal Manager, CFO, 2 x Senior Managers (HODs) reporting directly to MM are all currently enrolled for outstanding Unit Standards as required by National Treasury regulations on Minimum Competency Levels.

One “Manager who reports directly to CFO” also is currently enrolled for the outstanding Unit Standards in line with National Treasury regulations.

ADM even went further and provided this regulated training to other “Managers” that were not necessarily specified by National Treasury and the majority of them was from ADMs Budget & Treasury Office. This was done for purposes of Succession Planning as well as to enable them to be aligned with national regulations regarding capacity building. This will allow them to ascend to higher positions when time comes. These categories include the erstwhile General Managers, Senior Managers and other Managers who do not necessarily report directly to the Municipal Manager or CFO, nor are at Finance Department, as per National Treasury guidelines.

SKILLS DEVELOPMENT PROGRAMS

In trying to keep with the skills development landscape within the District, Amathole District Municipality in financial year 2023/24, conducted 9 Training programmes for both Councillors and Officials, as well as two Strategies which were implemented as follows;

- Implementation of WSP through Training and Development of Councillors
- Implementation of WSP through Training and Development of Officials.
- Internship Programme – ADM was a host employer and offered practical workplace training to forty (40) unemployed FULL GRADUATE candidates to enable them to be eligible for employment opportunities. This is in line with the Skills Development Act and was done through partnerships with Local Government SETA, & National Treasury.
- Workplace Integrated Learning (WIL) Programme was accessible to thirteen (13) unemployed UNDERGRADUATES during 2023/24 to enable them to graduate;
- Minimum Competency Level Training Programme – Training by University of Fort Hare is currently underway for designated candidates.

*T 4.5.0*

## 4.5 SKILLS DEVELOPMENT AND TRAINING

| Skills Matrix | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Management level | Gender | Employees in post as at 30 June Year | Number of skilled employees required and actual as at 30 June Year 2024 | | | | | | | | | | | |
| | | | Learnerships | | | Skills programmes & other short courses | | | Other forms of training | | | Total | | |
| | | No.1460 | Actual:End of Year - 2020-21 | Actual:End of Year - 2020-21 | Year2020-21 Target | Actual:End of Year - 2020-21 | Actual:End of Year - 2020-21 | Year2020-21 Target | Actual:End of Year - 2020-21 | Actual:End of Year - 2020-21 | Year 2020-21 Target | Actual:End of Year - 2020-21 | Actual:End of Year - 2020-21 | Year2020-21 Target |
| MM and s57 | Female | 2 | | | | | | | | | | | | |
| | Male | 4 | | | | | | | | | | | | |
| Councillors, senior officials and managers | Female | 20 | 10 | 10 | 10 | | | | | | | | 10 | 10 |
| | Male | 79 | 6 | 6 | 6 | | | | | | | | 6 | 6 |
| Technicians and associate professionals* | Female | 198 | 23 | 23 | 23 | 10 | 10 | 10 | | | | | 33 | 33 |
| | Male | 345 | 24 | 24 | 24 | 9 | 9 | 9 | | | | | 33 | 33 |
| Professionals | Female | 35 | 5 | 5 | 5 | | | | | | | | 5 | 5 |
| | Male | 94 | 5 | 5 | 5 | | | | | | | | 5 | 5 |
| Sub total | Female | 161 | | | | | 10 | 10 | | | | | 48 | 48 |
| | Male | 522 | | | | | 9 | 9 | | | | | 44 | 44 |
| Total | | 1 468 | 73 | 73 | 73 | 19 | 38 | 38 | 0 | 0 | 0 | 0 | 184 | 184 |

**Registered with professional Associate Body e.g. CA (SA)*

*T 4.5.1*

| Financial Competency Development: Progress Report* | | | | | | |
|---|---|---|---|---|---|---|
| Description | A. Total numberof officials employed by municipality (Regulation 14(4)(a) and (c)) | B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c) | Consolidated: Total of A andB | Consolidated: Competency assessments completed forA and B (Regulation 14(4)(b) and (d)) | Consolidated:Total number of officials whose performance agreements comply with Regulation 16 (Regulation14(4)(f)) | Consolidated:Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)) |
| **Financial Officials** | | | | | | |
| Accounting officer | 1 | 0 | 1 | 1 | 1 | 1 |
| Chief financial officer | 1 | 0 | 1 | 1 | 1 | 1 |
| Senior managers | 4 | 0 | 4 | 4 | 4 | 4 |
| Any other financial officials | 2 | 0 | 2 | 0 | 0 | 2 |
| **Supply Chai nManagement Officials** | | | | | | |
| Heads of supply chain management units | 1 | 0 | 1 | 0 | 0 | 1 |
| Supply chain management senior managers | 3 | 0 | 3 | 0 | 0 | 3 |
| **TOTAL** | **12** | **0** | **12** | **6** | **6** | |

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

T 4.5.2

| SKILLS DEVELOPMENT EXPENDITURE | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | R'000 |
| MANAGEMENTLEVEL | GENDER | EMPLOYEES AS AT THE BEGINNING OFTHE FINANCIAL YEAR | ORIGINAL BUDGET AND ACTUAL EXPENDITURE ON SKILLS DEVELOPMENT YEAR 1 | | | | | | | |
| | | | LEARNERSHIPS | | SKILLS PROGRAMMES &OTHER SHORT COURSES | | OTHER FORMS OF TRAINING | | TOTAL | |
| | | NO. 1468 | ORIGINALBUDGET | ACTUAL | ORIGINALBUDGET | ACTUAL | ORIGINALBUDGET | ACTUAL | ORIGINALBUDGET | ACTUAL |
| MM AND S57 | FEMALE | 2 | | | | | | | | |
| | MALE | 4 | | | | | | | | |
| LEGISLATORS, SENIOR OFFICIALS AND MANAGERS | FEMALE | 25 | 320 000 | 200 000 | | | | | 320 000 | 200 000 |
| | MALE | 79 | | 120 000 | | | | | | 120 000 |
| PROFESSIONALS | FEMALE | 15 | | | | | | | | |
| | MALE | 11 | | | | | | | | |
| TECHNICIANS AND ASSOCIATE PROFESSIONALS | FEMALE | 80 | | | | | | | | |
| | MALE | 110 | | | | | | | | |
| CLERKS | FEMALE | 212 | | | | | | | | |
| | MALE | 110 | | | | | | | | |
| SERVICE AND SALES WORKERS | FEMALE | 65 | 940 000 | 460 000 | 170 000 | 102 200 | | | 1 110 000 | 562 200 |
| | MALE | 220 | | 480 000 | | 68 000 | | | | 548 000 |
| PLANT AND MACHINE OPERATORS AND ASSEMBLERS | FEMALE | 240 | 200 000 | 100 000 | | | | | 200 000 | 100 000 |
| | MALE | 112 | | 100 000 | | | | | | 100 000 |
| ELEMENTARY OCCUPATIONS | FEMALE | 144 | | | | | | | | |
| | MALE | 39 | | | | | | | | |
| SUB TOTAL | FEMALE | 783 | 1 260 000 | 660 000 | 170 000 | 102 200 | | | 1 430 000 | 762 200 |
| | MALE | 685 | | 600 000 | | 68 000 | | | | 668 000 |
| **TOTAL** | | **1 468** | **1 260 000** | **1 260 000** | **170 000** | **170 200** | **0** | **0** | **1 430 000** | **1 430 200** |
| **% AND *R VALUE OF MUNICIPAL SALARIES (ORIGINAL BUDGET) ALLOCATED FOR WORKPLACE SKILLS PLAN.* | | | | | | | | | %* | *R |
| | | | | | | | | | | T4.5.3 |

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

Comment on the adequacy of training plans and the effectiveness of implementation at your municipality. Explain variances between actual and budgeted expenditure. Also comment on the adequacy of funding (e.g. is it intended to increase or decrease this level of spending in future years and how is the value of the training activity assessed?) Refer to MFMA Competency Regulations, the range of officials to which it relates and the deadline of 2013 by which it will become fully effective. Discuss the progress made on implementation at your municipality as reflected in T4.5.4 above.

*T 4.5.*

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

The point of departure in managing workforce expenditure is that positions are created in the establishment plan and approved by Council on an annual basis. The fact that the posts are part of the establishment plan does not necessarily mean that the posts will be filled in the current financial year. This requires departments to prioritise critical posts. Departments budget for their own overtime and such funds are kept within the departmental commitment items. This kind of an approach assists with the management of overtime as departments become aware that should the funds be exhausted before the end of the financial year, there will be no overtime authorised for the remainder of the financial year. Overtime is restricted to essential services and carefully monitored and managed to avoid abuse, including pre- authorisation of all overtime to be worked.

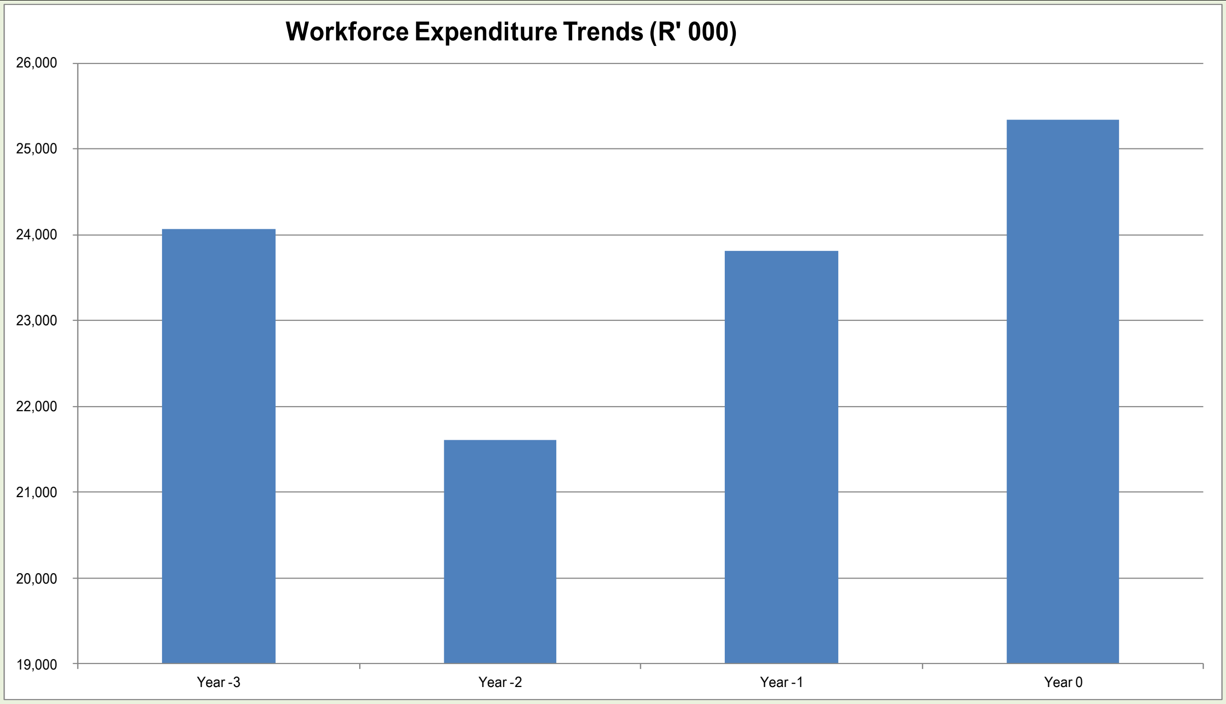
To avoid the long turnaround time in the filling of vacancies, a system whereby departments fill in a form to indicate if a position should be filled or not when an employee leaves a post was introduced. This has assisted in the turnaround time of filling vacant positions.

To ensure that the municipality receives value for money, the municipality takes special care when advertisements for positions are crafted it ensure that the requirements and qualifications are properly designed to source the most appropriate skill for the position.

Explain the importance of managing workforce expenditure, the pressures to overspend and how spending is controlled (e.g. within approved establishment and against budget and anticipated vacancy rates arising from turnover). Also explain how municipality seeks to obtain value for money from work force expenditure.

*T 4.6.0*

## 4.6 EMPLOYEE EXPENDITURE




Source: MBRR SA22 *T 4.6.1*

COMMENT ON WORKFORCE EXPENDITURE:

ADM budgets for all employee related costs and the budget takes into cognisance the overtime to be worked, possible leave encashment and bonuses to be paid. In the previous years, a sizeable quantity of the budget has been utilised towards the payment of overtime with the Engineering department being the most prominent in that area. The work done at the Engineering department justify the high number of claims in respect of overtime due to the nature of their work. The department provides water to the communities and the water provisioning has to operate 24 hours non-stop as it is classified as a basic human right in the Constitution of the republic of South Africa.

Some of the factors that influence workforce expenditure are the yearly increments which the municipality has to budget and issues relating to drought and disasters which the municipality is unable to anticipate. Fortunately, provision is made in the budget for such occurrences.

Due to the financial constraints that ADM is experiencing excessive leave accruals by employees which needs to be reduced therefore the Leave Policy was amended and adopted by Council on 19 March 2020. The amendment was that an employee is required to take leave within each leave cycle and further granted 6 months grace period after leave cycle before forfeitin

Explain the spending pattern in the context of the actual and two previous years plus the budget year. Refer to implications for workforce ratio in Chapter 5. Comment on factors influencing workforce expenditure during the year.

*T 4.6.1.1*

| Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded | | |
|---|---|---|
| **Beneficiaries** | **Gender** | **Total** |
| Lower skilled (Levels 1-2) | Female | 0 |
| | Male | 0 |
| Skilled (Levels 3-5) | Female | 0 |
| | Male | 0 |
| Highly skilled production (Levels 6-8) | Female | 0 |
| | Male | 0 |
| Highly skilled supervision (Levels9-12) | Female | 0 |
| | Male | 0 |
| Senior management (Levels13-16) | Female | 0 |
| | Male | 0 |
| MM and S 57 | Female | 0 |
| | Male | 0 |
| Total | | 0 |

*Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries'column as well as in the numbers at the right hand side of the column (as illustrated above).* *T 4.6.2*

| Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation | | | | |
|---|---|---|---|---|
| **Occupation** | **Number of employees** | **Job evaluationlevel** | **Remunerationlevel** | **Reason for deviation** |
| Artisan Plumber | 14 | Task Grade 09 | Post Level 08 | Salary more than the highest Task Grade Notch |
| Assistant Accountant | 5 | Task Grade 09/10 | Post Level 09 | Salary more than the highest Task Grade Notch |

| | | | | |
|---|---|---|---|---|
| Foreman | 3 | Task Grade 07/08 | Post Level 10 | Salary more than the highest Task Grade Notch |
| General Assistant | 1 | Task Grade 03 | Post Level 17 | Salary more than the highest Task Grade Notch |
| Switchboard Operator | 1 | Task Grade 06 | Post Level 11 | Salary more than the highest Task Grade Notch |
| | | | | *T 4.6.3* |

| Employees appointed to posts not approved | | | | |
|---|---|---|---|---|
| **Department** | **Level** | **Date of appointment** | **No. appointed** | **Reason for appointment whenno established post exist** |
| N/A | N/A | N/A | N/A | N/A |
| | | | | *T 4.6.4* |

**COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:**

Since the implementation of the Standardisation process, there has been overwhelming challenges regarding the method used to standardize positions. Moreover Amahlathi Local Municipality has since visited Amathole District Municipality to enquire about the Standardisation model and after lengthy engagements, Amahlathi failed to implement the Standardisation model.

Comment on T4.6.2 as appropriate and give further explanations as necessary with respect to T4.6.3 and T4.6.4.

*T 4.6.5*

DISCLOSURES OF FINANCIAL INTERESTS

Refer to disclosures made by officials and councillors concerning their financial interests as required by PM Regulations 805 of 2006 are set out in **Appendix J**. Make other comments as appropriate.

*T 4.6.*

# Chapter 5

# Chapter 5

## CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

The municipality closely monitors its performance of budget versus actual on a monthly basis through the use of management accounts which reflect material variances. These variances are investigated and remedial action is taken where required.

The municipality vigilantly tries to reduce its reliance on consultants, with its annual financial statements being prepared in-house.

*T 5.0.1*

# Chapter 5

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### INTRODUCTION TO FINANCIAL STATEMENTS

The annual financial statements have been prepared on the accrual basis of accounting and in accordance with historical cost convention, unless otherwise specified. The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No. 56 0f 2003). The principal accounting policies adopted in the preparation of the annual financial statements are set out in the annual financial statements contained in this document.

This report provides information that would be useful to users of the annual financial statements for accountability and decision-making purposes by enabling them to gain an insight into the operations of the Amathole District Municipality. It also provides an opportunity to reflect on the significant transactions and events that affected the financial position and performance of the municipality.

This chapter therefore complements the 2024/2025 annual financial statements.

The annual financial statements are more meaningful when information is analysed and interpreted. The report contains such trend analysis that assists in assessing the financial strength of the Amathole District Municipality.

**Financial Position**

Amathole District Municipality was in a net assets position as at 30 June 2025, i.e. the total assets exceeded the total liabilities by over R5 billion rand.

The liquidity of the municipality is sustained by transfers from the national government. Revenue enhancement strategies are in place to improve the own revenue generated. The municipality is implementing the mandatory financial recovery plan.

At the end of 2025, the municipality reported a positive cash and cash equivalents balance of R171 million.

The municipality's liquidity ratio has increased slightly from 0.7 to 0.8. The ratio is still below the norm and indicates vulnerability and high risk in the event of financial shocks or setbacks.

The largest asset remains the property plant and equipment at R5.3 billion carrying value. These mainly consist of water and sanitation infrastructure assets.

**Financial performance**

The municipality reflects an overall surplus of R810 million for the 2025 financial year compared to the overall surplus of R408 million in the prior year. The increase is mainly attributable to the 24% increase in the revenue from non-exchange transactions. The conditional grants were 100% spent in comparison to the prior year, which has resulted in the increase in grant income recognised.

A total revenue of R2.5 billion has been recognised in the 2025 financial year. The ADM's revenue sources predominantly comprise operating fiscal transfers from the national government that accounted for 70% of operating revenue in 2025.

Amathole District municipality is one of few district municipalities in the country that provides water and sanitation services to all local municipalities within its jurisdiction. However, given the widespread poverty in the area, the revenue collection is very low, at 25%, which places a large burden on the municipality to sustain this service.

*T 5.1.0*

## 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

**Amathole District Municipality**

Annual Financial Statements for the period ended 30 June 2025

**Annexure 2**

**Appropriation Statement**

| Figures in Rand | Original budget | Budget adjustments (i.t.o. s28 and s31 of the MFMA) | Final adjustments budget | Shifting of (i.t.o. s28 and s31 of the MFMA) | Virement (i.t.o. council approved policy) | Final budget | Actual outcome | Unauthorised expenditure | Variance | Actual outcome as % of final budget | Actual outcome as % of original budget |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Municipality - 2025** | | | | | | | | | | | |
| **Financial Performance** | | | | | | | | | | | |
| Service charges | 560 834 163 | 8 000 121 | 568 834 284 | - | - | 568 834 284 | 459 915 845 | | (108 918 439) | 81% | 82% |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Interest on Investment revenue | 17 400 789 | 7 220 235 | 24 621 024 | - | - | 24 621 024 | 32 687 864 | | 8 066 840 | 133% | 188% |
| Donations received | - | - | - | - | - | - | - | | - | 0% | 0% |
| Transfers recognised - operational | 1 223 984 490 | 5 520 256 | 1 229 504 746 | - | - | 1 229 504 746 | 1 162 294 658 | | (67 210 089) | 95% | 95% |
| Other own revenue | 58 760 287 | - | 58 760 287 | - | - | 58 760 287 | 128 038 714 | | 69 278 427 | 218% | 218% |
| **Total revenue (excluding capital transfers and contributions)** | **1 860 979 729** | **20 740 612** | **1 881 720 341** | **-** | **-** | **1 881 720 341** | **1 782 937 080** | | **(98 783 261)** | **95%** | **96%** |
| | | | | | | | | | | | |
| Employee costs | (778 347 996) | 18 382 207 | (759 965 789) | - | 14 317 263 | (745 648 526) | (757 841 707) | - | (1 503 490 233) | 102% | 97% |
| Remuneration of councillors | (14 291 740) | (1 020 140) | (15 311 880) | - | (2 322 536) | (17 634 416) | (17 734 282) | - | (35 368 698) | 101% | 124% |
| Debt impairment | (383 798 837) | (18 723 259) | (402 522 096) | - | - | (402 522 096) | - | - | (402 522 096) | 0% | 0% |
| Depreciation and asset impairment | (105 441 571) | 24 000 000 | (81 441 571) | - | 78 737 | (81 362 834) | (99 741 180) | - | (181 104 014) | 123% | 95% |
| Finance charges | (107 768) | (4 935 880) | (5 043 648) | - | (1 620 346) | (6 663 994) | (1 426 480) | - | (8 090 474) | 21% | 1324% |
| Inventory consumed | (198 339 113) | (68 193 127) | (266 532 240) | - | 15 891 000 | (250 641 240) | (157 735 816) | - | (408 377 057) | 63% | 80% |
| Other expenditure | (338 728 519) | (57 278 995) | (396 007 514) | - | (26 418 582) | (422 426 096) | (563 908 028) | - | (986 334 125) | 133% | 166% |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total expenditure** | **(1 819 055 544)** | **(107 769 194)** | **(1 926 824 738)** | **-** | **(74 465)** | **(1 926 899 203)** | **(1 598 387 493)** | **-** | **(3 525 286 696)** | **83%** | **88%** |
| **Surplus/ (Deficit)** | **3 680 035 273** | **128 509 806** | **3 808 545 079** | **-** | **(74 465)** | **3 808 619 544** | **184 549 587** | **-** | **(3 624 069 957)** | **5%** | **5%** |
| Transfers recognised - capital | 571 188 510 | (72 757 044) | 498 431 466 | - | - | 498 431 466 | 626 408 036 | - | 127 976 569 | 126% | 110% |
| **Surplus / (Deficit) after capital transfers and contributions** | **4 251 223 783** | **55 752 763** | **4 306 976 546** | **-** | **(74 465)** | **4 307 051 011** | **810 957 623** | **-** | **(3 496 093 388)** | **19%** | **19%** |
| **Capital expenditure and funds sources** | | | | | | | | | | | |
| Total capital expenditure | 612 520 264 | (159 193 481) | 453 326 783 | - | - | 453 326 783 | 443 572 104 | - | (9 754 679) | 98% | 72% |
| **Source of capital funds** | | - | | | | - | | | | | |
| Transfers recognised - capital | 571 668 514 | (152 724 475) | 418 944 039 | - | - | 418 944 039 | 626 408 036 | - | 207 463 997 | 150% | 110% |
| Internally generated funds | 40 851 750 | (6 469 006) | 34 382 744 | - | - | - | - | - | - | 0% | 0% |
| **Total sources of capital funds** | **612 520 264** | **(159 193 481)** | **453 326 783** | **-** | **-** | **418 944 039** | **626 408 036** | **-** | **207 463 997** | **150%** | **102%** |

| Financial Performance of Operational Services R '000 | | | | | | |
|---|---|---|---|---|---|---|
| Description | Year - 2023/24 | Year 2024/25 | | | Year 2024/25 Variance | |
| | Actual | Original Budget | Adjustments Budget | Actual | Original Budget | Adjustments Budget |
| **Operating Cost** | | | | | | |
| Water | 687 475 | 749 088 | 967 050 | 1 154 778 | 35% | 16% |
| Waste Water (Sanitation) | 252 194 | 185 519 | 187 161 | 266 922 | 30% | 30% |
| Waste Management | 7 301 | 6 914 | 7 411 | 3 469 | -99% | -114% |
| Housing | 1 588 | 2 047 | 7 946 | (556) | 468% | 1528% |
| Component A: sub-total | 948 558 | 943 568 | 1 169 568 | 1 424 613 | 22% | 6,15% |
| Road Transport | 4 805 | 3 582 | 3 583 | 3 238 | -11% | -11% |
| Component B: sub-total | 4 805 | 3 582 | 3 583 | 3 238 | -11% | -11% |
| Planning and Development | 5 370 | 115 590 | 109 144 | 131 496 | 12% | 17% |
| Component B: sub-total | 5 370 | 115 590 | 109 144 | 131 496 | 12% | 17% |
| Community & Social Services | 20 622 | 9 215 | 13 173 | 9 637 | 4% | -37% |
| Health | 40 752 | 50 788 | 51 559 | 40 493 | -25% | -27% |
| Security and Safety | 62 461 | 65 255 | 67 231 | 68 632 | 5% | 2% |
| Corporate Policy Offices and Other | 891 722 | 449 325 | 465 015 | 415 583 | -8% | -12% |
| Component D: sub-total | 1 015 557 | 574 583 | 596 978 | 534 345 | -8% | -12%2 |
| **Total Expenditure** | **1 993 673** | **1 637 324** | **1 879 272** | **2 093 692** | 22% | 10% |

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. *T 5.1.2*

COMMENT ON FINANCIAL PERFORMANCE:

The following financial items presented in the Statement of Financial Performance of Amathole District Municipality are important in gaining an understanding of the financial performance of the municipality.

**Revenue**
Revenue from exchange transactions accounted for 32% of the total revenue of the municipality.

**Service charges**
The year-to-date budget amount for service charges is R630 million while the year-to-date accrued billing is R949 million representing a 51% variance. An amount of R10 million has been included in the service charges for the indigent subsidy.
There are areas where the meter readers were unable to read meters due to ongoing disputes between the municipality and the community. Where meter readings are not obtained, these service charges are billed using estimates in line with the approved tariff policy.

**Interest earned outstanding receivables**
The year-to-date planned amount was R96 million with the actual amounting to R208 million. This represents 116% more than the budget amount. This relates to interest charged and not interest received. Consumers have not been paying for services received, even the key accounts have dropped thereby increasing the figure of interest charged, restrictions and disconnections not fully effective due to various factors e.g., non-availability of vehicles to restrict/disconnect, no devices to limit water usage to defaulters.

**Interest earned external investments**
The year-to-date planned amount was R32 million with actual interest accrued amounting to R24 million, being 33% less than the budget.
The returns were worse than anticipated as result of the global events to the economy. The cash is managed to ensure maximum earning potential.

Revenue from non-exchange transactions accounted for 68% of the total revenue of the municipality.
ADM is heavily reliant on government grants and subsidies.

**Expenditure**
**Employee related costs**
Employee related costs (including councillors remuneration) accounted for 36% of the total operating expenditure, which is within the National Treasury guideline of 25% - 40% as contained in Circular 71. This has decreased by 2% in comparison to the prior year due to employee attrition and labour turn-over.

**Depreciation, amortisation and impairment**

The budget is R107 million with R86 million expenditure being recognised. This is a 20% variance as depreciation was less than anticipated. The infrastructure fixed asset register was corrected during the current year which has also impacted the depreciation and impairment.

**Debt impairment**

The debt impairment provision accounts for 19% of the total operating budget, this percentage would be lower if the debt book was reduced. Currently 80% of the debt book is considered impaired and is a direct consequence of consumers not paying their debt for services rendered.

**Repairs and maintenance**

During the current year under review, repairs and maintenance was only 3% of total operating expenditure and 1% of the carrying value of the property, plant and equipment. The repairs ratio set by National Treasury is 8% of property, plant and equipment, of which the ADM ratio is far below this norm. The gap is attributable to the lack of funds for repairs and maintenance. Grants are allocated for capital expenditure not maintenance.

**Finance costs**

The finance costs budget includes the portion of interest on the defined benefit obligation, land rehabilitation provision as well as the interest incurred on overdue accounts. The budget amount is R0.5 million with R1 million actual expenditure reported. Most of the finance costs are recognised at year end in terms of GRAP 25 Employee Benefits.

The finance costs also include R25 million relating to interest accrued on the debt owed to the Water Board for bulk water purchases, this amount has not been budgeted for.

**Contracted services**

Contracted services account for 12% of the total operating budget. Contracted Services relates to expenditure incurred on the leasing of property plant and equipment, leases for buildings, photocopiers and security. The budget is R252 million with R248 million in actual expenditure incurred, being a 1% variance. The budget has increased significantly from the prior year to accommodate the increase in security costs due to the increased vandalism of the municipal infrastructure.

**Inventory consumed**

16% of the total operating expenditure relates to inventory consumed. This relates mainly to the VIP toilets and water inventory. The VIP toilets are constructed by the municipality, once completed the toilets are handed over to the beneficiaries upon which it is recorded as an expense.

The water inventory is water that has been purchased and or treated and used by consumers.

**Operational expenditure**

Operational expenditure accounts for 11% of the total operating expenditure and consists of chemicals, insurance, fuel, electricity, etc.

The budget is R236 million against actual expenditure of R333 million, being 40% more than the budget. Water carting expenditure increased significantly during the year due to vandalism of the municipal infrastructure. Legal fees also increased significantly during the current year.

*T5.1.3*

## 5.2 GRANTS

Grants performance

| Grant Performance | | | | | | |
|---|---|---|---|---|---|---|
| R' 000 | | | | | | |
| Description | Year 2024 | Year 2024/2025 | | | Year 2025 Variance | |
| | Actual | Budget | Adjustments Budget | Actual | Original Budget (%) | Adjustments Budget (%) |
| **Operating Transfers and Grants** | | | | | | |
| **National Government:** | **1 096 784** | **1 145 493** | **1 145 493** | **1 145 493** | | |
| Equitable share | 591 791 | 633 427 | 633 427 | 633 427 | - | - |
| Municipal Systems Improvement | – | – | – | – | – | - |
| Expanded public works programme (EPWP) | 3 905 | 1 878 | 1 878 | 1 878 | – | - |
| Levy replacement | 497 543 | 506 890 | 506 890 | 506 890 | – | - |
| COVID-19 grant | – | – | – | – | – | - |
| Rural Roads Asset Management Grant (RAMS) | 3 545 | 3 298 | 3 298 | 3 298 | – | - |
| **Provincial Government:** | **–** | **–** | **–** | **–** | | |
| Health subsidy | – | – | – | – | 0,00% | 0 |
| Housing | – | – | – | – | 0,00% | 0 |
| Ambulance subsidy | – | – | – | – | 0,00% | 0 |
| Sports and Recreation | – | – | – | – | 0,00% | 0 |
| Rural Roads Asset Management Grant (RAMS) | | | | | 0,00% | 0 |
| **Total Operating Transfers and Grants** | **1 096 784** | **1 145 493** | **1 145 493** | **1 145 493** | | |

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.* *T 5.2.1*

COMMENT ON OPERATING TRANSFERS AND GRANTS:

At the end of the 2025 financial year 100% of the operational grant allocation received has been spent, this equates to R1.1 billion.

All operating transfers and grants were fully received and utilized for the purpose for which they were intended.

*T 5.2.2*

| Grants Received From Sources Other Than Division of Revenue Act (DoRA) | | | | | | |
|---|---|---|---|---|---|---|
| **Details of Donor** | **Actual Grant Year -1** | **Actual Grant Year 0** | **Year 0 Municipal Contribution** | **Date Grant terminates** | **Date Municipal contribution terminates** | **Nature and benefit from the grant received, include description of any contributions in kind** |
| **Parastatals** | | | | | | |
| A - "Project 1" | | | | | | |
| A - "Project 2" | | | | | | |
| B - "Project 1" | | | | | | |
| B - "Project 2" | | | | | | |
| | | | | | | |
| **Foreign Governments/Development Aid Agencies** | | | | | | |
| A - "Project 1" | | | | | | |
| A - "Project 2" | | | | | | |
| B - "Project 1" | | | | | | |
| B - "Project 2" | | | | | | |
| | | | | | | |
| **Private Sector / Organisations** | | | | | | |
| A - "Project 1" | | | | | | |
| A - "Project 2" | | | | | | |
| B - "Project 1" | | | | | | |
| B - "Project 2" | | | | | | |
| | | | | | | |
| *Provide a comprehensive response to this schedule* | | | | | | *T 5.2.3* |

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

N\A

*T 5.2.4*

## 5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Asset Management refers to all activities and processes carried out during the cycle of acquisition or construction, maintenance, renewal or refurbishment and disposal of all resources consumed during the provision of services by the municipality to the communities or customers.

These resources are consumed on the basis that there is future economic benefit derived from their consumption or their utilization results in economic benefit for the municipality. These resources range from the water and sanitation infrastructure network used to deliver water and sanitation services to households, vehicles used by personnel to maintain the network, tools utilized in the maintenance of the network, equipment used by field and office staff during the delivery of services, furniture used by staff in support of the services to the communities, materials consumed during the construction of service facilities and work in progress in service infrastructure projects.

Section 63 of the Local Government Municipal Finance Management Act (MFMA) requires the accounting officer to have consistent regulatory framework in which the Municipality operates. An Asset Management Policy was designed to promote efficient and effective management, monitoring, control and safeguarding of all assets controlled and owned by Municipality. To ensure accurate recording of asset information in the asset register is in accordance with the applicable accounting standards approved by National Treasury.

The sustainability of the ADM is highly dependant on the condition and performance of the infrastructure assets. Should any of the major assets collapse and not operate, ADM will not be able to fully meet its mandate.
It is critical that assets are safeguarded so that services are not interrupted and to prevent additional costs for replacement and repair.

The Asset unit is headed by a senior manager and two managers, one for immovable assets and one for movable assets. The senior manager and managers are delegated the functions and responsibilities for asset management in terms of Section 63 of the MFMA.
Fixed asset registers are maintained for all categories of assets.

*T 5.3.1*

| ***TREATMENT OF THE THREE LARGEST ASSETS AQUIRED YEAR 2024/25*** | |
|---|---|
| ***Asset 1*** | |
| *Name* | *Gcuwa West Water Supply Scheme Phase 2* |

| | | | | |
|---|---|---|---|---|
| *Description* | *Water supply* | | | |
| *Asset type* | *Water infrastructure* | | | |
| *Key Staff Involved* | *Stephen Nash* | | | |
| *Staff Responsibilities* | *Engineering Services* | | | |
| *Asset Value* | *Year-3* | *Year-2* | *Year-1* | *Year-0* |
| | | | | *R32,250,493* |
| *Capital Implications* | *None* | | | |
| *Future Purpose of Asset* | *Engineering Services* | | | |
| *Describe Key Issues* | *None* | | | |
| *Policies in Place to Manage Asset* | *Assets Management Policy* | | | |
| ***Asset 2*** | | | | |
| *Name* | *Komga Commonage Settlement Project* | | | |
| *Description* | *Water Supply Scheme* | | | |
| *Asset type* | *Water Infrastructure* | | | |
| *Key Staff Involved* | *Stephen Nash* | | | |
| *Staff Responsibilities* | *Engineering Services* | | | |

COMMENT ON ASSET MANAGEMENT:

Asset Management refers to all activities and processes carried out during the cycle of acquisition or construction, maintenance, renewal or refurbishment and disposal of all resources consumed during the provision of services by the municipality to the communities or customers. These resources are consumed on the basis that there is future economic benefit derived from their consumption of their utilization results in economic benefit for the municipality.

These resources range from the water and sanitation infrastructure network used to deliver water and sanitation services to householders, vehicles used by personnel to maintain the network, tools utilized in the maintenance of the network, equipment used by the field and office staff during the delivery of services, furniture used by the staff in support of the services to the communities, materials consumed during the construction of service facilities and work in progress in the service infrastructure projects. Capital Assets are classified into the following categories for the financial reporting purposes:

1. Property, Plant and Equipment
Land and Buildings (Land and Buildings not held as Investment)
Infrastructure Assets (Immovable Assets that are used to provide basic services) Community Assets (Resources contributing to the general well-being of the community) Housing Assets (Rental stock or housing stock not held for Capital gain)
Heritage Assets (Cultural significant resources) Other Assets (Ordinary operational resources)

2.Intangible Assets (GRAP 102) – Intangible Assets (Assets without physical substance held for ordinary operational resources

Investment Property (GRAP 16) – Investment Assets (Resources held for Capital or Operational Gain)

4. Assets classified as held-for-Sale (GRAP 100) – Assets held-for-sale (Assets identified to be sold in the next 12 months and reclassified as Inventory)

Challenges
Ownership of the water assets pose a threat to ADM as the owners of the land through which ADM infrastructure passes tend to restrict our access to that infrastructure causing obstructions and delays in the service delivery. The major challenge is that no registered servitudes exist over those land.

*T 5.3.3*

| Repair and Maintenance Expenditure: Year 2025 | | | | |
|---|---|---|---|---|
| | | | | R' 000 |
| | Original Budget | Adjustment Budget | Actual | Budget variance |
| Repairs and Maintenance Expenditure | 52 800 | 52 800 | 90 815 | -72% |
| | | | | *T 5.3.4* |

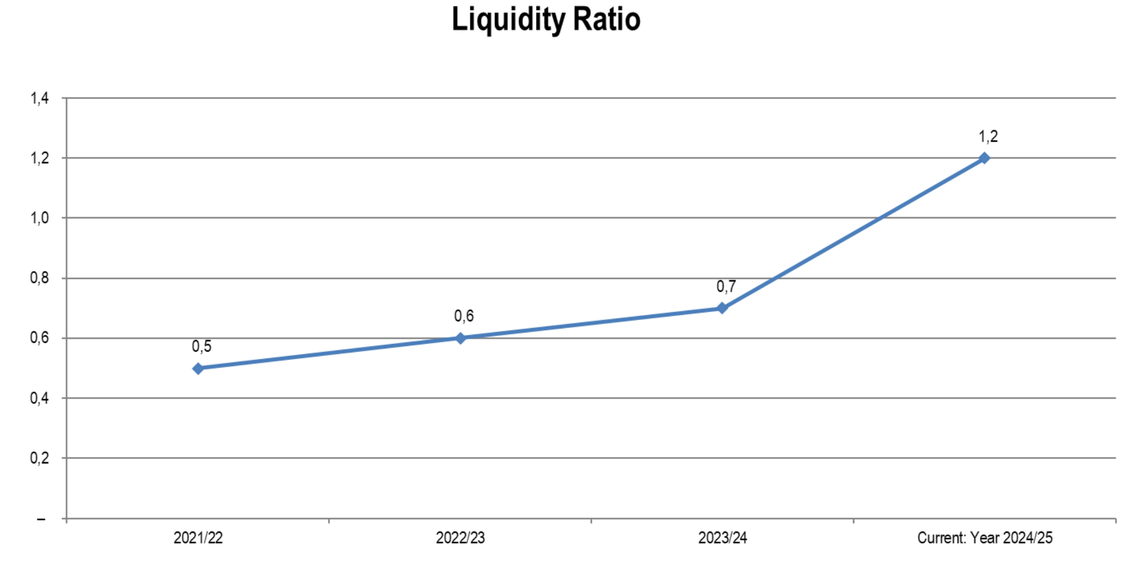
COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Budgeting for repairs and maintenance is for both reactive and planned maintenance. It is very difficult to budget accurately for reactive maintenance as it is not possible to predict when infrastructure is going to fail. Nevertheless, adequate budget provision needs to be available to attend to problems if and when they occur.

The repairs and maintenance budget is 3% of the total operating budget and 1% of the carrying value of the property, plant and equipment. The repairs ratio set by National Treasury is 8% of property, plant and equipment, of which the ADM ratio is far below this norm. The gap is attributable to the lack of funds for repairs and maintenance. Grants are allocated for capital expenditure not maintenance.
This has been the trend over the past 5 financial years.

*T 5.3.4.1*

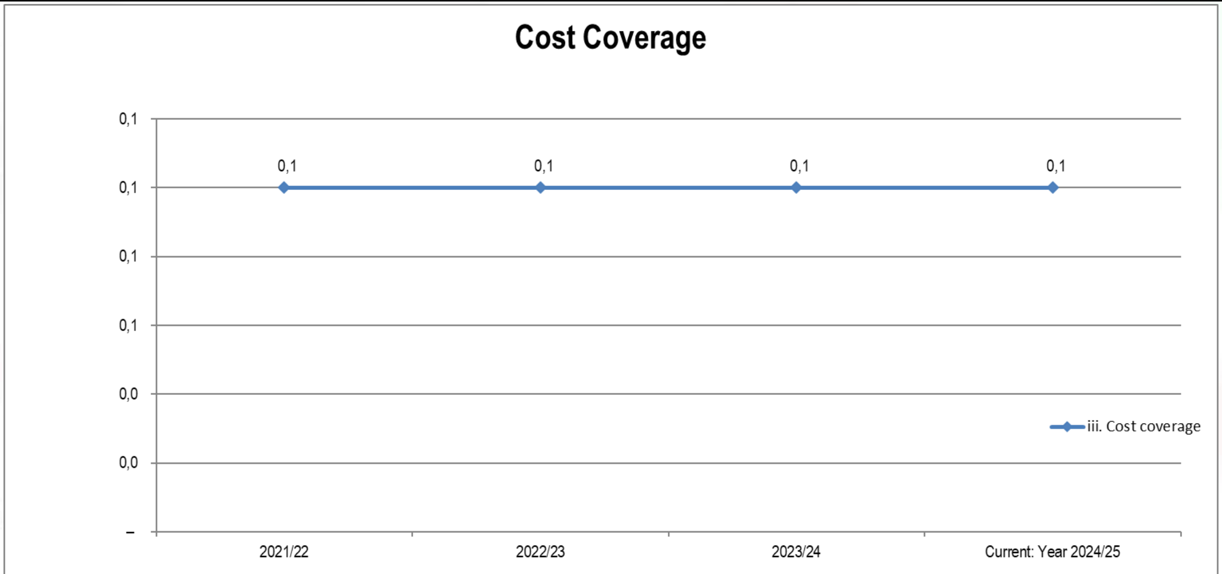
## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS




Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year ) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

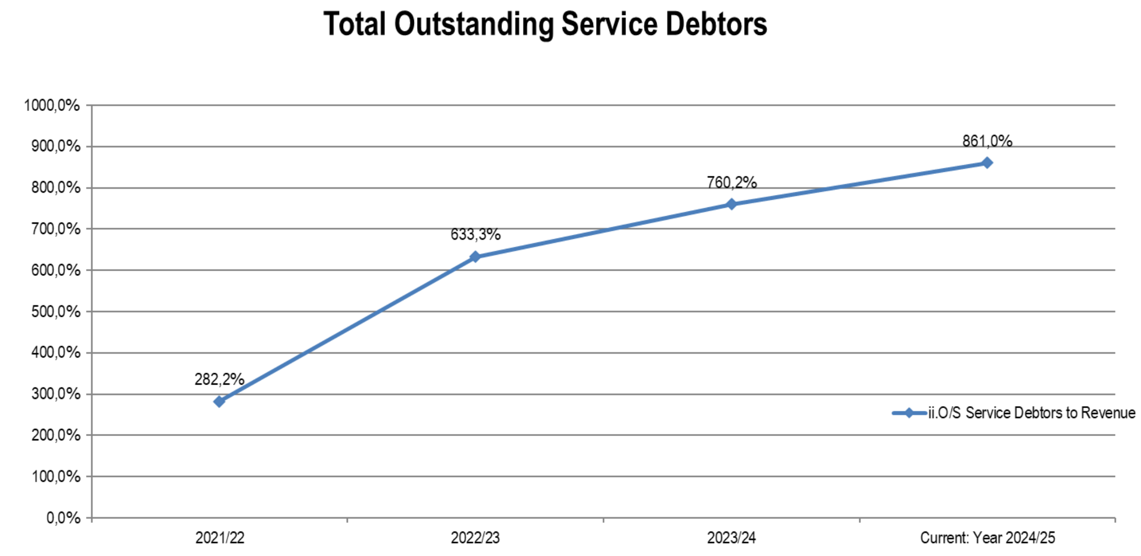
*T 5.4.1*




Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

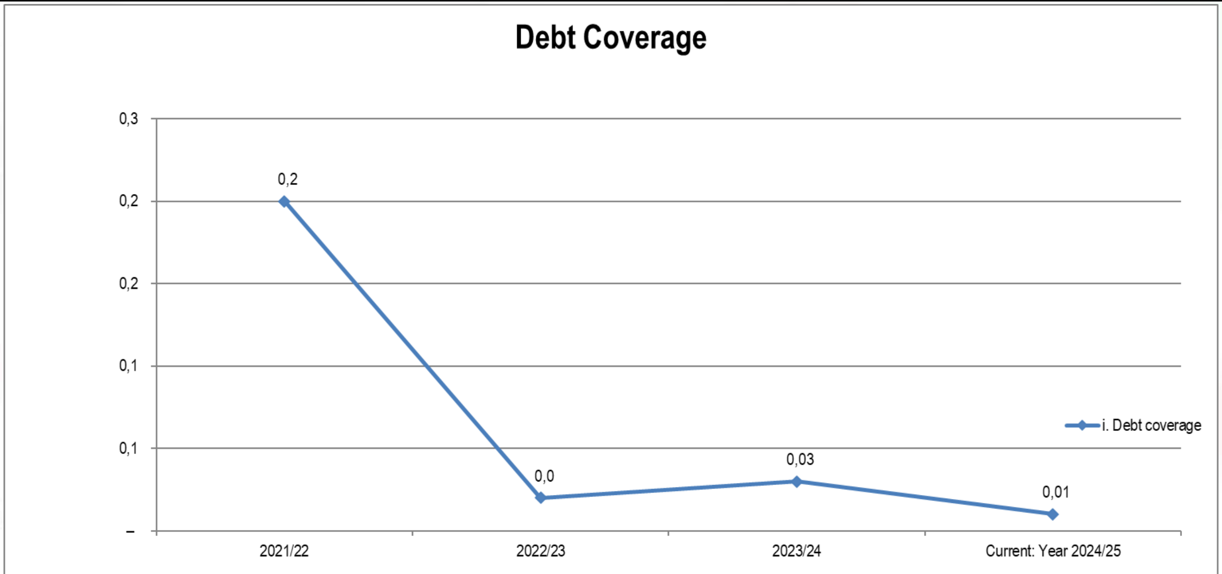
T 5.4.2




Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

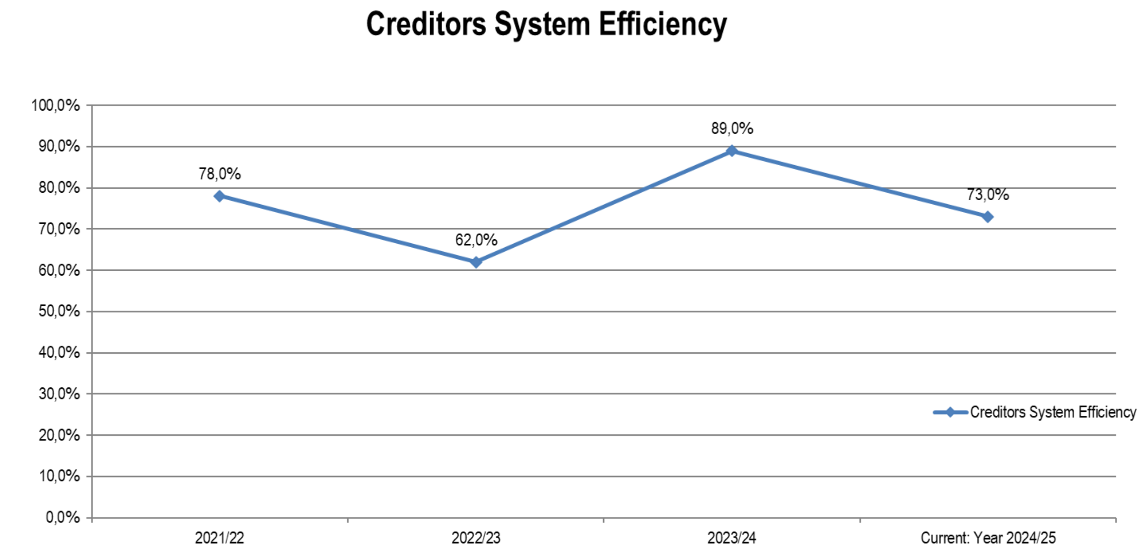
*T 5.4.3*




Debt Coverage– The number of times debt payments can be accomodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accomodated by the municipality

Data used from MBRR SA8

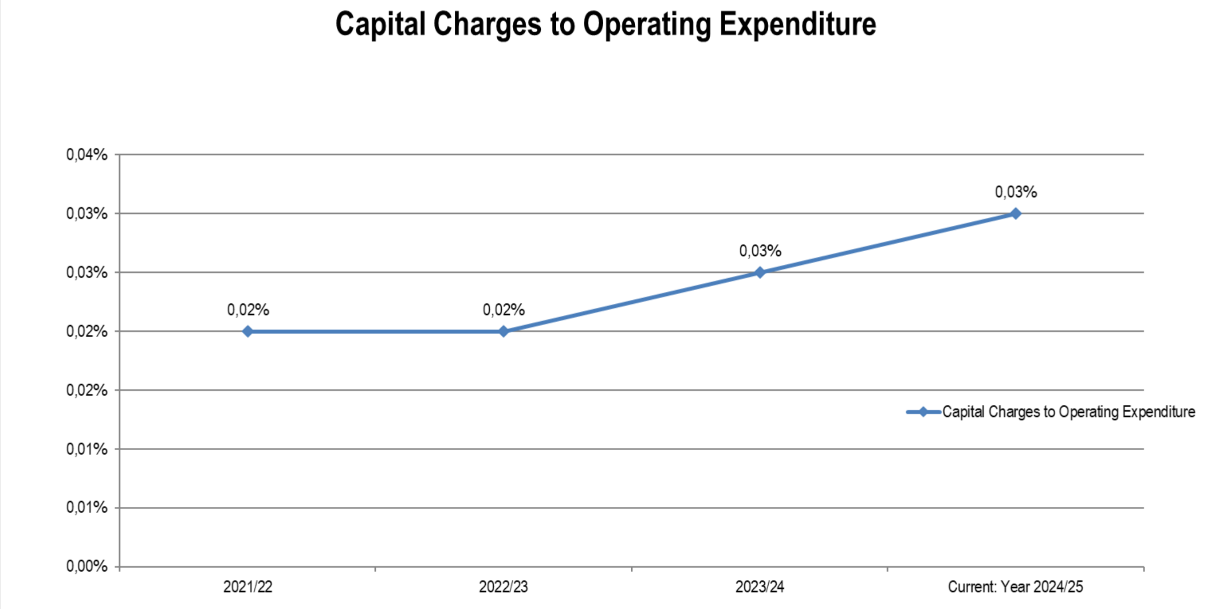
*T 5.4.4*




Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

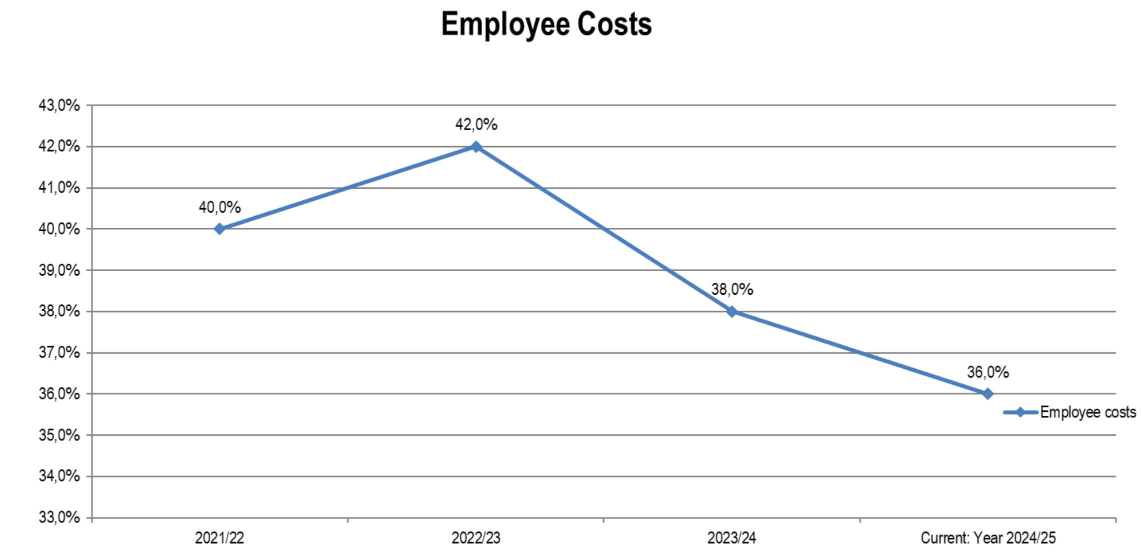
T 5.4.5




Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

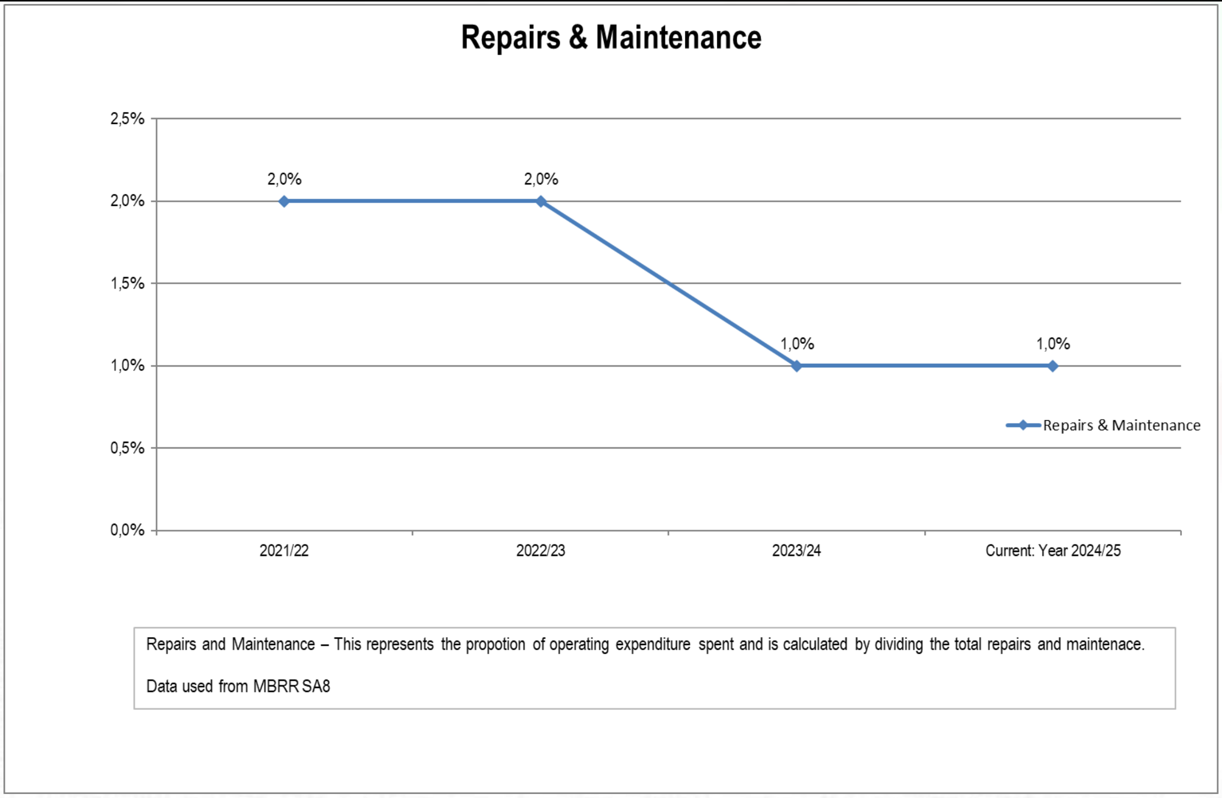
*T 5.4.6*




Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

*T 5.4.7*




*T 5.4.8*

COMMENT ON FINANCIAL RATIOS:

**Liquidity**

This ratio measures the municipality's ability to pay its debts when due and is calculated by dividing the total current assets by current liabilities. The higher the ratio the better. The Amathole District municipality reflects a weak liquidity ratio which is indicative of cash flow constraints thus rendering the municipality unable to pay its debts when they fall due. Despite the constraints, the municipality continues to monitor and manage cash.

The municipality has been placed under administration as per Section 139 5(a) which relates to a mandatory financial recovery plan implementation.

**Cost coverage**

This ratio represents the number of months' fixed expenditure that can be covered by the cash and liquid assets available to the Municipality. The cost coverage ratio year on year shows an upward trend from 2020/2021 the ratio is now stable, but below the norm.

The municipal viability is not healthy due to financial constraints that the municipality is experiencing. The municipality is dependent on grants. Strategies to improve own revenue are being implemented.

**Outstanding debtors and Collection rates**

The collection rate measures how much is money is owed by the municipality by its consumers for water, sanitation and fire services within the District. It is calculated by divided the total revenue collected versus the total billing of services.

The collection rate target was 45% for the 2024/25 financial, however as at 30th June 2025, the actual collection rate was only 25%. Several strategies have been implemented to improve collections and reduce the outstanding debt.

**Debt coverage**

The municipality has a very low debt gearing. The ADM only has external from finance lease obligations for office equipment in accordance with GRAP 13 on leases. This amount is immaterial.

**Creditors' efficiency**

paid within 30 days of receipt. This is as a result of cash flow constraints experienced by the municipality. The ratio must be compared to the municipality's credit terms which it receives from suppliers and that determined by the MFMA to determine whether the management of accounts payable is effective or not. The longer the credit terms the better for the municipality as the credit is usually interest free. Trade creditors carry no explicit cost. However, when cash discounts are being offered, the cost of not taking the discount is an implicit cost. Additional stain is placed on working capital requirements if creditor's payment days are significantly less than the debtor's collection period.

Payment can only be made upon receiving the original invoice. The Budget and Treasury office has implemented procedures and controls to ensure that invoices are received andpaid within the legislative time frames i.e. payment within 30 days of receipt of invoice. This intervention has greatly improved the payment turn-around times to ensure compliance with the MFMA

**Capital charges to operating expenditure**

This ratio is an indication of capital charges in relation to operating expenditure. This ratio could be used to assess the cost/extent of financing. The cost of capital includes finance costs and depreciation.

This ratio is very low as the only finance and capital payments are as a result of finance lease payments. The municipality rents copiers and fax machines. These lease agreements are classified as finance leases in accordance with GRAP 13: Leases (applicable accounting standard).

The municipality has finance lease obligations and external borrowings hence the ratio is below 1%.

**Employee costs**

This ratio measures what percentage of the revenue was spent on paying employee costs. The ratio reflects a downward trend, with a decrease from 40% in the 2021/22 financial year to 36% in the 2024/25 financial year. This ratio is within the norm set by National Treasury.

**Repairs and maintenance**

Currently the ratio is very low. The amount of repair expenditure will depend on the age of the assets. The ratio can be used to assess whether asset management is effective or not. The budget has a direct impact on the repairs and maintenance.

Comment on the financial health of the municipality / municipal entities revealed by the financial ratios set out above. These ratios are derived from table **SA8 of the MBRR.**

| T 5.4.9 |
|---|

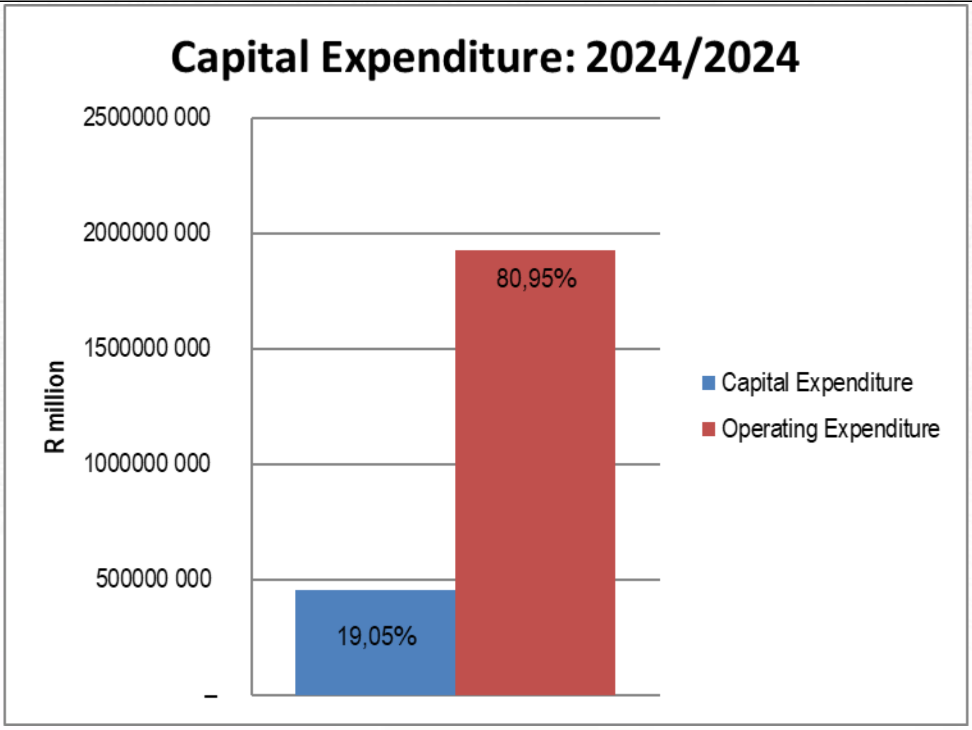
## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. Component B deals with capital spending indicating where the funding comes from and whether Municipalities are able to spend the available funding as planned. In this component it is important to indicate the different sources of funding as well as how these funds are spend. Highlight the 5 largest projects (see T5.7.1) and indicate what portion of the capital budget they use. In the introduction briefly refer to these key aspects of capital expenditure (usually relating to new works and renewal projects) and to **Appendices M** (relating to the new works and renewal programmes), **N** (relating to the full programme of full capital projects, and **O** (relating to the alignment of projects to wards).

*T 5.5.0*

## 5.5 CAPITAL EXPENDITURE




*T 5.5.1*

## 5.6 SOURCES OF FINANCE

| | | | | | | | R' 000 |
|---|---|---|---|---|---|---|---|
| Details | | Year 2024 | Year 2025 | | | | |
| | | Actual | Original Budget (OB) | Adjustment Budget | Actual | Adjustment to OB Variance (%) | Actual to OB Variance (%) |
| **Source of finance** | | | | | | | |
| | External loans | 0 | 0 | 0 | 0 | #DIV/0! | #DIV/0! |
| | Public contributions and donations | 0 | 0 | 0 | 0 | #DIV/0! | #DIV/0! |
| | Grants and subsidies | 418944 | 436475 | 370924 | 391818 | -15,02% | -10,23% |
| | Other | 34383 | 57273 | 44131 | 28810 | -22,95% | -49,70% |
| **Total** | | **453327** | **493748** | **415055** | **420628** | **#DIV/0!** | **#DIV/0!** |
| *Percentage of finance* | | | | | | | |
| | External loans | 0,0% | 0,0% | 0,0% | 0,0% | #DIV/0! | #DIV/0! |
| | Public contributions and donations | 0,0% | 0,0% | 0,0% | 0,0% | #DIV/0! | #DIV/0! |
| | Grants and subsidies | 92,4% | 88,4% | 89,4% | 93,2% | #DIV/0! | #DIV/0! |
| | Other | 7,6% | 11,6% | 10,6% | 6,8% | #DIV/0! | #DIV/0! |
| **Capital expenditure** | | | | | | | |
| | Water and sanitation | 377335 | 435875 | 370924 | 362708 | -14,90% | -16,79% |
| | Electricity | 0 | 0 | 0 | 0 | #DIV/0! | #DIV/0! |
| | Housing | 0 | 0 | 0 | 0 | #DIV/0! | #DIV/0! |
| | Roads and storm water | 0 | 0 | 0 | 0 | #DIV/0! | #DIV/0! |
| | Other | 75992 | | 44130 | 57920 | #DIV/0! | #DIV/0! |
| **Total** | | **453327** | **435875** | **415054** | **420628** | **#DIV/0!** | **#DIV/0!** |
| *Percentage of expenditure* | | | | | | | |
| | Water and sanitation | 83,2% | 100,0% | 89,4% | 86,2% | #DIV/0! | #DIV/0! |
| | Electricity | 0,0% | 0,0% | 0,0% | 0,0% | #DIV/0! | #DIV/0! |
| | Housing | 0,0% | 0,0% | 0,0% | 0,0% | #DIV/0! | #DIV/0! |
| | Roads and storm water | 0,0% | 0,0% | 0,0% | 0,0% | #DIV/0! | #DIV/0! |
| | Other | 16,8% | 0,0% | 10,6% | 13,8% | #DIV/0! | #DIV/0! |
| | | | | | | | *T 5.6.1* |

COMMENT ON SOURCES OF FUNDING:

***Delete Directive note once comment is completed*** **–** Explain any variations from the approved budget of more than 10% and discuss the total capital expenditure as a viable proportion of total expenditure.

*T 5.6.1.1*

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

| Capital Expenditure of 5 largest projects* R' 000 | | | | | |
|---|---|---|---|---|---|
| Name of Project | Current: Year 2020/21 | | | Variance: Current Year 2020/21 | |
| | Original Budget | Adjustment Budget | Actual Expenditure | Original Variance (%) | Adjustmentvariance (%) |
| A - Xhora East Water Supply | 99 694 000 | 99 694 000 | 25 700 | 100% | 0% |
| B -SAP/ ADMAC project | 46 462 720 | 26 611 707 | 19 900 | 100% | 43 % |
| C - Ngqamakwe Regional Water SupplyPhase (1 - 4) | 21 205 874 | 21 205 875 | 15 500 | 100% | 0% |
| D - Ngqushwa Region 2C SanitationProject | 62 7432 779 | 8 901 345 | 55 842 | 100% | -14% |
| E - Ibika-Centani Water Supply Phase 3 | 16 964 699 | 18 123 839 | 11 250 | 100% | -7% |
| ** Projects with the highest capital expenditure in Year 0* | | | | | |
| **Name of Project - A** | - Xhora East Water Supply | | | | |
| Objective of Project | The purpose of the project is to ultimately supply 6.6 Mℓ/day of potable water to a population of about 66,900 people (approximately 8,082 households), allowing for an increase in the average consumption per capita from 25 ℓ/c/d on reticulation mains to 60 ℓ/c/d on the bulk mains over a 20 year time horizon. The targeted categories of consumers to besupplied with potable water are domestic water users throughout the Mbashe Local Municipality, coastal tourism areas, light industrial users and institutional users mainly within the town of Elliotdale | | | | |

| | |
|---|---|
| Delays | Budget constrains |
| Future Challenges | -Eskom quality of supply, large phase imbalances. This is impacting thevolume of treated water<br>-Illegal water connections (rural areas)<br>-Pipe leaks<br>-Infrastructure vandalism |
| Anticipated citizen benefits | There are approximately 133 rural villages with a population of about 66,900 in 8,082 households. The project area covers Wards 13, 15, 16,<br>17, 20, 21, 26, 28 and 32 of the Mbashe Local Municipality.` |
| **Name of Project - B** | |
| Objective of Project | |
| Delays | |
| Future Challenges | |
| Anticipated citizen benefits | |
| **Name of Project - C** | C - Ngqamakwe Regional Water Supply Phase (1 - 4) |
| Objective of Project | The whole project covers 129 villages in ward 13-20 of theMnquma Local Municipality covering 76 000 people. A severe persisting water shortage in 2009/10 due to droughtprompted ADM to sort a medium to long term relief and an area that is within the greater part of Ngqamakhwe RWSS that was worst hit was identified and required urgent water<br>supply. |
| Delays | Eskom Connection at Borehole Pumpstations, Bulk water Supply from Phase 5 - project to be completed September 2023 |
| Future Challenges | Vandalism, Illegal water connections (rural areas) and Pipe leaks |
| Anticipated citizen benefits | 76 000 people (12666 households) |
| **Name of Project - D** | |
| Objective of Project | Provision of basic sanitation services |
| Delays | None |
| Future Challenges | Lack of funds to eradicate backlog and address population growth |
| Anticipated citizen benefits | The use of dignified sanitation facilities |
| **Name of Project - E** | E - Ibika-Centani Water Supply Phase 3 |
| Objective of Project | This project, Ibika - Centani Regional Water Supply, was identified in ADM's 2012-2017 IDP for the realization of its objective of provision of adequate, potable and sustainable water services infrastructure. Amathole District Municipality seeks to implement a rural water supply scheme for the area stretching from N2 route in the north, Xholani on the west and Gosaxi in the east down to the coastal area of Mazepa within the Mnquma Local Municipality. The area is home to a total of 32,574 people dwelling in 6,515 households made of mainly low income earners.The project will also extend to Centane which has both urban and rural dwellers. The estimated population for Centane, projected from the 2002<br>population is around 13,260, which converts to about 2,652 households at |

| | |
|---|---|
| | an average of 5 people per household. An additional 1200 will be addedonce the new housing development is completed. This gives a total<br>current design population of 10,367 households. |
| Delays | Draught |
| Future Challenges | Draught, vandalism of existing infrastructure with no adequate water supply |
| Anticipated citizen benefits | 47 034 people (10 367 households) |
| | *T 5.7.1* |

COMMENT ON CAPITAL PROJECTS:

Provide information in the template above on the 5 largest projects, ranked according to their approved budget provision year 0. Comment on the variance between the original and adjustment budgets and on availability of future Budget provision to operate the projects and lessons learnt in the year about capital project implementation on time to budget.

*T 5.7.1.1*

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Owing to the rural nature and Grant dependency of the ADM, there are still significant water and sanitation backlogs in the former homeland areas. The pace of the eradication of these backlogs is entirely dependent on funding allocations from National Treasury through the respective Grant allocations. The newly established Water Services Infrastructure Grant (WSIG) will assist in ensuring that all communities have access to at least a safe water supply by 2022, even if these water systems do not meet RDP standards. The Municipal Infrastructure Grant (MIG) will be used to eradicate the backlog.

The MIG grant is also being used to eradicate the water backlog and ensure that all households have access to a RDP level of service While the ADM still needs to provide water and sanitation services to all those currently not served, other challenges being faced are expanding villages, the demand for higher levels of service as well as old and dilapidated infrastructure.

Since the MIG is primarily being used to eradicate backlogs, ADM has to rely on limited internal funding for extensions, upgrades and asset renewal. This is a major cause for concern as the ADM has insufficient internal funding to adequately keep pace with these additional infrastructure requirements which therefore results in a growing backlog in these areas. Effective asset management, such as preventive maintenance will be key to prolong the life of ageing infrastructure.

Explain that need and cost of backlogs are the result of migration into an area; migration out of an area; the trend towards disaggregation of families into more than one housing unit; and the cost of renewing and upgrading core infrastructure. Explain how this balance effects net demand in your municipality and how your municipality is responding to the challenges created.

T 5.8.1

| Service Backlogs at 30 June Year 2024 | | | | |
|---|---|---|---|---|
| | Service Level Above Minimum Standard | | Service Level below minimum Standard | |
| | No. HHs | %HHs | No. HHs | %HHs |
| Water | 235 338 | 98% | 5 998 | 2% |
| Sanitation | 217 853 | 91% | 22 147 | 9% |
| Electricity | N\|A | N\A | N\A | N\A |
| Waste Management | N\A | N\A | N\A | N\A |
| Housing | 122743 | 55.1 | 99643 | 44.8 |
| T5.8.2 | | | | |

| Municipal Infrastructure Grant (MIG)* Expenditure Year 2019/20 on Service backlogs | | | | | | |
|---|---|---|---|---|---|---|
| Details | Budget | Adjustments Budget | Actual | Variance | | Major conditions applied by donor (continue below if necessary) |
| | | | | Budget | Adjust-ments Budget | |
| **Infrastructure - Road transport** | | | | % | % | |
| *Roads, Pavements & Bridges* | | | | % | % | |
| *Storm water* | | | | % | % | |
| **Infrastructure - Electricity** | | | | % | % | |
| *Generation* | | | | % | % | |
| *Transmission & Reticulation* | | | | % | % | |
| *Street Lighting* | | | | % | % | |
| **Infrastructure - Water** | 225 011 | 129 347 | 129 347 | % | 100 | |
| *Dams & Reservoirs* | | | | % | % | |
| *Water purification* | | | | % | % | |
| *Reticulation* | | | | % | % | |
| **Infrastructure - Sanitation** | 182 460 | 278 232 | 278 232 | % | 100 | |
| *Reticulation* | | | | % | % | |
| *Sewerage purification* | | | | % | % | |
| **Infrastructure - Other** | | | | % | % | |
| *Waste Management* | N/A | N/A | N/A | % | % | |
| *Transportation* | N/A | N/A | N/A | % | % | |
| *Gas* | | | | % | % | |

| | | | | | | |
|---|---|---|---|---|---|---|
| ***Other Specify: PMU Operations*** | 20 961 | 20 891 597 | 20 891 | % | 100% | |
| | | | | % | % | |
| | | | | % | % | |
| | | | | % | % | |
| **Total** | 428 472 | 428 472 | 428 472 | % | 100% | |

** MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustment budget by actual.*

*T 5.8.3*

COMMENT ON BACKLOGS:

Municipal Infrastructure Grant is a conditional grant that is issued to municipalities based on powers and functions to address all related backlog. Amathole District Municipality being a water service authority is responsible for all water and sanitation mandates of the district. The grant therefore aims to address all water and sanitation backlog within the district. The grant is regulated through the Division of Revenue Act (DORA) which is gazetted yearly to indicate the allocations to be given to each municipality on a 3 year Medium-Term Expenditure (MTEF) framework. The municipality therefore has a three year window to plan accordingly for the implementation of projects that aim to address the identified backlog.

For the 2024/25 financial year, ADM received a MIG allocation of R488 582 000, 100% of the allocation has been spent.

MIG only implements projects to address household backlog and the mandate for addressing backlog in schools and clinics lies with the departments of education and health respectively. Therefore the above indicated allocation only addressed backlog in relation to households.

Comment on how MIG grants have been utilised to redress the backlogs and on the variances in T 5.8.3. If appropriate, comment that **Appendix P** contains details of schools and clinics that have been established that do not have ready access to one or more basic services and **Appendix Q** contains details of those services provided by other spheres of government (whether the municipality is involved on an agency basis or not) that carry significant backlogs.

*T 5.8.4*

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow is of vital importance to the health of a municipality.
Investments are placed with top creditworthy institutions as rated by nationally recognised credit rating agencies.
The administrative system of cash flow and investment management is geared towards fiscal discipline despite challenges associated with the collection of revenues.
The municipality continues to experience cash flow constraints and finds itself facing challenges in meeting its long- and short-term commitments in a timely manner.

The Council of the municipality is regarded as the trustee of the public revenue that it collects and it therefore has an obligation to the community to ensure that the municipality's cash resources are effectively and efficiently managed. Council therefore has a responsibility to invest these public revenues knowledgeably and judiciously and must be able to account fully to the community in respect of these investments.

The investment portfolio has been delegated to the Chief Financial Officer, through application of the approved investment policy and stringent cash monitoring, R24 million interest was actually earned

Give a brief comment on the importance of cash flow management. Refer to the scope of this activity as indicated in this component and what you regard as the key management features of your municipality's approach. Refer to any other cash flow issues of current relevance to your municipality that are not adequately provided for in the format of this component.

*T 5.9*

## 5.9 CASH FLOW

| Cash Flow Outcomes | | | | |
|---|---|---|---|---|
| | | | | R'000 |
| Description | Year -1 | Current: Year 0 | | |
| | Audited Outcome | Original Budget | Adjusted Budget | Actual |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| **Receipts** | | | | |
| Ratepayers and other | | | | |
| Government - operating | | | | |
| Government - capital | | | | |
| Interest | | | | |
| Dividends | | | | |
| **Payments** | | | | |
| Suppliers and employees | | | | |
| Finance charges | | | | |
| Transfers and Grants | | | | |
| **NET CASH FROM/(USED) OPERATING ACTIVITIE** | – | – | – | – |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | |
| **Receipts** | | | | |
| Proceeds on disposal of PPE | | | | |
| Decrease (Increase) in non-current debtors | | | | |
| Decrease (increase) other non-current receivables | | | | |
| Decrease (increase) in non-current investments | | | | |
| **Payments** | | | | |
| Capital assets | | | | |
| **NET CASH FROM/(USED) INVESTING ACTIVITIE** | – | – | – | – |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | |
| **Receipts** | | | | |
| Short term loans | | | | |
| Borrowing long term/refinancing | | | | |
| Increase (decrease) in consumer deposits | | | | |
| **Payments** | | | | |
| Repayment of borrowing | | | | |
| **NET CASH FROM/(USED) FINANCING ACTIVITIE** | – | – | – | – |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | – | – | – | – |
| Cash/cash equivalents at the year begin: | | | | – |
| Cash/cash equivalents at the year end: | | – | – | – |
| *Source: MBRR A7* | | | | *T 5.9.1* |

COMMENT ON CASH FLOW OUTCOMES:

Cash flow is of vital importance to the health of a municipality.
Investments are placed with top creditworthy institutions as rated by nationally recognised credit rating agencies.
The administrative system of cash flow and investment management is geared towards fiscal discipline despite challenges associated with the collection of revenues.
The municipality continues to experience cash flow constraints and finds itself facing challenges in meeting its long- and short-term commitments in a timely manner. The Council of the municipality is regarded as the trustee of the public revenue that it collects and it therefore has an obligation to the community to ensure that the municipality's cash resources are effectively and efficiently managed. Council therefore has a responsibility to invest these public revenues knowledgeably and judiciously and must be able to account fully to the community in respect of these investments.
The investment portfolio has been delegated to the Chief Financial Officer, through application of the approved investment policy and stringent cash monitoring, R13 million interest was actually earned versus the budget of R19 million. This was as a direct impact of the world wide COVID-19 pandemic that saw the effective interest rates decreasing. Hence the municipality earned less interest income than anticipated.

Supply a brief summary about the cash flow status of the municipality. Explain variances from Original and Adjustment Budget to Actual. Include information on operating activities and what effect they had on cash flow and on cash backing of surpluses. Information regarding cash flow may be sourced from **Table A7 of the MBRR.**

*T 5.9.1.1*

## 5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Debt Profile

The district currently has no loans or borrowings other than finance leases for the rental of photocopiers in accordance with GRAP 13.

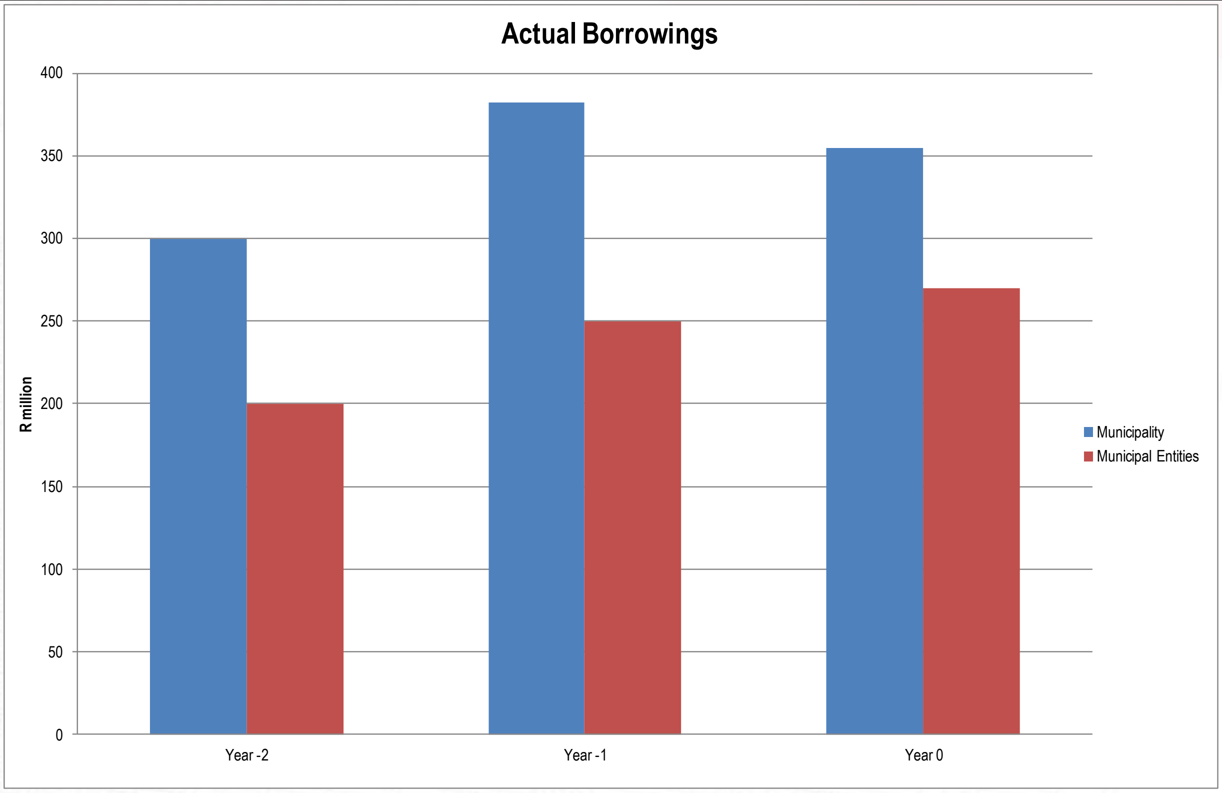
Explain briefly the relevance of borrowing and investments to you municipality with reference to the tables below and your municipality's requirements in the year. Information may be sourced from **table SA3 AND SA15 in the MBRR**.

*T 5.10.1*

| Actual Borrowings: Year 2018/2019 to Year 2020/2021 | | | R' 000 |
|---|---|---|---|
| **Instrument** | **Year 2019** | **Year 2020** | **Year 2021** |
| **Municipality** | | | |
| Long-Term Loans (annuity/reducing balance) | 0 | 0 | 0 |
| Long-Term Loans (non-annuity) | 0 | 0 | 0 |
| Local registered stock | 0 | 0 | 0 |
| Instalment Credit | 0 | 0 | 0 |
| Financial Leases | 4 | 455 | 159 |
| PPP liabilities | 0 | 0 | 0 |
| Finance Granted By Cap Equipment Supplier | 0 | 0 | 0 |
| Marketable Bonds | 0 | 0 | 0 |
| Non-Marketable Bonds | 0 | 0 | 0 |
| Bankers Acceptances | 0 | 0 | 0 |
| Financial derivatives | 0 | 0 | 0 |
| Other Securities | 0 | 0 | 0 |
| **Municipality Total** | 4 | 455 | 159 |
| | | | |
| **Municipal Entities** | | | |
| Long-Term Loans (annuity/reducing balance) | 0 | 0 | 0 |
| Long-Term Loans (non-annuity) | 0 | 0 | 0 |
| Local registered stock | 0 | 0 | 0 |
| Instalment Credit | 0 | 0 | 0 |
| Financial Leases | 0 | 0 | 0 |
| PPP liabilities | 0 | 0 | 0 |

| | | | |
|---|---|---|---|
| Finance Granted By Cap Equipment Supplier | 0 | 0 | 0 |
| Marketable Bonds | 0 | 0 | 0 |
| Non-Marketable Bonds | 0 | 0 | 0 |
| Bankers Acceptances | 0 | 0 | 0 |
| Financial derivatives | 0 | 0 | 0 |
| Other Securities | 0 | 0 | 0 |
| **Entities Total** | 0 | 0 | 0 |

*T 5.10.2*




*T 5.10.3*

| Municipal and Entity Investments | | | |
|---|---|---|---|
| | | | R' 000 |
| Investment* type | Year -2 | Year -1 | Year 0 |
| | Actual | Actual | Actual |
| **Municipality** | | | |
| Securities - National Government | | | |
| Listed Corporate Bonds | | | |
| Deposits - Bank | | | |
| Deposits - Public Investment Commissioners | | | |
| Deposits - Corporation for Public Deposits | | | |
| Bankers Acceptance Certificates | | | |
| Negotiable Certificates of Deposit - Banks | | | |
| Guaranteed Endowment Policies (sinking) | | | |
| Repurchase Agreements - Banks | | | |
| Municipal Bonds | | | |
| Other | | | |
| **Municipality sub-total** | 0 | 0 | 0 |
| | | | |
| **Municipal Entities** | | | |
| Securities - National Government | | | |
| Listed Corporate Bonds | | | |
| Deposits - Bank | | | |
| Deposits - Public Investment Commissioners | | | |
| Deposits - Corporation for Public Deposits | | | |
| Bankers Acceptance Certificates | | | |
| Negotiable Certificates of Deposit - Banks | | | |
| Guaranteed Endowment Policies (sinking) | | | |
| Repurchase Agreements - Banks | | | |
| Other | | | |
| **Entities sub-total** | 0 | 0 | 0 |
| | | | |
| **Consolidated total:** | 0 | 0 | 0 |
| | | | *T 5.10.4* |

COMMENT ON BORROWING AND INVESTMENTS:

Debt profile
The finance lease obligations are recognized in accordance with the GRAP standards and pertain to the rental of photocopiers.

Investment profile
The municipality has R27 million capital invested in reputable financial institutions, earning interest at an average of 4.25%.
R5 million has been invested in a fixed deposit account until 2022, this account supports the MTAS and vision 2058 towards rebuilding the cash reserves of the municipality.

Make clarifying comments on the above tables as necessary. All investments whether in the form of loans (in cash or kind) made by the municipality but not to one or more of the organisations set out above and all grants (in cash or kind) made to any form of organisation **must** be set out in full at **Appendix R**.

*T 5.10.5*

## 5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

There are no Public Private Partnerships Agreements in place.

Provide overview of agreements, contracts and projects undertaken during the year through PPP's – Refer to further details of PPP details **Appendix H**. **Table SA3 (MBRR)** may also be used to gain information on PPP's.

*T 5.11.1*

## COMPONENT D: OTHER FINANCIAL MATTERS

### 5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

Section 3(1)(b) and (c) of the SCM Regulations states that the accounting officer of a municipality must at least annually review the implementation of the SCM policy and when necessary submit proposal for the amendment of the policy to council.

The SCM Policy of ADM has been reviewed to give effect to MFMA Circular 106: Local Government Framework for Infrastructure Delivery and Procurement Management.

Section 117 of the MFMA states that: "No councillor of any municipality may be a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids, not attend any such meeting as an observer." The Accounting Officer established a committee system that is consistent with the MFMA and Municipal SCM Regulations for competitive bids consisting of:

- A bid specification committee
- A bid evaluation committee
- A bid adjudication committee

Rules and procedures governing the functioning of the abovementioned bid committees were developed and implemented. Chapter 6 of the Municipal Regulations on Minimum Competency Levels states that:

The accounting officer and any other official of a municipal entity involved in the implementation of the SCM Policy of the municipal entity must generally have the skills, experience and capacity to assume and fulfil the responsibilities and exercise the functions and power in respect of Supply Chain Management."

The regulations indicate the minimum competency levels for Heads and Managers in Supply Chain Management. The Managers of Supply Chain Management have successfully completed the Minimum Competency Training.

ANALYSIS OF THE SUPPLY CHAIN MANAGEMENT BID PROCESS

CURRENT CONTRACTS AWARDED FOR THE 2020/21 FINANCIAL YEAR

During the 2020/21 financial year a total number of 185 contracts were awarded. The following table reflects the various procurement methods as well as the number of projects:

Provide a brief narrative that describes the progress made by your municipality in developing and implementing policies and practices in compliance with the guidelines set out in SCM Regulations 2005. State the number of Supply Chain officials that have reached the prescribed levels required for their positions (See MFMA Competency Regulation Guidelines) and state the number of prescribed officials that are yet to reach the necessary competency levels; and set out any remarks made in the previous Auditor-General's report or the report for year 0 concerning the quality of Supply Chain Management and detail the remedial action taken. Note comments made in Chapter 2, under section 2.8.

*T 5.12.1*

## 5.13 GRAP COMPLIANCE

| GRAP COMPLIANCE |
|---|
| GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders.<br><br>The financial statements have been prepared using an accrual basis of accounting and are in accordance with historical cost convention, unless otherwise specified.<br>The financial statements have been prepared in accordance with the Municipal Finance Management Act (MFMA) and effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations and directives issued by the Accounting Standards Board (ASB). This has occurred in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).<br><br>Follow the above with information on progress with GRAP compliance at your municipality. Detail any instances where the municipality has deviated from the GRAP standards currently applicable. |
| *T 5.13.1* |

# CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The accounting officer of the municipality is responsible for the preparation and fair presentation of the annual financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act No. 56 of 2003 (MFMA) and for internal controls that management determines necessary to enable the annual financial statements to be prepared free from material misstatements whether due to fraud or error.
The Constitution S188 (1) (b) and section 4 of the Public Audit Act of South Africa No. 25 of 2004 states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA S45 states that the results of performance measurement must be audited annually by the Auditor-General.

Refer to the Annual Financial Statements set out in Volume II and the timescale for the audit of these accounts and the audit of performance and the production of reports on these matters by the Auditor General as set out in this Chapter. If this is the version of the annual report presented to Council in September then the Auditor-Generals statements on this year's submissions will not be available for inclusion in this Chapter and this should be explained.

*T 6.0.1*

# Chapter 6

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR -1

### 6.1 AUDITOR GENERAL REPORTS YEAR -1 (PREVIOUS YEAR)

| Auditor-General Report on Financial Performance: Year -1 | |
|---|---|
| **Audit Report Status*:** | |
| **Non-Compliance Issues** | **Remedial Action Taken** |
| | |
| | |
| | |
| | |
| *Note:*The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)* | |
| | *T 6.1.1* |

| Auditor-General Report on Service Delivery Performance: Year -1 | |
|---|---|
| **Audit Report Status:** | |
| **Non-Compliance Issues** | **Remedial Action Taken** |
| | |
| | |
| | |
| | |
| | *T 6.1.2* |

## COMPONENT B: AUDITOR-GENERAL OPINION YEAR 0 (CURRENT YEAR)

### 6.2 AUDITOR GENERAL REPORT YEAR 0

| Auditor-General Report on Financial Performance Year 0* | |
|---|---|
| **Status of audit report:** | |
| **Non-Compliance Issues** | **Remedial Action Taken** |
| | |
| | |
| | |
| | |
| *Note:* The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 0.* | |
| | T 6.2.1 |

| Auditor-General Report on Service Delivery Performance: Year 0* | |
|---|---|
| **Status of audit report****: | |
| **Non-Compliance Issues** | **Remedial Action Taken** |
| | |
| | |
| | |
| | |
| ** This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance Year 0* | |
| *** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.* | |
| | *T 6.2.2* |

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 0

***Delete Directive note once comment is completed*** - Attach report. *T 6.2.3*

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:

***Delete Directive note once comment is completed*** - Provide comments from the Municipal Manager / CFO on the Auditor-General's opinion. Include comments on year 0 if it provides useful context.

*T 6.2.4*

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer)…………………………………………………….... Dated

*T 6.2.5*

## GLOSSARY

| | |
|---|---|
| **Accessibility indicators** | Explore whether the intended beneficiaries are able to access services or outputs. |
| **Accountability documents** | Documents used by executive authorities to give *"full and regular"* reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports. |
| **Activities** | The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe *"what we do"*. |
| **Adequacy indicators** | The quantity of input or output relative to the need or demand. |
| **Annual Report** | A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General. |
| **Approved Budget** | The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive. |
| **Baseline** | Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period. |
| **Basic municipal service** | A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment. |
| **Budget year** | The financial year for which an annual budget is to be approved – means a year ending on 30 June. |
| **Cost indicators** | The overall cost or expenditure of producing a specified quantity of outputs. |
| **Distribution indicators** | The distribution of capacity to deliver services. |
| **Financial Statements** | Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed. |
| **General Key performance indicators** | After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally. |

# GLOSSARY

| | |
|---|---|
| **Impact** | The results of achieving specific outcomes, such as reducing poverty and creating jobs. |
| **Inputs** | All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings. |
| **Integrated Development Plan (IDP)** | Set out municipal goals and development plans. |
| **National Key performance areas** | • Service delivery & infrastructure<br>• Economic development<br>• Municipal transformation and institutional development<br>• Financial viability and management<br>• Good governance and community participation |
| **Outcomes** | The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve". |
| **Outputs** | The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area. |
| **Performance Indicator** | Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered) |
| **Performance Information** | Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure. |
| **Performance Standards:** | The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor. |

# GLOSSARY

| | |
|---|---|
| **Performance Targets:** | The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period. |
| **Service Delivery Budget Implementation Plan** | Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included. |
| **Vote:** | One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.<br>Section 1 of the MFMA defines a "vote" as:<br>*a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and*<br>*b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned* |

## APPENDICES

## APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

| Councillors, Committees Allocated and Council Attendance | | | | | |
|---|---|---|---|---|---|
| Council Members | Full Time /Part Time<br>FT/PT | Committees Allocated | *Ward and/ or PartyRepresented | PercentageCouncil Meetings Attendance<br>% | Percentage Apologies for non-attendance<br>% |
| Cllr. N. Ndikinda | FT | RULES COMMITTEE | ANC | 100% | 0% |
| Cllr K.C. Maneli | FT | | ANC | 85% | 15% |
| Cllr. N. W. Nxawe | FT | | ANC | 70% | 30% |
| Cllr. N. Mgidlana | FT | Whips Committee | ANC | 91% | 9% |
| Cllr. N. Mfecane | FT | Municipal Public Accounts Committee | ANC | 90% | 10% |
| Cllr S. Zuka | FT | Good Governance and PublicParticipation | ANC | 100% | 0% |
| Cllr L. Jacobs | FT | Municipal Financial Viability | ANC | 82% | 18% |
| Cllr S. Ndwayana | | Whips Committee | ANC | 95% | 5% |
| Cllr Kabane | FT | Whips Committee<br>Municipal Transformation and OrganizationalDevelopment Committee | ANC | 90% | 10% |
| Cllr Ngxola | PT | Local Economic Development Committee | ANC | 90% | 10% |
| Cllr B Goniwe | PT | Municipal Public Account Committee | ANC | 100% | 0% |
| Cllr P. Qaba | PT | Municipal Public Account Committee | ANC | 80% | 20% |
| Cllr Z. Xongwana | PT | Municipal Public Account Committee | ANC | 64% | 36% |
| Cllr N. Sango | PT | Basic Services and infrastructure InvestmentCommittee | ANC | 85% | 15% |
| Cllr T. Balindlela | PT | Municipal Public AccountsCommittee | DA | 90% | 10% |

# APPENDICES

| | | | | | |
|---|---|---|---|---|---|
| Cllr N. Sango | PT | Basic Services and infrastructure InvestmentCommittee | ANC | 85% | 15% |
| Cllr T. Balindlela | PT | Municipal Public AccountsCommittee<br>Whips Committee | DA | 90% | 10% |
| Cllr Sitole | PT | Municipal Public AccountsCommittee | UDM | 45% | 55% |
| Cllr C. Genyane | PT | Municipal Public Accounts Committee | ANC | 80% | 20% |
| Cllr Z. Mnqwazi | PT | Municipal Financial ViabilityCommittee<br>Basic Service Delivery and InfrastructureInvestment | ANC | 100% | 0% |
| Cllr N. Geza | PT | Municipal Financial ViabilityCommittee<br>Local Economic Development Committee | ANC | 100% | 0% |
| Cllr M. Tshaka | PT | Municipal Financial ViabilityCommittee | DA | 90% | 10% |
| Cllr C. Auld | PT | Municipal Financial ViabilityCommittee<br>Local Economic Development Committee | DA | 80% | 20% |
| Cllr N. Mgema | PT | Municipal Financial Viability Committee | ANC | 55% | 45% |
| Cllr L. Mantshiyose | PT | Municipal Financial Viability Committee | ANC | 80% | 20% |
| Cllr N. Rulashe | PT | Local Economic Development Committee<br>Whips Committee | ANC | 90% | 10% |
| Cllr A. Matshobeni | PT | Local Economic Development Committee<br>Whips Committee | ANC | 90% | 10% |
| Cllr K. Magwaca | PT | Local Economic Development Committee | UDM | 64% | 36% |
| Cllr T. Ngaye | PT | Local Economic Development Committee | ANC | 91% | 9% |

| | | | | | |
|---|---|---|---|---|---|
| Cllr S. Maneli | PT | Municipal Transformation and OrganizationalDevelopment Committee<br>Good Governance and PublicParticipation<br>Whips Committee | ANC | 55% | 45% |
| Cllr N. Dube | PT | Municipal Public Accounts Committee | ANC | 95% | 5% |
| Cllr X. Tyodana | PT | Municipal Transformation and Organizational DevelopmentCommittee | ANC | 80% | 20% |
| Cllr N. Skelenge | PT | Municipal Transformation and OrganizationalDevelopment Committee<br>Local Economic Development Committee | ANC | 80% | 20% |
| Cllr M. Mqokoyi | PT | Basic Service Delivery and Infrastructure Committee | ANC | 36% | 64% |
| Cllr P. Sango | PT | Basic Service Delivery and Infrastructure Committee | ANC | 55% | 45% |
| Cllr D. Ncanywa | PT | Good Governance and Public Participation | ANC | 50% | 50% |
| Cllr J. Lombard | PT | Good Governance and Public Participation | DA | 80% | 20% |
| Cllr M. Siwisa | PT | Good Governance and Public Participation | ANC | 73% | 27% |
| Cllr Siyo | | Good Governance and Public Participation Municipal Financial Viability | ANC | 45% | 55% |

| | | | | | |
|---|---|---|---|---|---|
| Cllr X. Mngxaso | | Good Governance and Public Participation | UDM | 90% | 10% |
| Cllr Yelani | PT | Municipal Transformation and OrganizationalDevelopment Committee | ANC | 64% | 36% |

| | | | | | |
|---|---|---|---|---|---|
| Cllr N. Nyathela | FT | Local Economic Development<br>Basic Service Delivery and Infrastructure | ANC | 91% | 9% |
| Cll M Jiya | PT | Basic Service Delivery and Infrastructure | ANC | 82% | 18% |
| Cllr X. Baleni | PT | Basic Service Delivery and Infrastructure | ANC | 91% | 9% |
| Cllr N. Ntolosi | PT | Basic Service Delivery and Infrastructure | ANC | 82% | 18% |
| Cllr M. Namba | FT | Good Governance and Public Participation | ANC | 100% | 0% |

Concerning T A

Note: “Councillors appointed on a propotional basis do not have wars allocated to them.

Provide comments on the above table.

*T A.1*

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

| Committees (other than Mayoral / Executive Committee) and Purposes of Committees | |
|---|---|
| **Municipal Committees** | **Purpose of Committee** |
| Municipal Transformation and Organizational Development Committee | To assist the Executive Mayor in his responsibility to monitor the management of the municipality's administration in accordance with the directions of Council.<br>The Committee shall have the power to consider and make recommendations to the Mayoral Committee on all issues falling within the ambit of the following functional areas:<br>• Industrial Relations<br>• Personnel Administration<br>• Occupational Health and Safety<br>• Conditions of Services and Staff Benefits<br>• Resource Management<br>• Council Assets<br>• Land Transaction<br>• Building Maintenance and Administration<br>• Insurance Fire Services<br>• Municipal Health Services including Environmental Health<br>• Protection Services<br>• Disaster Management<br>• Community Safety |

| | |
|---|---|
| Local Economic Development Committee | To assist the Executive Mayor in his responsibilities to identify the social and economic needs of the municipality, recommending to Council strategies, programmes and services to address priority needs and monitoring the operational functions of ASPIRE in a way that does not interfere in the performance of those functions.<br>The Committee shall have the power to consider and make recommendation to the Mayoral Committee on all issues falling within the ambit of the following functions:<br>• Land and Housing<br>• Land Development Objectives<br>• Integrated Development Plans |

| | |
|---|---|
| | • Tourism<br>• Local Economic Development<br>• Land Reform and Settlement Plan<br>• Town and Regional Planning<br>• Land Usage |
| Basic Services and Infrastructure Investment Committee | To assist the Executive Mayor in his responsibility to oversee the provision of basic services to communities in a sustainable manner.<br>The Committee shall have the power to consider and make recommendations to the Mayoral Committee on all the issues falling within the scope of the following functional areas:<br>• Engineering Services<br>• Water and Sanitation<br>• Solid Waste<br>• Transport and Planning<br>• Community Facilities |

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|---|---|
| Municipal Financial Viability | To assist the Executive Mayor in his responsibilities to provide political guidance of the fiscal and financial affairs of the municipalities that must guide the preparations of the budget and taking reasonable steps to ensure that the municipality performs its Constitutional and statutory functions within the limits to the municipality's approved budget.<br><br>The Committee shall have the power to consider and make recommendation to the Mayoral Committee on all issues falling within the scope of the following:<br><br>- Municipal Budget;<br>- Integrated Development Planning;<br>- Service Delivery and Budget Implementation Plan;<br>- Performance Management;<br>- Risk Management;<br>- Mid-year Budget review;<br>- Financial Management;<br>- Asset and Liability management;<br>- Revenue Management; |
| | - Expenditure Management;<br>- ASPIRE performance review;<br>- Supply Chain Management.<br>- Monitor progress on the implementation of the SDBIP (projects). |

| | |
|---|---|
| Good Governance and Public Participation Committee | To assist the Executive Mayor in his responsibility to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget and toannually report on the involvement of communities and community organizations in the affairs of the municipality.<br><br>The Committee shall have the power to consider and make recommendation to the MayoralCommittee on all issues falling within the scope of the following:<br><br>- Political & Administrative Structures of Council;<br>- Ethics Management;<br>- Inter-governmental relations;<br>- Municipal Support Services;<br>- Community participation;<br>- Mayoral Imbizo;<br>- Customer Care.<br>- Special Programmes (Gender, people with disabilities and Youth)<br>- Performance management<br>- Monitor progress on the implementation of the SDBIP (projects). |
| Municipal Public Accounts Committee | The Municipal Public Accounts Committee is established in terms of section 79 of the Municipal Structures Act, 1198 as amended, as a mechanism to assist Council to fulfil its mandate to oversee of Executive function. It is a multi-party Committee established in terms of section 160(8) of the Constitution. The Committee is established to enable Council to fulfil her oversight functionsas envisaged in section 32 of the Municipal Finance Management Act (Act 56 of 2003).<br><br>Since its inception the Committee has worked tirelessly to fulfil its mandate and developed an oversight report on the annual report and the annual financial statements for each financial year.From the work of the committee during the years it can be observed that:<br><br>(a) The Committee has been able to create a better understanding of its work among the political |

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|---|---|
| | and administrative office bearers in council.<br><br>(b) It developed a program of action intended to ensure continuous and complementary oversightover the Executive and the Administration<br><br>(c) Facilitated capacity building of its members for better understanding and performance of itsfunctions.<br><br>(d) Ensure regular meetings and submission of reports of the committee to the Council on aquarterly basis.<br><br>(e) Develop an oversight report on the annual report for the financial year 2018/19<br><br>(f) Take the annual report to communities and ensure citizen participation in evaluation of the performance of the Municipality.<br><br>(g) Facilitate engagement of the Municipal Public Accounts Committees of the Local Municipalitiesin ADM's area of jurisdiction to ensure synergy in annual reporting to communities.<br><br>(h) Conduct oversight on the section 52(d) reports thus providing in year monitoring of thefinancial performance of the Municipality.<br><br>(i) Visit projects implemented by the Municipality to assess outcomes and gauge communitySatisfaction<br><br>with service delivery.<br><br>(j) Investigating recoverability of irregular, unauthorized fruitless, and wasteful expenditure. |
| Women Caucus | The committee is responsible for dealing with issues affecting Women within the jurisdiction ofADM and also responsible for raising their plight. |
| Chief Whips Committee | The Whips Committee is established in terms of section 10 of the Standing Rules of Council. The Committee consist of the Whips of all political parties in council and is chaired by the Chief Whip of Council. The Committee performs any function assigned to it by the Council or as defined in terms of the Standing Rules. The Whips Committee meets four days before the date of Council toenable the Whips of Political to determine the manner in which matters brought to Council will be taken and to develop consensus in approach amongst political parties on matters in the agenda of |

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| | Council. The Whips Committee facilitates the smooth running of the meeting of Council. Duringthe period under review the whips Committee has met in line with the Calendar of Council.<br><br>Some meetings of the Whips Committee were also affected by the lockdown, and had to be cancelled. However mechanisms were developed whereby whips forward questions to the Chief Whip on matters in the agenda to facilitate for the smooth running of Council |
| Rules Committee | Since its inception the Council has established Rules Committee for the development and regular updating of the Rules of Council. The Rules Committee is a multi-party Committee of Council withproportional representation of all parties in Council as determined in terms of section 160(8) of theConstitution of the Republic of South Africa, 1996 as amended. During the period under review, the Rules Committee convened and reviewed Standing Rules to:<br><br>1. Ensure that the Rules are in line with legislation.<br><br>2. Ensure that the Rules reflect the current status in Council.<br><br>3. Ensure that rules provide for virtual meetings in line with provisions of the DisasterManagement Act and its regulations |
| Ethics Committee | The Committee on Ethics and Discipline was established by Council in 2016 in terms of section79 of the Local Government Municipal Structures Act (Act 117 of 1998 as amended). The mandate of the Committee is to ensure the development and maintenance of a register of members' interests and to assist the Speaker with investigations of any suspected breaches of the code of conduct by councilors. The Committee meets as and when there are cases of suspected breaches of the code of conduct and reports to council on its findings with recommendations of appropriate sentence. During the period under review the Committee has met to consider suspected breaches of the code of conduct of councilors against seven (7) councilors and recommendations were submitted to the Council for consideration. |
| Audit and Risk Committee | ADM appointed a new Audit Committee effective 1 June 2024, comprising five independent members. This committee fulfils the responsibilities outlined in Section 166 of the Municipal Finance Management Act (MFMA) and carries out corporate governance duties as delegated by the Council through a formally approved charter. As part of its mandate, the committee reviewed the municipality's annual financial |

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| | statements prior to their submission to the Auditor-General (AG). During the 2024/2025 period, the committee successfully convened six meetings to execute its oversight responsibilities. |
| | T.B |

## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

| Third Tier Structure | |
|---|---|
| Directorate | Director/Manager (State title and name) |
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| *Use as a spill-over schedule if top 3 tiers cannot be accomodated in chapter 2 (T2.2.2).* | *T C* |

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

| Municipal / Entity Functions | | |
|---|---|---|
| **MUNICIPAL FUNCTIONS** | **Function Applicable to Municipality (Yes / No)*** | **Function Applicable to Entity (Yes / No)** |
| **Constitution Schedule 4, Part B functions:** | | |
| Air pollution | | |
| Building regulations | | |
| Child care facilities | | |
| Electricity and gas reticulation | | |
| Firefighting services | | |
| Local tourism | | |
| Municipal airports | | |
| Municipal planning | | |
| Municipal health services | | |
| Municipal public transport | | |
| Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law | | |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto | | |
| Stormwater management systems in built-up areas | | |
| Trading regulations | | |
| Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems | | |
| Beaches and amusement facilities | | |
| Billboards and the display of advertisements in public places | | |
| Cemeteries, funeral parlours and crematoria | | |
| Cleansing | | |
| Control of public nuisances | | |
| Control of undertakings that sell liquor to the public | | |
| Facilities for the accommodation, care and burial of animals | | |
| Fencing and fences | | |
| Licensing of dogs | | |
| Licensing and control of undertakings that sell food to the public | | |
| Local amenities | | |
| Local sport facilities | | |
| Markets | | |
| Municipal abattoirs | | |
| Municipal parks and recreation | | |
| Municipal roads | | |
| Noise pollution | | |
| Pounds | | |
| Public places | | |
| Refuse removal, refuse dumps and solid waste disposal | | |
| Street trading | | |
| Street lighting | | |
| Traffic and parking | | |
| ***If municipality: indicate (yes or No); * If entity: Provide name of entity** | | *T D* |

## APPENDIX E – WARD REPORTING

| Functionality of Ward Committees | | | | | |
|---|---|---|---|---|---|
| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
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## APPENDIX F – WARD INFORMATION

| Ward Title: Ward Name (Number) | | | | |
|---|---|---|---|---|
| Capital Projects: Seven Largest in Year 0 (Full List at Appendix O) | | | | R' 000 |
| No. | Project Name and detail | Start Date | End Date | Total Value |
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| Basic Service Provision | | | | | |
|---|---|---|---|---|---|
| Detail | Water | Sanitation | Electricity | Refuse | Housing |
| Households with minimum service delivery | | | | | |
| Households without minimum service delivery | | | | | |
| Total Households* | | | | | |
| Houses completed in year | | | | | |
| Shortfall in Housing units | | | | | |
| *Including informal settlements | | | | | T F.2 |

| Top Four Service Delivery Priorities for Ward (Highest Priority First) | | |
|---|---|---|
| No. | Priority Name and Detail | Progress During Year 0 |
| | | |
| | | |
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| | | |
| | | T F.3 |

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)

Names: xxx (8); xxx (7)…

*T F.3*

## APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2024/2025

| Municipal Audit Committee Recommendations (2024/2025) | | |
|---|---|---|
| **Date of Committee** | **Committee recommendations during 2024/2025** | **Recommendations adopted (enter Yes) If not adopted (provide explanation)** |
| **28-Aug-24** | **RESOLVED**<br>That the draft Annual Financial Statements for 2023/24 be noted. | Implemented |
| **28-Aug-24** | **RESOLVED**<br>(a)That the Audit & Risk Committee notes the Internal Audit Report: Performance Management Review for Quarter 4 for the 2023/2024 financial year.<br>(b)That the relevant departments take into consideration the recommendations that have been raised in the report and act upon them. | Implemented |
| **28-Aug-24** | **RESOLVED**<br>That the Audit and Risk Committee notes the Internal Audit Report: Annual Financial Statements Review for the 2024/2025 financial year. | Implemented |
| **28-Aug-24** | **RESOLVED**<br>[a]That the Audit & Risk Committee notes the Internal Audit Report: Annual Performance Management Review for the 2023/2024 financial year.<br>[b]That the relevant departments take into consideration the recommendations that have been raised in the report and act upon them. | Implemented |
| **27-Nov-24** | 7.6.1INTERNAL AUDIT REPORT: AUDIT REVIEW: SUPPLY CHAIN MANAGEMENT REVIEW 2023/2024<br>**RESOLVED**<br>That the Audit & Risk Committee note the Internal Audit Report: Supply Chain Management | Implemented |
| **27-Nov-24** | 7.6.2 INTERNAL AUDIT REPORT: WATER QUALITY FOLLOW-UP REVIEW 2023/2024<br>**RESOLVED**<br>(a)That the Audit & Risk Committee notes the Internal Audit Report: Water Quality Follow-Up Review for the 2023/2024 financial year.<br>(b)That the relevant departments take into consideration the recommendations that have been raised in the report and act upon them. | Implemented |
| **27-Nov-24** | 7.6.5INTERNAL AUDIT REPORT ON MANDATORY FINANCIAL RECOVERY PLAN: (Q1) (2024/2025)<br>**RESOLVED**<br>[a]That the Audit and Risk Committee to note Internal Audit Report- Mandatory Financial Recovery Plan (2024/2025 Q1).<br>[b]That the relevant department takes into consideration the recommendations that have been raised in the report and act upon them. | Implemented |
| **27-Nov-24** | 7.6.6INTERNAL AUDIT REPORT: AUDIT ACTION PLAN – LEVEL OF IMPLEMENTATION (Q1) (2024/2025)<br>**RESOLVED**<br>That the Audit and Risk Committee notes the Internal Audit Report: Audit Action Plan – Level of Implementation (Q1) (2024/2025) | Implemented |
| **19-Mar-25** | 7.6.1INTERNAL AUDIT REPORT: IN-YEAR MONITORING REVIEW 2024/2025<br>**RESOLVED**<br>(a)That the Audit & Risk Committee notes the Internal Audit Report: In-Year Monitoring for the 2024/2025 financial year.<br>(b)That the relevant departments take into consideration the recommendations that have been raised in the report and act upon them. | Implemented |
| **19-Mar-25** | 7.6.2INTERNAL AUDIT REPORT: PERFOMANCE MANAGEMENT REVIEW QUARTER 1 2024/2025<br>**RESOLVED**<br>(a)That the Audit & Risk Committee notes the Internal Audit Report: Performance Management Review for Quarter 1 for the 2024/2025 financial year.<br>(b)That the relevant departments take into consideration the recommendations that have been raised in the report and act upon them. | Implemented |
| **19-Mar-25** | 7.6.3INTERNAL AUDIT REPORT: PERFORMANCE MANAGEMENT REVIEW QUARTER 2 2024/2025<br>**RESOLVED**<br>(a)That the Audit & Risk Committee notes the Internal Audit Report: Performance Management Review for Quarter 2 for the 2024/2025 financial year.<br>(b)That the relevant departments take into consideration the recommendations that have been raised in the report and act upon them. | Implemented |
| **19-Mar-25** | 7.6.4INTERNAL AUDIT REPORT: STAFF HEAD COUNT (2024/2025)<br>**RESOLVED**<br>That the Committee notes the Internal Audit Report: Staff Head Count (2024/2025) | Implemented |
| **19-Mar-25** | 7.6.5INTERNAL AUDIT REPORT: FLEET MANAGEMENT REVIEW (2024/2025)<br>**RESOLVED**<br>That the Committee notes the Internal Audit Report: Fleet Management Review (2024/2025) | Implemented |
| **19-Mar-25** | 7.6.6INTERNAL AUDIT REPORT: AUDIT ACTION PLAN – LEVEL OF IMPLEMENTATION (Q2) (2024/2025)<br>**RESOLVED**<br>That the Committee notes the Internal Audit Report: Audit Action Plan – Level of Implementation (Q2) (2024/2025) | Implemented |
| **13-Jun-25** | INTERNAL AUDIT REPORT: SUPPLY CHAIN MANAGEMENT REVIEW (2024/2025)<br>**RESOLVED**<br>That the Committee notes the Internal Audit Report: Supply Chain Management Review (2024/2025) | Implemented |
| **13-Jun-25** | INTERNAL AUDIT REPORT: REVENUE MANAGEMENT REVIEW (2024/2025)<br>**RESOLVED**<br>That the Committee notes the Internal Audit Report: Revenue Management Review (2024/2025) | Implemented |
| **13-Jun-25** | INTERNAL AUDIT REPORT: PERFORMANCE MANAGEMENT REVIEW QUARTER 3 2024/2025<br>**RESOLVED**<br>(a)That the Audit Committee notes the Internal Audit Report: Performance Management Review for Quarter 3 for the 2024/2025 financial year.<br>(b)That the relevant departments takes into consideration the recommendations that have been raised in the report and act upon them. | Implemented |
| **13-Jun-25** | INTERNAL AUDIT: EXPANDED PUBLIC WORKS PROGRAMME (EPWP) REVIEW 2024/2025<br>**RESOLVED**<br>That the Committee notes the Internal Audit Report: Expanded Public Works Programme Review for the 2024/2025 financial year. | Implemented |
| **13-Jun-25** | INTERNAL AUDIT REPORT: AUDIT ACTION PLAN – LEVEL OF IMPLEMENTATION (Q3) (2024/2025)<br>**RESOLVED**<br>That the Committee notes the Internal Audit Report: Audit Action Plan – Level of Implementation (Q3) (2024/2025). | Implemented |
| **13-Jun-25** | INTERNAL AUDIT REPORT ON MANDATORY FINANCIAL RECOVERY PLAN: (Q 3) (2024/2025)<br>**RESOLVED**<br>That the Committee notes the Internal Audit Report: Audit Action Plan – Level of Implementation (Q2) (2024/2025) | Implemented |

## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

| Long Term Contracts (20 Largest Contracts Entered into during Year 0) | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Name of Service Provider (Entity or Municipal Department) | Description of Services Rendered by the Service Provider | Start Date of Contract | Expiry date of Contract | Project manager | Contract Value |
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# APPENDICES

## APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

# APPENDICES

## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

| Disclosures of Financial Interests | | |
|---|---|---|
| Period 1 July to 30 June of Year 0 (Current Year) | | |
| **Position** | **Name** | **Description of Financial interests*<br>(Nil / Or details)** |
| (Executive) Mayor | | |
| Member of MayCo / Exco | | |
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| Councillor | | |
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| Municipal Manager | | |
| Chief Financial Officer | | |
| Deputy MM and (Executive) Directors | | |
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| Other S57 Officials | | |
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| ** Financial intersests to be disclosed even if they incurred for only part of the year. See MBRR SA34A* | | |

## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

### APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

| Revenue Collection Performance by Vote | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | R' 000 |
| Vote Description | Year -1 | Current: Year 0 | | | Year 0 Variance | |
| | Actual | Original Budget | Adjusted Budget | Actual | Original Budget | Adjustments Budget |
| Example 1 - Vote 1 | | | | | | |
| Example 2 - Vote 2 | | | | | | |
| Example 3 - Vote 3 | | | | | | |
| Example 4 - Vote 4 | | | | | | |
| Example 5 - Vote 5 | | | | | | |
| Example 6 - Vote 6 | | | | | | |
| Example 7 - Vote 7 | | | | | | |
| Example 8 - Vote 8 | | | | | | |
| Example 9 - Vote 9 | | | | | | |
| Example 10 - Vote 10 | | | | | | |
| Example 11 - Vote 11 | | | | | | |
| Example 12 - Vote 12 | | | | | | |
| Example 13 - Vote 13 | | | | | | |
| Example 14 - Vote 14 | | | | | | |
| Example 15 - Vote 15 | | | | | | |
| **Total Revenue by Vote** | – | – | – | – | – | – |
| *Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3* | | | | | | *T K.1* |

## APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

| Revenue Collection Performance by Source | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | R '000 |
| Description | Year -1 | Year 0 | | | Year 0 Variance | |
| | Actual | Original Budget | Adjustments Budget | Actual | Original Budget | Adjustments Budget |
| Property rates | 26,485 | 23,572 | 28,075 | 23,042 | -2% | -22% |
| Property rates - penalties & collection charges | 8,541 | 8,285 | 9,054 | 8,456 | 2% | -7% |
| Service Charges - electricity revenue | 12,355 | 10,254 | 12,478 | 13,219 | 22% | 6% |
| Service Charges - water revenue | 14,232 | 13,235 | 13,662 | 12,097 | -9% | -13% |
| Service Charges - sanitation revenue | 6,542 | 5,496 | 5,954 | 6,346 | 13% | 6% |
| Service Charges - refuse revenue | 1,865 | 1,622 | 1,865 | 1,510 | -7% | -23% |
| Service Charges - other | 5,643 | 5,530 | 5,925 | 5,304 | -4% | -12% |
| Rentals of facilities and equipment | 5,643 | 5,530 | 5,925 | 5,304 | -4% | -12% |
| Interest earned - external investments | 5,322 | 4,470 | 5,747 | 4,630 | 3% | -24% |
| Interest earned - outstanding debtors | 8,455 | 8,455 | 8,624 | 9,554 | 12% | 10% |
| Dividends received | 1,254 | 1,003 | 1,191 | 1,354 | 26% | 12% |
| Fines | 2,516 | 2,063 | 2,264 | 2,340 | 12% | 3% |
| Licences and permits | 6,846 | 6,230 | 7,256 | 6,640 | 6% | -9% |
| Agency services | 12,546 | 10,413 | 11,793 | 11,542 | 10% | -2% |
| Transfers recognised - operational | 2,355 | 2,190 | 2,425 | 2,402 | 9% | -1% |
| Other revenue | 48,542 | 40,776 | 48,542 | 46,115 | 12% | -5% |
| Gains on disposal of PPE | 4,565 | 3,698 | 4,337 | 4,291 | 14% | -1% |
| Enviromental Proctection | 5,649 | 4,971 | 6,157 | 4,971 | 0% | -24% |
| **Total Revenue (excluding capital transfers and contributions)** | **179,353** | **157,791** | **181,274** | **169,118** | **6.70%** | **-7.19%** |
| *Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.* | | | | | | *T K.2* |

## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

| Conditional Grants: excluding MIG | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | R' 000 |
| Details | Budget | Adjustments Budget | Actual | Variance | | Major conditions applied by donor (continue below if necessary) |
| | | | | Budget | Adjustments Budget | |
| Neighbourhood Development Partnership Grant | | | | | | |
| | | | | | | |
| | | | | | | |
| Public Transport Infrastructure and Systems Grant | | | | | | |
| | | | | | | |
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| *Other Specify:* | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Total | | | | | | |

** This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.*

*T L*

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

***Delete Directive note once comment is completed*** – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

*T L.1*

## APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

## APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

| Capital Expenditure - New Assets Programme* R '000 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Description | Year -1 | Year 0 | | | Planned Capital expenditure | | |
| | Actual | Original Budget | Adjustment Budget | Actual Expenditure | FY + 1 | FY + 2 | FY + 3 |
| **Capital expenditure by Asset Class** | | | | | | | |
| **Infrastructure - Total** | – | – | | – | – | – | – |
| **Infrastructure: Road transport - Total** | – | – | | – | – | – | – |
| *Roads, Pavements & Bridges* | | | | | | | |
| *Storm water* | | | | | | | |
| **Infrastructure: Electricity - Total** | – | – | | – | – | – | – |
| *Generation* | | | | | | | |
| *Transmission & Reticulation* | | | | | | | |
| *Street Lighting* | | | | | | | |
| **Infrastructure: Water - Total** | – | – | | – | – | – | – |
| *Dams & Reservoirs* | | | | | | | |
| *Water purification* | | | | | | | |
| *Reticulation* | | | | | | | |
| **Infrastructure: Sanitation - Total** | – | – | | – | – | – | – |
| *Reticulation* | | | | | | | |
| *Sewerage purification* | | | | | | | |
| **Infrastructure: Other - Total** | – | – | | – | – | – | – |
| *Waste Management* | | | | | | | |
| *Transportation* | | | | | | | |
| *Gas* | | | | | | | |
| *Other* | | | | | | | |
| **Community - Total** | – | – | | – | – | – | – |
| Parks & gardens | | | | | | | |
| Sportsfields & stadia | | | | | | | |
| Swimming pools | | | | | | | |
| Community halls | | | | | | | |
| Libraries | | | | | | | |
| Recreational facilities | | | | | | | |
| Fire, safety & emergency | | | | | | | |
| Security and policing | | | | | | | |
| Buses | | | | | | | |
| Clinics | | | | | | | |
| Museums & Art Galleries | | | | | | | |
| Cemeteries | | | | | | | |
| Social rental housing | | | | | | | |
| Other | | | | | | | |

*Table continued next page*

| Table continued from previous page | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Capital Expenditure - New Assets Programme*** | | | | | | | |
| | | | | | | | R '000 |
| **Description** | **Year -1** | **Year 0** | | | **Planned Capital expenditure** | | |
| | **Actual** | **Original Budget** | **Adjustment Budget** | **Actual Expenditure** | **FY + 1** | **FY + 2** | **FY + 3** |
| **Capital expenditure by Asset Class** | | | | | | | |
| **Heritage assets - Total** | – | – | | – | – | – | – |
| Buildings | | | | | | | |
| Other | | | | | | | |
| | | | | | | | |
| **Investment properties - Total** | – | – | | – | – | – | – |
| Housing development | | | | | | | |
| Other | | | | | | | |
| | | | | | | | |
| **Other assets** | – | – | | – | – | – | – |
| General vehicles | | | | | | | |
| Specialised vehicles | | | | | | | |
| Plant & equipment | | | | | | | |
| Computers - hardware/equipment | | | | | | | |
| Furniture and other office equipment | | | | | | | |
| Abattoirs | | | | | | | |
| Markets | | | | | | | |
| Civic Land and Buildings | | | | | | | |
| Other Buildings | | | | | | | |
| Other Land | | | | | | | |
| Surplus Assets - (Investment or Inventory) | | | | | | | |
| Other | | | | | | | |
| | | | | | | | |
| **Agricultural assets** | – | – | | – | – | – | – |
| *List sub-class* | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| **Biological assets** | – | – | | – | – | – | – |
| *List sub-class* | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| **Intangibles** | – | – | | – | – | – | – |
| Computers - software & programming | | | | | | | |
| Other *(list sub-class)* | | | | | | | |
| | | | | | | | |
| **Total Capital Expenditure on new assets** | – | – | | – | – | – | – |
| | | | | | | | |
| **Specialised vehicles** | – | – | | – | – | – | – |
| Refuse | | | | | | | |
| Fire | | | | | | | |
| Conservancy | | | | | | | |
| Ambulances | | | | | | | |
| ** Note: Information for this table may be sourced from MBRR (2009: Table SA34a)* | | | | | | | *T M.1* |

## APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

| Capital Expenditure - Upgrade/Renewal Programme* | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | | | R '000 |
| Description | Year -1 | Year 0 | | | Planned Capital expenditure | | |
| | Actual | Original Budget | Adjustment Budget | Actual Expenditure | FY + 1 | FY + 2 | FY + 3 |
| **Capital expenditure by Asset Class** | | | | | | | |
| **Infrastructure - Total** | – | – | | – | – | – | – |
| Infrastructure: Road transport - Total | – | – | | – | – | – | – |
| *Roads, Pavements & Bridges* | | | | | | | |
| *Storm water* | | | | | | | |
| **Infrastructure: Electricity - Total** | – | – | | – | – | – | – |
| *Generation* | | | | | | | |
| *Transmission & Reticulation* | | | | | | | |
| *Street Lighting* | | | | | | | |
| **Infrastructure: Water - Total** | – | – | | – | – | – | – |
| *Dams & Reservoirs* | | | | | | | |
| *Water purification* | | | | | | | |
| *Reticulation* | | | | | | | |
| **Infrastructure: Sanitation - Total** | – | – | | – | – | – | – |
| *Reticulation* | | | | | | | |
| *Sewerage purification* | | | | | | | |
| **Infrastructure: Other - Total** | – | – | | – | – | – | – |
| *Waste Management* | | | | | | | |
| *Transportation* | | | | | | | |
| *Gas* | | | | | | | |
| *Other* | | | | | | | |
| **Community** | – | – | | – | – | – | – |
| Parks & gardens | | | | | | | |
| Sportsfields & stadia | | | | | | | |
| Swimming pools | | | | | | | |
| Community halls | | | | | | | |
| Libraries | | | | | | | |
| Recreational facilities | | | | | | | |
| Fire, safety & emergency | | | | | | | |
| Security and policing | | | | | | | |
| Buses | | | | | | | |
| Clinics | | | | | | | |
| Museums & Art Galleries | | | | | | | |
| Cemeteries | | | | | | | |
| Social rental housing | | | | | | | |
| Other | | | | | | | |
| **Heritage assets** | – | – | | – | – | – | – |
| Buildings | | | | | | | |
| Other | | | | | | | |
| *Table continued next page* | | | | | | | |

*Table continued from previous page*

| Capital Expenditure - Upgrade/Renewal Programme* | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | | | R '000 |
| Description | Year -1 | Year 0 | | | Planned Capital expenditure | | |
| | Actual | Original Budget | Adjustment Budget | Actual Expenditure | FY + 1 | FY + 2 | FY + 3 |
| **Capital expenditure by Asset Class** | | | | | | | |
| **Investment properties** | – | – | | – | – | – | – |
| Housing development | | | | | | | |
| Other | | | | | | | |
| | | | | | | | |
| **Other assets** | – | – | | – | – | – | – |
| General vehicles | | | | | | | |
| Specialised vehicles | | | | | | | |
| Plant & equipment | | | | | | | |
| Computers - hardware/equipment | | | | | | | |
| Furniture and other office equipment | | | | | | | |
| Abattoirs | | | | | | | |
| Markets | | | | | | | |
| Civic Land and Buildings | | | | | | | |
| Other Buildings | | | | | | | |
| Other Land | | | | | | | |
| Surplus Assets - (Investment or Inventory) | | | | | | | |
| Other | | | | | | | |
| | | | | | | | |
| **Agricultural assets** | – | – | | – | – | – | – |
| *List sub-class* | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| **Biological assets** | – | – | | – | – | – | – |
| *List sub-class* | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| **Intangibles** | – | – | | – | – | – | – |
| Computers - software & programming | | | | | | | |
| Other *(list sub-class)* | | | | | | | |
| | | | | | | | |
| **Total Capital Expenditure on renewal of existing assets** | – | – | | – | – | – | – |
| | | | | | | | |
| **Specialised vehicles** | – | – | | – | – | – | – |
| Refuse | | | | | | | |
| Fire | | | | | | | |
| Conservancy | | | | | | | |
| Ambulances | | | | | | | |

** Note: Information for this table may be sourced from MBRR (2009: Table SA34b)* *T M.2*

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

| Capital Programme by Project: Year 0 | | | | | |
|---|---|---|---|---|---|
| | | | | | R' 000 |
| Capital Project | Original Budget | Adjustment Budget | Actual | Variance (Act - Adj) % | Variance (Act - OB) % |
| | | | | | |
| **Water** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 82 | 85 | 92 | 8% | 11% |
| "Project C" | 85 | 90 | 95 | 5% | 11% |
| **Sanitation/Sewerage** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Electricity** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Housing** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Refuse removal** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Stormwater** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Economic development** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Sports, Arts & Culture** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Environment** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Health** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **Safety and Security** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| **ICT and Other** | | | | | |
| "Project A" | 82 | 85 | 92 | 8% | 11% |
| "Project B" | 85 | 90 | 95 | 5% | 11% |
| | | | | | *T N* |

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

| Capital Programme by Project by Ward: Year 0 | | |
|---|---|---|
| | | R' 000 |
| **Capital Project** | **Ward(s) affected** | **Works completed (Yes/No)** |
| **Water** | | |
| "Project A" | | |
| "Project B" | | |
| | | |
| **Sanitation/Sewerage** | | |
| | | |
| | | |
| **Electricity** | | |
| | | |
| | | |
| **Housing** | | |
| | | |
| | | |
| **Refuse removal** | | |
| | | |
| | | |
| **Stormwater** | | |
| | | |
| | | |
| **Economic development** | | |
| | | |
| | | |
| **Sports, Arts & Culture** | | |
| | | |
| | | |
| **Environment** | | |
| | | |
| | | |
| **Health** | | |
| | | |
| | | |
| **Safety and Security** | | |
| | | |
| | | |
| **ICT and Other** | | |
| | | |
| | | |
| | | *T O* |

## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

| Service Backlogs: Schools and Clinics | | | | |
|---|---|---|---|---|
| **Establishments lacking basic services** | **Water** | **Sanitation** | **Electricity** | **Solid Waste Collection** |
| **Schools (NAMES, LOCATIONS)** | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| **Clinics (NAMES, LOCATIONS)** | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| *Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.* | | | | *T P* |

## APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

| Service Backlogs Experienced by the Commmunity where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis) | | |
|---|---|---|
| Services and Locations | Scale of backlogs | Impact of backlogs |
| **Clinics:** | | |
| | | |
| | | |
| | | |
| **Housing:** | | |
| | | |
| | | |
| | | |
| **Licencing and Testing Centre:** | | |
| | | |
| | | |
| | | |
| **Reseviors** | | |
| | | |
| | | |
| | | |
| **Schools (Primary and High):** | | |
| | | |
| | | |
| | | |
| **Sports Fields:** | | |
| | | |
| | | |
| | | |
| | | *T Q* |

## APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

| Declaration of Loans and Grants made by the municipality: Year 0 | | | | |
|---|---|---|---|---|
| All Organisation or Person in receipt of Loans */Grants* provided by the municipality | Nature of project | Conditions attached to funding | Value Year 0 R' 000 | Total Amount committed over previous and future years |
| | | | | |
| | | | | |
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| | | | | |
| | | | | |
| * Loans/Grants - whether in cash or in kind | | | | T R |

## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

| National and Provincial Outcomes for Local Government | | |
|---|---|---|
| Outcome/Output | Progress to date | Number or Percentage Achieved |
| Output: Improving access to basic services | | |
| | | |
| | | |
| | | |
| Output: Implementation of the Community Work Programme | | |
| | | |
| | | |
| | | |
| Output: Deepen democracy through a refined Ward Committee model | | |
| | | |
| | | |
| | | |
| Output: Administrative and financial capability | | |
| | | |
| | | |
| | | |
| ** Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.* | | |
| | | T S |

# VOLUME II

## VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.

# APPENDICES

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AMATHOLE
DISTRICT MUNICIPALITY